

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

UNSTARRED QUESTION NO:3959
ANSWERED ON:18.02.2014
FOOD PROCESSING INNOVATION CLUSTERS
Tandon Annu

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

- (a) whether the Government is considering to set up food processing innovation clusters in order to increase the research and development efforts in the food processing sector;
- (b) if so, the details thereof; and
- (c) the details of the incentives being given by the Government to increase the R&D efforts in the food processing sector?

Answer

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES (DR. CHARAN DAS MAHANT)

(a) to (c): No, Madam. So far no such proposal has been received or being considered by the Ministry. However, in order to promote research and development in processed food sector, Ministry of Food Processing Industries is implementing a Scheme for Assistance for Research and Development in Food Processing Sector. Under the Scheme, Universities, Central/ State Government Institutions and CSIR- recognized R&D units in private sector are eligible for grant-in-aid as per the guidelines of the scheme.

During the 12th Plan, the Ministry's existing R&D scheme is being implemented through the Science and Engineering Research Board (SERB) under the Ministry of Science & Technology, with effect from 01.04.2012.

Further, Section 35 (2AB) of the Income-Tax Act, 1961 provides for weighted deduction of 200% of expenditure (not being expenditure in the nature of cost of any land or building) incurred on scientific research on in-house research and development facility as approved by the prescribed authority to all companies engaged in the business of biotechnology or in any business of manufacture or production of any article or thing with the only exception of industries manufacturing items specified in XI Schedule to the Income-Tax Act like tobacco, wine, beer, cigarettes, etc.