

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION No. 99
ANSWERED ON 02ND FEBRUARY, 2024

FREIGHT SUBSIDY TO PROMOTE AGRICULTURAL PRODUCTS EXPORT

99. SHRI VIKRAMJIT SINGH SAHNEY:

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

- (a) whether Government is considering to give freight subsidy for the export of Agricultural products for procurement from land locked States to the nearest ports;
- (b) if so, the details thereof, if not the reasons therefor;
- (c) the details of the steps taken by Government to promote food processing industries export for land locked States, especially Punjab; and
- (d) the funds allocated and released for promotion of exports by Government in last three years, year wise, State wise including Punjab?

ANSWER

THE MINISTER OF STATE FOOD PROCESSING INDUSTRIES
(KM SHOBHA KARANDLAJE)

(a) & (b). Ministry of Food Processing Industries (MoFPI) has been implementing a Central Sector Scheme- "Operation Greens (OG)" – A scheme for development of Tomato, Onion and Potato (TOP) value chain since 2018-19. The coverage of the scheme has since been expanded from 3 crops (Tomato, Onion & Potato) to 22 perishables crops which include 10 fruits, 11 vegetables (including TOP) and 1 marine i.e. shrimp as per the Union Budget 2021. The scheme has two pronged strategy of Price Stabilization Measures (short term measure) and Integrated Value Chain Development Projects (long term measure). Under the short term interventions of the scheme, MoFPI provides transportation (including air)/storage subsidy for eligible crop @ 50 % of eligible cost. In case of export, subsidy towards transportation charges is payable only upto Indian borders. Subsidy released under Short Term Interventions of the OG scheme is as below:

(Rs. in crore)

FY	Kisan Rail	Subsidy (Short Term)	Total
2020-21	23.33	1.58	24.91
2021-22	54.46	3.74	58.20
2022-23	0	29.99	29.99
2023-24	0	2.00	2.00
Total	77.79	37.31	115.10

(c) & (d): MoFPI through implementation of the Central Sector Scheme, namely, Pradhan Mantri Kisan Sampada Yojana (PMKSY), interalia, helps in creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet across the country. The scheme not only provide a boost to the growth of food processing sector in the country but also helps in, interalia, reducing wastage of agricultural produce, increasing the processing level and enhancing the export of the processed foods.

MoFPI is also implementing a Centrally Sponsored Scheme- PM Formalisation of Micro Food Processing Enterprises Scheme (PMFME) for providing technical, financial and business support for setting up/upgradation of 2 lakh Micro Food Processing Enterprises. Production Linked Incentive (PLI) scheme also launched by MoFPI for the period 2021-22 to 2026-27 to create global food champions and improving the visibility of Indian food brands abroad.

No State/UT-wise allocation and release of funds is made specifically for promotion of exports, under any of the above three schemes implemented by MoFPI.
