

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

UNSTARRED QUESTION NO:4499  
ANSWERED ON:17.12.2009  
FOOD PROCESSING FACILITIES  
Rao Shri Sambasiva Rayapati

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

:

- (a) whether the Government evaluated the loss due to poor food processing facilities in the industry during the last three years;
- (b) if so, the details thereof;
- (c) the fund allocated for improving or upgrading the facilities during the last three years; and
- (d) the details of the funds spent and unspent for the development of food processing industries during the period?

**Answer**

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

(a) & (b) : Ministry of Food Processing Industries has not conducted any study in respect of evaluation of loss due to the poor food processing facilities in the industry. However, the level of wastage of agricultural food items is estimated to be about Rs. 30,000 cores occurring at various stages of handling due to fragmented farming, provisions of Agricultural Produce Marketing (Development & Regulation) Act, lack of cold chain facilities, poor transportation, lack of proper storage and processing facilities etc. Vision Document 2015 finalized by the Ministry envisages tripling the size of the processed food sector by increasing the level of processing of perishables from 6% to 20% value addition from 20% to 35% and share in global food trade from 1.5% to 3% by 2015.

(c) & (d) : The Ministry of Food Processing Industries extends financial assistance 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 and 33.33% subject to a maximum of Rs. 75 lakhs in difficult areas under the Scheme of Setting up/Modernization/Expansion of food processing industries.

Funds allocated and spent for improving or upgrading the facilities during last three years under the Plan Scheme implemented by Ministry of Food Processing Industries are as under:-

Name of Scheme	2007-08		2008-09		2009-10	
	Fund allocated (BE)	Fund released (as on 10.12.09)	Fund allocated	Fund released	Fund allocated	Fund released
Scheme for Infrastructure Development	15.00	14.79	42.20	48.28#	135.00	36.84
Technology Upgradation/ Establishment/Modernization of Food Processing Industries	113.50	119.36	91.50	96.87	60.00	51.38
Quality Assurance, Codex Standards and Research & Development and Promotional Activities	19.30	15.12	19.00	17.37	30.00	8.74
Human Resources Development	4.50	4.21	5.70	5.96#	9.00	5.06

Upgradation of Quality of Street Food	0.90	0.72	5.40	1.93	8.00	0.00
Strengthening of Institutions	26.10	26.51#	53.50	52.71	64.00	43.08

Lump sum provision for NER	20.00	4.11	24.20	13.42	34.00	6.94
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# additional fund were allocated subsequently during supplementary grants (in February) that were higher than Revised Estimate approved.