

GOVERNMENT OF INDIA
 MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION No.2939
 ANSWERED ON 08TH AUGUST, 2024

CONTRIBUTION OF FPIS IN GDP

2939. DR. PRADEEP KUMAR PANIGRAHY:

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 Odisha;
- (c) whether the Government has introduced measures to increase foreign investment in the sector and if so; the details thereof: and
- (d) whether the Government has taken any initiative for the promotion of micro food processing enterprises and 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:

Year	2018-19	2019-20	2020-21	2021-22	2022-23*
Share in Percentage	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 (GVA) of Food Processing Sector for the last five years are as below. However, State-wise information is not available.

Growth in GVA of Food Processing Industries (Rs. In Crore)					
Year	2018-19	2019-20	2020-21	2021-22	2022-23*
GVA	2,35,710	1,95,909	1,96,332	1,89,532	1,91,967
Growth(%)	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 for a period of five years from 2020-21 to 2024-25 with total outlay of Rs 10,000 Crore. A total of 92,549 micro food processing enterprises have been approved for assistance under PMFME as on 30th June, 2024.
