

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 4053
ANSWERED ON 20TH MARCH, 2018

AIDS TO NON-GOVERNMENTAL ORGANISATIONS IN FPI

†4053. **SHRI BHARAT SINGH:**

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

- (a) whether Government is running schemes for granting/expending aids to non-governmental organisations working in the food processing sector in the country;
- (b) if so, the details thereof;
- (c) whether the consumption of processed food products is expected to rise from current 24 lakh crore rupees to 65 lakh crore rupees by 2025 and if so, the details thereof; and
- (d) the steps contemplated by the Government to encourage food processing industry in the country?

ANSWER

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

(a) & (b): Government is implementing the Central Sector Scheme – **PRADHAN MANTRI KISAN SAMPADA YOJANA (PMKSY)** for promotion and development of food processing sector in the country. Non-Governmental Organisations (NGOs) working in food processing sector and meeting the eligibility criteria under the following schemes of PMKSY can also avail grant-in-aid:

- (i) Integrated Cold Chain and Value Addition Infrastructure;
- (ii) Creation/Expansion of Food Processing & Preservation Capacities;
- (iii) Infrastructure for Agro-processing Clusters; and
- (iv) Creation of Backward and Forward Linkages.

(c): No such estimate of consumption of processed food products has been made by this Ministry.

(d): The PMKSY is a comprehensive package to give renewed thrust to the food processing sector in the country. The new schemes under it aim at development of modern infrastructure to encourage entrepreneurs to set up food processing units based on cluster approach, provide effective and seamless backward and forward integration for processed food industry by plugging gaps in supply chain and creation of processing and preservation capacities and modernization /expansion of existing food processing units. Besides, the Government has taken a number of policy initiatives like permitting 100% FDI through automatic route in manufacturing of food products and 100% FDI under Government approval route for trading, including through e-commerce, in respect of food products produced and/or manufactured in India; Creation of special fund of Rs. 2000 Crore in National Bank for Agriculture and Rural Development (NABARD) to provide affordable credit; Classification of food & agro-based processing units and Cold Chain as agriculture activity for Priority Sector Lending (PSL); lower Goods & Services Tax (GST) rates for majority of food products, 100% exemption of Income Tax on profit for new food processing units, etc., to encourage food processing industry in the country.
