

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

UNSTARRED QUESTION NO:3439
ANSWERED ON:24.08.2006
FRUIT BASED FOOD PROCESSING INDUSTRIES
Singh Shri Dushyant

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

- (a) whether the Government is taking any steps to promote Fruit based Food Processing Industries in the Northern States;
- (b) if so, the details of the promotional measures undertaken in those States during the last three years; and
- (c) the financial assistance provided to set up fruits based units in Rajasthan during the said period?

Answer

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

(a) to (c): The Ministry of Food Processing Industries, under its plan schemes, provides financial assistance @ 25% of the cost of plant & machinery and technical civil works upto Rs. 50 lakhs in general areas and @ 33.33% upto Rs. 75 lakhs in difficult areas for setting up / upgradation / modernization of food processing industries including fruit and vegetable processing industries.

The Government has initiated several policy and fiscal measures to promote growth and development of fruit and vegetable processing in general. These include:

i) Processed fruit & vegetable products are exempt from excise duty.

ii) Under Income Tax act a deduction of 100% profit for five years and 25% profit for the next five years is available in case of new agro processing industries set up to process, preserve and package fruits and vegetables as announced in budget of 2004-05.

iii) Customs duty on refrigerated vans has been reduced from 20% to 10%.

In addition, under the Plan schemes, assistance is provided for promotional activities, Human resource Development, Research & Development and Infrastructure Development.

During last three years (2003-04 to 2005-06), the Ministry has provided financial assistance to 17 food processing projects in Rajasthan with a total approved assistance of Rs. 264.09 lakhs. Fruit processing units have not been assisted during this period. An Investor's meet is proposed to be organized soon in Rajasthan.