

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

UNSTARRED QUESTION NO:466

ANSWERED ON:11.11.2010

FPI IN GUJARAT

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

- (a) the total number of Food Processing Units functioning in the State at present;
- (b) the details of financial assistance extended to various Food Processing Industries during the last three years, alongwith the location of such industries; and
- (c) the details and salient features of schemes for Food Processing Industries being run by the Government and the way by which the food processing industries of various states are being promoted through said schemes?

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 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 1307 registered food processing units are functioning in Gujarat.

(b):The details of financial assistance provided to food processing units along with location in Gujarat under the Scheme of Technology Upgradation / Establishment/ Modernization of Food Processing Industries during last three years through modified Decentralized System are annexed.

(c):The 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 and 33.33% subject to a maximum of Rs. 75 lakhs in difficult areas under the Scheme of Technology Upgradation/ Establishment/ Modernization of food processing industries.

Earlier, 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 guideline given to them by the Ministry. The Banks/ FIs appraisal report and its recommendation for the release of grant is transmitted 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. Salient features of other Schemes of Ministry are available at www.mofpi.nic.in.