

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 745
ANSWERED ON 25.07.2023

MAKING FOOD PROCESSING SECTOR EFFICIENT

745. SHRI KURUVA GORANTLA MADHAV:

Will the MINISTER OF FOOD PROCESSING INDUSTRIES be pleased to state:

- (a) whether conventional production strategies are used in the food processing sector in the country whereby agricultural and food merchandise is inspected by human evaluators;
- (b) if so, the details thereof and if not, the reasons therefor;
- (c) whether the Government is taking any steps to make the food processing sector more efficient with technology; and
- (d) if so, the details thereof and if not, the reasons therefor?

ANSWER

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

(a) & (b): As per the good manufacturing practices mandated under the Food Safety and Standards Act 2006 and the regulations thereunder, the modern technology is used in quality inspection and adherence in the conventional food production which operates on economies of scale, specialization and global trade. In general, the adoption of the technology in the registered food and beverage sector has also increased. As per the Annual Survey of Industries estimates, the gross value of plant & machinery in the registered food and beverage sector has increased from Rs. 1.84 lakh crore in 2016-17 to Rs 2.14 lakh crore in 2019-20.

(c) & (d): Government of India has, inter-alia, undertaken the following steps for making the food processing sector efficient with modernization and technology upgradation:

(i) The Ministry of Food Processing Industries implements three major schemes, namely, Pradhan Mantri Kisan Sampada Yojana, Pradhan Mantri Formulation of Micro Food Enterprises and Production Linked Incentives Scheme for Food Processing Industry. Under these schemes, the financial assistance is provided on the cost incurred on the plant & machinery, technical civil works and/or incremental sales.

(ii) The import of the standalone machinery and equipments is allowed at 7.5% basic custom duty rate while the import of machinery & equipments is allowed at concessional 5 % basic custom duty rate under the Project Imports Regulations 1986 as amended from time to time.

(iii) 100% FDI is allowed under automatic route for manufacture of food products and 100% FDI is allowed in retail trade including e-commerce under government route for the food products manufactured or produced in India.
