

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

UNSTARRED QUESTION NO:9
ANSWERED ON:22.11.2011
SETTING UP OF FOOD PROCESSING UNITS
Siddeswara Shri Gowdar Mallikarjunappa

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

- (a) whether the Union Government has received a number of proposals from the State Government of Karnataka to setup food processing units in the State and such proposals are still pending;
- (b) if so, the details thereof along with the reasons for the pendency; and
- (c) the time by which a decision is likely to be taken on these proposals?

Answer

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES (DR.CHARAN DAS MAHANT)

(a) to (c): No such proposals are received from the State Governments directly. Ministry of Food Processing Industries (FPIs) under its Plan Scheme for Technology Upgradation/ Establishment/ Modernization of FPIs extends the financial assistance for setting up of new food processing units as well as technological upgradation and expansion of existing units in the country. Ministry extends financial assistance in the form of grants-in-aid to entrepreneurs @ 25% of the cost of Plant and Machinery and Technical Civil Works subject to a maximum of Rs. 50 lakhs per project in general areas and @ 33.33% subject to maximum of Rs. 75 lakhs per project in difficult areas. In 11th Plan, Ministry has supported 123 units from Karnataka so far.