

BUDGET EXPECTATIONS

Fishmeal industry pitches for GST cut

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The fishmeal industry, which is making aquatic feeds, has urged the Centre to reduce GST rates on fish meal and its by-products such as fish soluble paste/stick water and fish oil.

The existing rates are 5 per cent for fish meal, 18 per cent for fish soluble paste and 12 per cent to fish oil. The industry, majority of which are operating under MSME, was earlier exempted from VAT and other indirect taxes.

In its pre-Budget memorandum, Dawood Sait, national secretary of All India Fishmeal & Oil Manufacturers & Merchant Association, requested the Finance Min-

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ister to reduce GST on fishmeal and fish soluble paste to zero per cent and fish oil from 12 per cent to 5 per cent.

Higher taxes in India have escalated the cost, resulting in a rise in selling prices. This has forced the domestic aquaculture industry to look at imports, he said. However, exports of fishmeal and other fish

products is also not a feasible option for the domestic industry on account of the lower prices prevailing in Peru and Chile, which are at a peak production season.

He said that many plants are struggling to survive by negotiating the price of fish, the raw material for the industry. This has hit the fishermen in the form of reduced selling price. Fishmeal industry will buy these unsold fish from fishermen which will contribute to improving their income.

Due to El Nino, there is a scarcity of quality catch and this has led to declining revenue. It also had to suffer due to GST and the pandemic.