

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

UNSTARRED QUESTION NO:463

ANSWERED ON:11.11.2010

FPI UNITS IN RAJASTHAN

Choudhary Shri Harish;Jakhar Shri Badri Ram ;Singh Shri Ijyaraj

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

- (a) the total number of Food Processing Units functioning in Rajasthan as on date location-wise;
- (b) the financial assistance provided during the last three years and the current year, unit-wise;
- (c) the time by which the actual assistance is provided after receiving the proposal; and
- (d) the steps taken by the Government to set up more food processing units in Rajasthan particularly in Jodhpur and Pali Division?

**Answer**

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

(a): Food Processing Industries are set up both in organized and unorganized sectors and as such data on the number and location of food processing units in the country is not centrally maintained by the Ministry. However, as per competitiveness report of National Manufacturing Competitiveness Council, Government of India, a total 506 registered food processing units are functioning in Rajasthan.

(b): The details of financial assistance provided to food processing units in Rajasthan under the Scheme of Technology Upgradation, Establishment, Modernisation of Food Processing Industries during last three years are given as below:-

(Rs. in lakhs)

Year	No. of unit approved	Amount released
------	----------------------	-----------------

2007-08	35	566.07
---------	----	--------

2008-09	44	551.97
---------	----	--------

2009-10	27	325.46
---------	----	--------

2010-11	42	559.56
---------	----	--------

(c): In order to ensure speedy disbursement of financial assistance, the Ministry has decentralized the disbursement procedure through banks via an e-portal under the Scheme of Setting up/Modernization/Expansion of food processing industries with effect from 01.04.2007. The time frame for releasing the fund depends upon the availability of funds.

(d): 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.

Government has formulated and is implementing several Plan Schemes to provide financial assistance for the establishment and modernization of Food processing units, creation of infrastructure, support of R&D, human resource development besides other promotional measures to encourage development of food processing industries. Moreover, the Government has taken several steps like tax reduction, waiver/reduction of excise duty, reduction of custom duty on specific food items with a view to encourage the growth of Food Processing Industries and make them more competitive. Further, the Ministry under its Plan Scheme of establishing Food Testing Labs, Implementation of Quality Systems such as Hazard Analysis Critical Control Points (HACCP), Promotion of Research and Development, Capacity Building and Human Resources Development provide assistance to food processing industries to enable them to compete in the international market. All these measures are applicable to entire country including Pali & Jodhpur.