

**GOVERNMENT OF INDIA
AGRICULTURE
LOK SABHA**

UNSTARRED QUESTION NO:961
ANSWERED ON:27.02.2006
REDUCTION OF AIR FREIGHT COST FOR FLOWERS
Shivanna Shri M

Will the Minister of AGRICULTURE be pleased to state:

(a) whether the Government of Karnataka has urged the Union Government to reduce air freight cost for perishable commodities especially for flowers so as to make Indian floriculture products competitive in international market; and

(b) if so, the reaction of the Union Government thereto?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA)

(a): Yes, Sir. The Government of Karnataka has requested Government of India for lowering the air freight cost by reducing the central tax on aviation turbine fuel and reducing the sales tax rates to make Indian floriculture products competitive in International market.

(b): The matter is under examination of the Government of India. Agricultural and Processed Food Products Export Development Authority (APEDA) is presently providing a subsidy of 25% of freight cost or 20% of FOB (free on board) or value specific rate (Rs. per kg) whichever is less.