

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

UNSTARRED QUESTION NO:3213  
ANSWERED ON:15.04.2010  
PENDING PROPOSAL OF KARNATAKA  
Shantha J.;Vishwanath Shri Adagur H

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

- (a) the number of proposals of the Government of Karnataka for setting up food processing units pending with the Union Government, as on date;
- (b) the details and the status of each such proposal and the reasons for delay in their clearance; and
- (c) the time by which these proposals are likely to be cleared?

**Answer**

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

(a) to (c): Ministry of Food Processing Industries (MFPI) under its Plan Scheme for Technology Upgradation, Establishment and Modernization of Food Processing Industries provides financial assistance to the proposals received from eligible agencies for setting up of food processing units as per guidelines of scheme. MFPI schemes are project specific, not State specific. MFPI has not received any proposals directly from State Governments including that of Karnataka for financial assistance for setting up of food processing units on its own during the last three years.

To promote food processing in the country, Ministry of Food Processing Industries extends financial assistance in the form of grant-in-aid to implementing agencies/entrepreneurs @ 25% of the cost of Plant & machinery and Technical Civil Works subject to a maximum of Rs. 50 lakhs in general areas or 33.33% subject to a maximum of Rs. 75 lakhs in difficult areas under the Scheme of Setting up/Modernization/Expansion of food processing industries. In order to ensure speedy disbursement of financial assistance, the Ministry has decentralized the disbursement procedure through banks/ financial institutions under the scheme of setting up/Establishment/ Modernization/Expansion of Food Processing Industries w.e.f. 01.04.2007.

Under the decentralized procedure, the applications are received directly by the Banks/FIs, hence the data for receipt of the applications for 2007-08, 2008-09 and 2009-10 is not maintained centrally by the Ministry. The financial assistance to the units are provided depending upon the availability of funds by the MFPI.