

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 1612
ANSWERED ON 2ND JULY, 2019

DOUBLING FARMERS INCOME

1612. SHRIMATI RAKSHA NIKHIL KHADSE:

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

- (a) whether the Government proposes Food Processing Industries sector as extension of agriculture to help the doubling of farmers' income which is value addition to farm produces;
- (b) whether the Government proposes no indirect tax to be paid by Food Processing Industries sector and the amount saved can be invested back in capital investments for addition of the latest technology to enhance and strengthen agriculture activity sector finally at the end; and
- (c) if so, the details thereof?

ANSWER

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES
(SHRI RAMESWAR TELI)

(a): PRADHAN MANTRI KISAN SAMPADA YOJANA - (PMKSY), implemented by the Ministry is a comprehensive package with the objectives of creation of modern infrastructure along with efficient supply chain management along the entire food processing value chain i.e. from farm gate to retail outlet. PMKSY provides a big boost to the growth of food processing sector in the country helping thereby the farmers in getting better prices for their produces due to higher demand for agricultural produce by the food processing industries as raw material. It is thus a big step towards doubling of farmers' income in addition to creating huge employment opportunities especially in the rural areas, reducing wastage of agricultural produce and enhancing the export of the processed foods.

(b) & (c): Department of Revenue, Ministry of Finance has no proposal to exempt the food processing industries from indirect taxes as the tax rates on supply of goods and services have been prescribed on the recommendation of the GST council. GST council has not recommended exemption for Food Processing Industries.
