

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

UNSTARRED QUESTION NO:3467

ANSWERED ON:11.08.2015

Rice Mills

Mann Shri Bhagwant

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

- (a) whether the Rice Mills in the country are facing problems for want of adequate credit and capital in various parts of the country including Punjab;
- (b) if so, the details thereof and the reaction of the Government thereto;
- (c) whether any funds have been allocated to meet the problem of rice mills in the country during current year; and
- (d) if so, the details thereof, State-wise?

Answer

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES
(SADHVI NIRANJAN JYOTI)

(a) to (d): No such specific instance has come to the notice of the Government. However, for the purpose of promotion of food processing industries (i.e. including Rice Mills) in the country including Punjab, the Ministry of Food Processing Industries had been implementing the Scheme of Technology Upgradation /Establishment/Modernization of Food Processing Industries over the years and the same was decentralized w.e.f. 01.04.2007 through Banks/ Financial Institutions. Under this scheme, financial assistance in the form of grant-in-aid (i.e. upto 50 lakh in normal areas and 75 lakh in difficult areas) had been granted to eligible entrepreneurs for Setting up/Technology Upgradation/Modernization of food processing industries (i.e. including Rice Mills) in the country including Punjab.

With effect from 01.04.2012, the above mentioned scheme had been subsumed with the Centrally Sponsored Scheme – "National Mission on Food Processing (NMFP)" and was implemented through State/UT Governments since then. However, the National Mission on Food Processing and consequently the above scheme being a part of it has been delinked from the central government support with effect from 01.04.2015 in view of increased resource allocation to States resulting from the recommendations of 14th Finance Commission and presently, the scheme is at the disposal of State/UT Governments, who may run them from their own resources.

The Government has created a special fund of Rs. 2000 Crore in NABARD (i.e. National Bank for Agriculture and Rural Development) to provide affordable credit to food processing units including rice mills to be set up in the designated food parks. The Ministry has notified 142 designated food parks in various States in the country for the said purpose.

The details of financial assistance provided to Rice Mills in the country during the current year (i.e. from 1st April, 2015 to 5th August, 2015) as part of committed liability with respect to earlier cases, are given in Annexure.
