

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

UNSTARRED QUESTION NO:1789
ANSWERED ON:22.07.2014
FOOD PROCESSING UNITS .
Singh Shri Bharat

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

(a) whether the Government proposes to strengthen the food processing units of small and medium entrepreneur across the country including in Uttar Pradesh; and

(b) if so, the details of incentives provided to small and medium entrepreneurs for setting FPIs and strengthening their capacity by means of merger and acquisitions during each of the last three years and the current year, State-wise?

Answer

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES (DR. SANJEEV KUMAR BALYAN)

(a) Yes, Madam.

(b): The Ministry has launched a Centrally Sponsored Scheme of National Mission on Food Processing (NMFP) in 12th Plan (2012-17) through State/UT Governments. The mission has, interalia, one of the schemes namely scheme of Technology Upgradation/ Establishment/ Modernization of Food Processing Industries. Under the above scheme of the mission, all the eligible Small and Medium entrepreneurs interested to set up food processing units are provided financial assistance @25 per cent of the cost of Plant & Machinery and Technical Civil Works, subject to a maximum of Rs. 50 lakh in general areas; 33.33 per cent of the cost of Plant & Machinery and Technical Civil Works, subject to a maximum of Rs. 75 lakh in difficult areas (i.e. Jammu & Kashmir, Himachal Pradesh, Uttarakhand, Andaman & Nicobar Islands and Lakshadweep) and Integrated Tribal Development Project (ITDP) areas; and 50 per cent of the cost of Plant & Machinery and Technical Civil Works, subject to a maximum of Rs.100 lakh for North-Eastern States including Sikkim.

The applications for the above scheme of the mission are received, sanctioned and funds are released by the respective State/UT Governments, for setting up of Food Processing Units in the country.

In addition, Government of India provides various tax incentives to the Food Processing Industries set up by Small and Medium entrepreneurs and their units in the country including Uttar Pradesh. The details of tax incentives is annexed. Ministry of Food Processing Industries does not maintain data on merger and acquisitions of the food processing units in the country.