

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:3179
ANSWERED ON:11.02.2014
SETTING UP OF INDUSTRIAL UNITS FOR POTATOES
Karwariya Shri Kapil Muni

Will the Minister of AGRICULTURE be pleased to state:

- (a) whether the Government proposes to set up industrial units for processing of potatoes in Allahabad region, Uttar Pradesh which is a rich source for production of potatoes;
- (b) if so, the details thereof; and
- (c) the time by which the units are likely to be set up in the region?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND FOOD PROCESSING INDUSTRIES (DR. CHARAN DAS MAHANT)

(a) & (b): Ministry of Food Processing Industries (MoFPI) is implementing a Centrally Sponsored Scheme – National Mission on food Processing (NMFP) during 12th Five Year Plan to increase the level of processing, reduction of wastage and value addition. Technology upgradation/ establishment/ modernisation of food processing industries, inter-alia, is one of the components of the National Mission on Food Processing. Under the above scheme all the eligible food processing units including potato processing units are provided financial assistance. The grants-in-aid is provided to the implementing agencies/entrepreneurs @ 25% of the cost of plant and machinery and technical civil works subject to a maximum of Rs. 50.00 lakh for general areas, @ 33.33% subject to maximum of Rs. 75.00 lakh in difficult areas including Hilly areas like Jammu & Kashmir, Himachal Pradesh, Uttarakhand & ITDP areas in the country and @ 50% subject to maximum of Rs. 100.00 lakh for North-Eastern States including Sikkim. Potato based food processing industries are covered under the NMFP.

State Government of Uttar Pradesh also provides following rebates and concessions for establishment of food processing units in the state including Allahabad region:

i. reimbursement of 7% of bank loan interest. ii. 100% exemption on stamp duty fee. iii. interest free loan against VAT and CST. iv. 100% exemption from mandi fee & cess. V. assistance for market development to new units. vi. 20% reimbursement of F. O. B. value on export of processing products. vii. 25% of the actual transportation cost of the product for promotion of export of processed products.

(c): State Government has not received any potato processing proposal of entrepreneurs from the Allahabad region.