

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

UNSTARRED QUESTION NO:2453
ANSWERED ON:04.08.2015
Revival of Sick Food Processing Units
Tumane Shri Krupal Balaji

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

- (a) whether the Government has taken any effective steps for upgradation, modernisation and revival of sick food processing units in the country;
- (b) if so, the details thereof;
- (c) whether a number of proposal of States for revival of sick units are pending with the Government; and
- (d) if so, the details and the present status thereof ?

Answer

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES
(SADHVI NIRANJAN JYOTI)

(a) & (b): There is no scheme in the Ministry of Food Processing Industries for upgradation, modernization and revival of sick food processing units in the country. However, a scheme for Technology Upgradation / Establishment / Modernization of Food Processing Industries was being implemented under National Mission on Food Processing (NMFP), during the 12th Plan w.e.f. 01.04.2012 through State/UT Governments for providing financial assistance for creation of new processing capacity and up-gradation of existing processing capabilities in food processing sector. Under the scheme, the eligible organizations to which grant-in-aid is provided are all implementing agencies/ organizations such as Govt/ PSU/ Joint Ventures /NGOs/ Cooperatives/ SHGs/ Private Sector/ individuals engaged in establishment/ upgradation/ modernization of food processing units. Eligible Food Processing Sectors under the scheme are fruits & vegetables, milk/meat/poultry/fish products, cereal/other consumer food products, rice/ flour/ pulse/ oil milling and such other agri-horti sectors including food flavours, colours, oleoresins, spices, coconut, mushrooms, wines and hops. The pattern of assistance under the scheme was as follows:

â€¢ 25% of the cost of Plant & Machinery and technical civil works, subject to a maximum of Rs. 50 lakhs in general areas.

â€¢ 33.33% of the cost of Plant & Machinery and technical civil works, subject to a maximum of Rs. 75 lakhs in difficult areas (i.e. Jammu & Kashmir, Himachal Pradesh, Uttarakhand, Andaman & Nicobar Islands and Lakshadweep) and Integrated Tribal Development Project (ITDP) areas.

â€¢ 50% of the cost of Plant & Machinery and technical civil works, subject to a maximum of Rs.100 lakhs for North-Eastern States including Sikkim.

However, the National Mission on Food Processing and consequently the above scheme being a part of it has been delinked from the central government support with effect from 01.04.2015 in view of increased resource allocation to States resulting from the recommendations of 14th Finance Commission and presently, the scheme is at the disposal of State/UT Governments.

(c): No, Madam.

(d): Does not arise.
