

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

UNSTARRED QUESTION NO:3221
ANSWERED ON:15.04.2010
FOOD PROCESSING UNITS IN RAJASTHAN
Kaswan Shri Ram Singh

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

- (a) the number of proposals regarding setting up of food processing units alongwith the proposals of expansion of the existing units from Rajasthan pending for approval with the Government;
- (b) the reasons for the pendency of the cases for approval for more than one year; and
- (c) the action proposed to give expeditious approval to the proposals?

Answer

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

(a): Under the Plan Scheme of Technology Upgradation, Establishment and Modernization of Food Processing Industries, a total 150 proposals for setting up of food processing units along with the proposals of expansion of the existing units received from the Rajasthan are pending.

(b): During 11th Five Year Plan, a total of Rs. 600 crore was approved for the scheme of Technology Upgradation, Establishment and Modernization of Food Processing Industries. However, against this provision of Rs. 600 crore, Ministry has received only Rs. 299.74 crore during last years. Due to this insufficient budgetary allocation, a total of 2206 proposals are pending as on 31.03.2010, including that of Rajasthan State for which Ministry would require a budgetary allocation of approx. 330 crores for the scheme.

As for State of Rajasthan is concerned, a total of 150 proposals are pending due to insufficient budgetary allocation. During the year 2009-10, total 25 units have been assisted in Rajasthan for which Rs. 308.06 lakhs has been released.

(c): 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. Apart from this, Planning Commission has been requested several times by this Ministry to enhance the budget allocation. During the formulation of Annual Plan 2010-11 keeping in view the large number of pending applications and ever increasing number of fresh application for assistance under the scheme and also the indicate tentative size of Plan 2010-11, a moderate budgetary estimate of Rs. 300 crore had been proposed for the financial year 2010-11 to assist about 1200 pending applications including that of Rajasthan.