

(d) and (e) The Government has taken a number of policy initiatives to promote the growth of processed food sector in the country. Some of them are as under:

1. Automatic approval for foreign equity upto 51% is available for most of the processed food items.
2. Food processing industries has been included in the list of priority sector for bank lending.
3. Most of the processed food items have been exempted from the purview of licensing under the Industries (Development and Regulation) Act, 1951.
4. The Government has rationalised the excise and custom duties for food processing items. The Ministry also provides financial assistance under its Plan Schemes for promotion of food processing industries including that for setting up/expansion/modernisation of food processing units.

(f) Reference has been made to the State Governments/Union Territories to consider Creation of a separate Ministry/Department for Food Processing Industries.

(g) Response is awaited.

#### **Production of Fruit and Vegetables**

397. DR. SUSHIL INDORA :  
PROF. PREM SINGH CHANDUMAJRA :  
SHRI NIKHILANANDA SAR :

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

(a) whether the annual production of fruit and vegetables in the country is likely to reach around 110 million tonnes;

(b) if not, the facts in this regard;

(c) whether 30% to 35% of fruit and vegetables go waste each year due to lack of post-harvest facilities and the absence of linkages with the processors and markets;

(d) if so, whether industry is suffering losses as a less quantity of the produce is processed;

(e) if so, the reasons therefor; and

(f) the steps taken by the Government for the export of processed products?

THE MINISTER OF INFORMATION AND BROADCASTING AND MINISTER OF FOOD PROCESSING INDUSTRIES (SHRI PRAMOD MAHAJAN):  
(a) and (b) The annual production of fruit and vegetable was already 113.00 million tonnes in 1995-96.

(c) to (e) Although no survey has been conducted by the Ministry of Food Processing Industries to assess the loss of fruits and vegetables, it is estimated that quality deterioration and loss in value that take place is about 25 to 30% of some fruits and vegetables due to inadequacy of post harvest infrastructure and perishability of the produce. Such losses do affect the availability of raw materials for processing.

(f) To encourage export of processed foods, Government is providing financial assistance for setting up/modernisation/expansion of food processing plants, for R&D, and for promotional activities like publicity, market promotion, foreign market studies, participation in important trade fair etc. Besides this, in accordance with the general policy of Government for promoting exports, 100% Export Oriented Food Processing Units and the units located in Free Trade Zones, get complete exemption of customs duty on imported capital goods, intermediates, components and raw materials in accordance with the EXIM Policy in force. Such units are also permitted to sell upto 50% of their production in the domestic market.

#### **Arms Dealers Link with Vice-Admiral**

398. SHRI CHANDU LAL AJMEERA :  
SHRI JANG BAHADUR SINGH PATEL :

Will the Minister of DEFENCE be pleased to state:

(a) whether the Naval Headquarters had conducted enquiries into the alleged links of a senior naval officer with arms dealing companies and enjoying their hospitalities;

(b) if so, the details of those cases alongwith the findings of the enquiries; and

(c) the action taken by the Government thereon?

THE MINISTER OF DEFENCE (SHRI GEORGE FERNANDES) : (a) to (c). A vice Admiral had submitted his statutory representations through normal service channels for redressal of his grievances, *inter alia*, for expunction of certain adverse entries recorded by the