

GOVERNMENT OF INDIA  
MINISTRY OF FOOD PROCESSING INDUSTRIES  
**RAJYA SABHA**  
**UNSTARRED QUESTION NO. 2950**  
ANSWERED ON 20<sup>TH</sup> DECEMBER, 2024

**CONTRIBUTION OF FOOD PROCESSING INDUSTRIES TO GDP**

**2950. SHRI SANJAY SETH:**

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

- (a) the details of the change in contribution of food processing industries to the GDP during the last five years;
- (b) the details of growth in the sector, State-wise including Uttar Pradesh;
- (c) whether Government has introduced measures to increase foreign investment in the sector, if so, the details thereof; and
- (d) whether Government has taken initiative for the promotion of micro food processing enterprises, if so, the details thereof?

**ANSWER**

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES  
(SHRI RAVNEET SINGH)

- (a). Contribution of food processing industries to Gross Value Added (GVA) during the last five years are as follows:

<b>Year</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23*</b>
<b>Share in Percentage</b>	1.85	1.48	1.55	1.37	1.30

*\*As per First Revised Estimates of National Accounts Division, Central Statistics Office, Ministry of Statistics and Programme Implementation*

- (b). The growth in Gross Value Added of Food Processing Sector for the last five years are as below. However, State-wise information is not available.

<b>GVA of Food Processing Industries (Rs. In Crore)</b>					
<b>Year</b>	<b>2018-19</b>	<b>2019-20</b>	<b>2020-21</b>	<b>2021-22</b>	<b>2022-23*</b>
<b>GVA</b>	2,35,710	1,95,909	1,96,332	1,89,532	1,91,967
<b>Growth(%)</b>	22.41	-16.89	0.22	-3.46	1.29

*\*As per First Revised Estimates of National Accounts Division, Central Statistics Office, Ministry of Statistics and Programme Implementation*

- (c). In order to enhance the foreign investment in Food Processing Sector, the following measures have been taken by the Ministry of Food Processing Industries (MoFPI):

- i. Exempting all the processed food items from the purview of licensing under the Industries (Development and Regulation) Act, 1951;
- ii. 100% Foreign Direct Investment (FDI) permitted through automatic route for food processing sector subject to sectoral regulations;

- iii. 100% Foreign Direct Investment, under Government approval route, for trading including through e-commerce, in respect of food products manufactured or produced in India; and
- iv. Lower GST for raw and processed products; more than 71.7% food products under various chapter heads/sub-heads are covered in lower tax slab of 0% & 5%.

(d). MoFPI provides financial, technical and business support for setting up/ upgradation of micro food processing enterprises under Pradhan Mantri Formalization of Micro Food Processing Enterprises (PMFME) scheme. The scheme is operational from 2020-21 to 2025-26 with total outlay of Rs 10,000 Crore. A total of 1,08,580 micro food processing enterprises have been approved for assistance under PMFME as on 31<sup>st</sup> October, 2024.

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