

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

UNSTARRED QUESTION NO:4910
ANSWERED ON:09.12.2010
LIQUOR FROM FOODGRAINS
Bhaiya Shri Shivraj

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

- (a) whether sorghum and other foodgrains are being used in wine brewing in various States of the country including Madhya Pradesh;
- (b) if so, the details thereof;
- (c) whether the subsidy is being provided by several State Governments for the manufacture brewing wine in this way;
- (d) if so, the details thereof; and
- (e) the reaction of the Government thereto?

Answer

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

(a) & (b): Alcohol is a State subject. All matters relating to issuance of license for manufacturing and monitoring etc are dealt by the respective State Governments. The Ministry of Food Processing Industries has no information on the use of sorghum and other foodgrains by States including Madhya Pradesh for manufacturing wine. However, grapes and other fruits are used for manufacturing of wines.

(c): Yes, Sir. Some States like Maharashtra and Karnataka are providing incentives/subsidy to wine being produced from wine grapes.

(d): State like Maharashtra is providing 16% VAT refund based on the total MVAT paid @ of 20% by the eligible unit on the sale of wine manufactured from grapes. The State Government in Karnataka has brought in Karnataka Grape Processing and Wine Policy-2007. It is also providing 25% subsidy upto a maximum of Rs.50.00 lakhs for establishment of Horticulture crops processing and value addition industries which also includes grape wine production, and wine industry has also been declared as "Horticulture and Food Processing Industries". The State Govt has simplified rules for issuing license and permits to wineries and also reduced the license fee payable.

(e): The Ministry's mandate is to promote processing of various agri, horti, meat & dairy products including fruits & vegetable and foodgrains into value added food products, thereby, minimizing wastages. It also increases the demands for such raw materials there by leading to better income realization to the growers/farmers