

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

UNSTARRED QUESTION NO:2624
ANSWERED ON:25.11.2010
E-PORTAL SCHEME
Sethi Shri Arjun Charan

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

- (a) whether the e-portal scheme being in vogue in releasing grant-in-aid to the applicants/entrepreneurs @ 25% of the cost of Plant & Machinery and technical civil works for setting up Food Processing Industries;
- (b) if so, the details thereof;
- (c) whether the system maintains the transparency and quick disposal of grant-in-aid in favour of the entrepreneurs;
- (d) if so, the details thereof;
- (e) whether it is a fact that there is no co-ordination between the sponsoring Bank and the department in the Ministry of Food Processing itself as a result a large number of such cases pending for the sanction of subsidies in the States particularly in Orissa; and
- (f) if so, the details in this regard?

Answer

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

(a) & (b): Yes, Sir. E-portal has been developed as part of Management Information System of Scheme of Technology Upgradation / Establishment/ Modernization of Food Processing Industries.

(c) & (d): Prior to 01.04.2007, Under Scheme of Technology Upgradation / Establishment/ Modernization of Food Processing Industries, all the applications for such grants were received by the Ministry through the State Nodal Agencies. These applications were then Centrally processed and grants disbursed directly by the Ministry. From 2007-08, the receipt of applications, their appraisal, calculation of grant eligibility as well as disbursement of funds has been completely decentralized. Under the new procedure, an entrepreneur/ applicant can file application with the neighborhood Bank branch/ Financial Institution (FI). The Bank/ FI would then appraise the application and calculate the eligible grant amount as per the detailed guidelines given to them by the Ministry. The Banks/ FIs send recommendation for the release of grant to the Ministry through e-portal established for this purpose. After the recommendation and requisite documents is received from the Bank/ FI, the Ministry sanctions the grant and transfer the funds through the e-portal.

(e) & (f): No, Sir. There is proper coordination between banks and Ministry of Food Processing Industries. Regular quarterly review meetings are held apart from normal correspondence.

The reasons for delay in release of grant are non- receipts of requisite documents and non-availability of sufficient funds in Scheme.

As regards Orissa State is concerned from 2007, 34 proposals have been received, out of which 24 number of proposals have been disbursed.