

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

UNSTARRED QUESTION NO:388

ANSWERED ON:23.11.2006

SHARE IN RETAIL MARKET OF PROCESSED FOOD

Owaisi Shri Asaduddin

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

(a) whether the Government has asked the leading business industrial chambers for suggestions to generate revenue through processed food;

(b) if so, the details suggestions made by these chambers; and

(c) the time by which a detailed plan is likely to be chalked out by the Government for gaining larger share in the retail market of processed food?

Answer

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

(a) to (c): The Industry Associations have submitted proposals for the Budget 2007-08 to the Government for tax incentives to the food processing industry in order to enhance the level of processing and value addition, reduce wastages and increase India's share in global trade of agricultural products, generate employment for large number of people, increase the income of farmers and contribute to overall economy of the country. The suggestions made include following a multi-pronged strategy in the form of direct and indirect tax incentives, making available concessional rate of finance, speedy clearance of projects, provision of tax holding to the entire chain of the food processing and agro-based industry across the country under the Income Tax Act, 1961, exemption of excise duty for food processing machinery and refrigerated trunks and other vehicles used by processed food industry, exemption of customs duty and countervailing duty for import of food processing machinery by mega food processing plants, developing forward linkages for fresh and processed food and excise duty reductions in various processed food items.