

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

UNSTARRED QUESTION NO:1724  
ANSWERED ON:05.12.2005  
WASTAGE OF FRUITS AND VEGETABLES  
Mahajan Shri Y.G.,Shivanna Shri M

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

- (a) whether the vegetables and fruits worth Rs. 1100 crore dollars are wasted every year in India due to lack of storage and processing facilities;
- (b) if so, the details thereof;
- (c) whether only 2 per cent of vegetables and fruits are stored and protected scientifically; and
- (d) if so, the steps taken by the Government in this regard?

**Answer**

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

(a) to (c) : As per the report of M/s Rabo India Finance Private Limited, wastage of the fruits & vegetables is estimated to be about Rs. 33,000 crore occurring at various stages of handling after harvesting like inadequate post-harvest infrastructure, lack of cold chain facilities, transportation, proper storage facilities etc. Level of processing of fruits & vegetables in the country is estimated to be 2.20%.

(d): Government has formulated and implemented several Plan Schemes to provide financial assistance for establishment and modernization of food processing units, creation of infrastructure, support for research and development, human resource development besides other promotional measures to encourage development of food processing industries. Recently in 2004-05 in order to give boost to growth of FPI sector 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. Fruit & vegetable products are already exempted from payment of excise duty. A National Horticulture Mission has been launched with effect from 1st April 2005 with an objective to boost the horticulture sector.