

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

STARRED QUESTION NO:83

ANSWERED ON:12.07.2004

IMPETUS TO FPI

Gandhi Shri Pradeep;Mahajan Shri Y.G.

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

- (a) whether the Government is considering setting up food processing units in rural areas of the country;
- (b) if so, the details thereof;
- (c) whether the Government has formulated any plan/scheme to give an impetus to the Food Processing Industries; and
- (d) if so, the salient features of the proposed scheme?

Answer

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

(a) to (d): A statement is laid on the Table of the House.

Statement referred to in reply to parts (a) to (d) of the Lok Sabha Starred Question No.83 for 12.7.2004 regarding Impetus to FPI.

The Government does not set up food processing units on its own. However, plan schemes have already been formulated to provide financial assistance for establishment and modernization of food processing units, creation of infrastructure, support for R&D, human resource development besides other promotional measures to encourage development of food processing industries.

The rate of assistance for establishment/modernization of food processing units is 25% of the plant and machinery and technical civil works subject to maximum of Rs.50 lakh in general areas and 33.33% of the project cost subject to maximum of Rs.75 lakh in difficult areas. The other major scheme of food parks provides for assistance up to Rs.4.00 crore, for specified common facilities at the rate of 25% and 33.33% of project cost in the two areas respectively. Financial assistance is in the form of grant payable to private industries, NGOs, cooperatives, public sector undertakings, human resource development organizations and research & development institutions etc.