

**GOVERNMENT OF INDIA
FOOD PROCESSING INDUSTRIES
LOK SABHA**

UNSTARRED QUESTION NO:2489
ANSWERED ON:03.12.2009
PENDING FOOD PROCESSING PROJECTS
Pandey Shri Ravindra Kumar

Will the Minister of FOOD PROCESSING INDUSTRIES be pleased to state:

- (a) the details of ongoing and pending food processing projects in the country, State-wise particularly in Jharkhand;
- (b) the details of funds allocated and spent by each State, projects-wise;
- (c) whether the Government proposes to promote food processing industries in the country; and
- (d) if so, the steps taken by the Government in this regard and to provide employment to the unemployed youth in these industries?

Answer

THE MINISTER OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHA)

(a): The data on Food Processing Industries/units in the country, including that of Jharkhand is not centrally maintained. Ministry of Food Processing Industries extends financial assistance in the country in the form of grant-in-aid to implementing agencies/entrepreneurs @ 25% of the cost of Plant & machinery and Technical Civil Works subject to a maximum of Rs. 50 lakhs in general areas or 33.33% subject to a maximum of Rs. 75 lakhs in difficult areas under the Scheme of Technology Upgradation/ Establishment/ Modernization of food processing industries.

(b): Since financial assistance under above schemes is project oriented, no funds have been allocated State-wise. The financial assistance is provided to the various units under the Scheme of Technology Upgradation/ Establishment/ Modernization of food processing industries. The details of financial assistance provided to the units State-wise during last three years is annexed.

(c) & (d) : Government has formulated and is implementing several Plan Schemes to provide financial assistance for the establishment and modernization of food processing units, creation of infrastructure, support of R&D, human resource development besides other promotional measures to encourage development of food processing industries. Moreover, the Government has taken several steps like tax reduction, waiver/reduction of excise duty, reduction of custom duty on specific food items with a view to encourage the growth of Food Processing Industries and make them more competitive. Further, the Ministry under its Plan Scheme of establishing Food Testing Labs, Implementation of Quality Systems such as Hazard Analysis Critical Control Points (HACCP), Promotion of Research and Development, Capacity Building and Human Resources Development provide assistance to food processing industries to enable them to compete in the international market.

Food Processing Industries is employment intensive. It has been estimated that for every Rs. 1 crore invested, it creates 18 jobs directly and 64 indirectly in the organized sector and 20 jobs in the unorganized sector across the supply chain. Direct employment provided during the last five years has grown from 3.9 million to 4.4 million and indirect employment has grown from 6 million to 9 million.