

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

UNSTARRED QUESTION NO:2210

ANSWERED ON:08.08.2005

TINNED FOOD ITEMS

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

- (a) whether the Government is contemplating any scheme to make available tinned food items in the market;
- (b) if so, the details thereof;
- (c) whether action is being taken to provide financial assistance for the said scheme and to accord legal sanction to food policy;
- (d) if so, the details thereof;
- (e) the total percentage of foreign investment proposed to be allowed in the said market; and
- (f) the total expenditure proposed to be incurred thereon alongwith the details thereof?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES(SHRI SUBODH KANT SAHA)

(a) to (f): The Government does not set up food processing units on its own for production or sale of processed food items. However, in order to promote food processing industries, Plan schemes have already been formulated to provide financial assistance for establishment and modernization of food processing units, creation of infrastructure, support for Research & Development, human resource development besides other promotional measures to encourage development of food processing industries in the country. Processed food is normally retailed in packaged form including in can form. The rate of assistance for establishment /modernization of food processing units is 25% of the project cost of plant & machinery and technical civil works subject to a maximum of Rs. 50 lakh in general areas and 33.33% of the project cost subject to a maximum of Rs. 75 lakh in difficult areas. An amount of Rs. 180 crore has been allocated in B E 2005-06 for expenditure under various schemes including the scheme for technology upgradation/establishment/expansion of food processing industries. Hundred percent FDI is already permitted in food processing sector except in food retailing, plantation and alcoholic beverages.