

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:6862
ANSWERED ON:10.05.2000
FRUIT AND VEGETABLE PROCESSING UNITS
S.S. PALANIMANICKAM

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether there is a scheme for providing assistance for setting up/expansion/modernisation etc. of Food, Fruit and Vegetable processing units;
- (b) if so, the details thereof;
- (c) whether the Standing Committee on Agriculture had also recommended that a special package of assistance for setting up of Fruit and Vegetable Processing units in rural areas;
- (d) if so, the action taken/proposed to be taken thereon; and
- (e) the other modalities for the above Schemes are likely to be worked out and result thereof?

Answer

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES

(SHRI SYED SHAHNAWAZ HUSSAIN)

(a) & (b): Yes sir. Under the scheme for setting/expansion/modernization of food processing units, including fruit and vegetable processing units, being operated by the Department of Food Processing Industries during the 9th Plan Period, financial assistance ranging from Rs.25 lakhs to Rs.2.00 Crores, depending upon the nature of the organization is available as grant/loan. The quantum of grant/loan is limited to 50% of the cost of capital equipment and technical civil works.

(b) to (e): The Standing Committee on Agriculture, in its ninth report dated 10th April, 2000 has, amongst others, made recommendations regarding setting up of primary processing facilities in the proximity of the growing areas so that most of the produce could be processed on the spot, avoiding huge expenditure incurred on transportation; putting more stress on conventional methods of processing and preserving food; evolving strategies to provide some alternate use of cold storages/chilling stations during off-seasons and to provide funds to state Governments for revival of sick cold storages etc.

These recommendations have been received recently and action has been initiated to process these recommendations.