

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

UNSTARRED QUESTION NO:218
ANSWERED ON:20.02.2006
SETTING UP OF TECHNICAL CONSULTANCY SERVICE
Mandal Shri Sanat Kumar

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

- (a) whether the Government has set up any technical consultancy service for promoting food processing and agro-processing industries in the country;
- (b) if so, the details thereof;
- (c) whether the Government has taken any effective steps for the promotion of food and agro-processing industries in the country during the current financial year; and
- (d) if so, the details thereof?

Answer

THE MINISTER OF STATE OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES (SHRI SUBODH KANT SAHAI)

(a): No, Sir.

(b): Does not arise.

(c) & (d): Promotion of food processing industries is an on going process. Several measures have been taken by the Government for promotion of FPIs from time to time. Plan Schemes have been implemented to provide financial assistance for establishment and modernization of the food processing units, creation of infrastructure, support for R&D, human resource development besides other promotional measures to encourage development of food processing industries. Recently, in 2004-05 the Government has allowed under Income Tax Act, a deduction of 100% of profit for five years and 25% of profits for the next five years in case of new agro processing industries set up to process, preserve and package fruits and vegetables. Excise duty of 16% on dairy machinery has been fully waived for promotion of dairy processing industries. Excise duty on meat, poultry and fish products has been reduced from 16% to 8%. Excise duty on food grade hexane used in edible oil industry has been reduced from 32% to 16%. In the Budget of 2005-06 excise duty of Rs. 1.00 per kg on refined edible oil and Rs. 1.25 per kg on vanaspati was abolished. Customs duty on refrigerated vans was reduced from 20% to 10%.