

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

UNSTARRED QUESTION NO:4390
ANSWERED ON:30.08.2011
GRANT-IN-AID FOR FLOUR MILLS
Rathwa Shri Ramsinhbhai Patalbhai

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

- (a) whether the Government has any proposal under consideration to start grant-in-aid to flour mills and rice mills in the country including Gujarat;
- (b) if so, the details thereof; and
- (c) the criteria to be adopted for providing grant-in-aid to these mills and the time by which the scheme is likely to be started?

Answer

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

(a): The Ministry has decided not to accept any proposal under grain milling sector including rice and flour milling after 06.02.2009 due to budgetary constraints. At present there is no proposal to start grant-in-aid to flour mills and rice mills in the country including Gujarat. However, the grant-in-aid to grain milling sector including Rice & Flour Milling is open to North Eastern States under the scheme for Technology Upgradation/Modernization/Establishment of Food Processing Industries.

(b): Does not arise.

(c): Under the scheme for Technology Upgradation/ Modernization/ Establishment of Food Processing Industries, the Ministry of Food Processing Industries extends financial assistance to food processing units in the form of grant-in- aid @ 25% of the cost of Plant & Machinery and Technical Civil Works subject to a maximum of Rs. 50.00 lakhs in general areas, or @ 33.33% subject to maximum of Rs. 75.00 in difficult areas such as Jammu & Kashmir, Himachal Pradesh, Uttrakhand, Sikkim & North Eastern States, A&N Ilands, Laksha Dweep & ITDP Areas. At present there is no proposal to start grant-in-aid to flour mills and rice mills in the country including Gujarat.