

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

UNSTARRED QUESTION NO:2778

ANSWERED ON:23.07.2009

OPENING OF FOOD PROCESSING UNITS IN RURAL AREAS

Siddeswara Shri Gowdar Mallikarjunappa

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

- (a) whether the Government has received any proposal to develop and promote food processing units in rural areas of the country, especially in Karnataka;
- (b) if so, the details thereof; and
- (c) the details of funds provided for the purpose during the last three years?

Answer

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

(a) to (c): Ministry of Food Processing Industries extends financial assistance in the form of grant-in-aid @ 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. This Scheme is project specific and the data on food processing in rural areas of the country, especially Karnataka is not centrally maintained by the Ministry. However, the financial assistance provided to the various units under the scheme in Karnataka during the last three years i.e. 2006-07, 2007-08 and 2008-09 is Rs.614.290 lakhs, Rs. 529.62 lakhs and Rs. 629.895 lakhs respectively.