

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
RAJYA SABHA
STARRED QUESTION NO. *75
ANSWERED ON 25TH JULY, 2025

IMPLEMENTATION OF NEW SCHEMES IN THE FOOD PROCESSING SECTOR

***75. SHRI RATANJIT PRATAP NARAIN SINGH:**

Will the Minister of **Food Processing Industries** be pleased to state:

- (a) whether Government has recently implemented any new schemes to enhance the food processing sector, if so, the details thereof;
- (b) whether these schemes have led to an increase in foreign direct investment in the sector, if so, the amount received;
- (c) whether there are any initiatives to support micro food processing enterprises, if so, the details of these initiatives;
- (d) whether financial assistance has been provided to entrepreneurs under these schemes, if so, the total amount disbursed; and
- (e) whether these efforts are expected to create employment opportunities in the food processing sector, if so, the anticipated impact?

ANSWER

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES
(SHRI RAVNEET SINGH)

(a) to (e): A statement is laid on the Table of the House.

**STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF RAJYA SABHA
STARRED QUESTION NO. 75 FOR ANSWER ON 25TH JULY, 2025 REGARDING
“IMPLEMENTATION OF NEW SCHEMES IN THE FOOD PROCESSING SECTOR”**

(a): In order to promote and ensure overall development of Food Processing Industries, Ministry of Food Processing Industries (MoFPI) has been incentivizing setting up/expansion of related infrastructure through its Central Sector schemes namely Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) Scheme, Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) and Centrally Sponsored – Pradhan Mantri Formalization of Micro Food Processing Enterprises (PMFME) Scheme across the country.

Under PMKSY, financial assistance is provided to entrepreneurs for setting up of food processing industries with total outlay of Rs 5520 Crore for 15th Finance Commission Cycle.

Under PMFME scheme, financial, technical and business support is provided for setting up / upgradation of micro food processing enterprises. The scheme is operational for a period of upto 2025-26 with an outlay of Rs.10,000 Crore.

PLISFPI is, inter alia, intended to support creation of global food manufacturing champions and support Indian brands of food products in international market. The Scheme is operational for a period from 2021-22 to 2026-27 with an outlay of Rs. 10,900 crores.

(b): The schemes implemented by MoFPI have provisions for foreign direct investment. In order to enhance the foreign investment in Food Processing Sector, the following measures have been taken:

- i. Exempting all the processed food items from the purview of licensing under the Industries (Development and Regulation) Act, 1951;
 - ii. 100% Foreign Direct Investment (FDI) permitted through automatic route for food processing sector subject to sectoral regulations;
 - iii. 100% Foreign Direct Investment, under Government approval route, for trading including through e-commerce, in respect of food products manufactured or produced in India;
- Further, the food processing sector has attracted FDI of 7334.34 US\$ million from the 2014-15 to 2024-25.

(c): Under PMFME scheme, financial, technical and business support is available for setting up / upgradation of micro food processing enterprises. The details of assistance available to Micro Food Processing Enterprises under PMFME Scheme is placed at **Annexure**.

(d): Ministry extends financial support to prospective entrepreneurs for setting up of food processing industries, as per respective scheme guidelines.

A total sum of ₹ 6411.61 crore has been disbursed as grants in aid/ subsidy since inception of component schemes of PMKSY, as on 30.06.2025.

Central Share of ₹ 3791.04 crore has been released to States/ UTs for implementation of various components of the PMFME scheme till 30.06.2025.

An incentives to the tune of ₹1727.53 crore has been disbursed under PLISFPI Scheme as on 30.06.2025.

(e): 4,33,639 direct/ indirect employment opportunities have been generated from the operational projects under component schemes of PMKSY across the country, as on 30th June, 2025.

4,33,551 direct and indirect employment opportunities has been generated under PMFME scheme across the country, as on 30th June 2025.

3,43,949 direct/ indirect employment opportunities has been generated under PLISFPI across the country, as on 30th June 2025.

ANNEXURE REFERRED TO IN REPLY TO PART (c) OF THE RAJYA SABHA STARRED QUESTION NO. 75 FOR ANSWER ON 25TH JULY, 2025 REGARDING “IMPLEMENTATION OF NEW SCHEMES IN THE FOOD PROCESSING SECTOR”

The details of assistance available to Micro Food Processing Enterprises under PMFME Scheme

- (i). *Support to Individual / Group Category Micro Enterprises:* Credit-linked capital subsidy @35% of the eligible project cost, maximum ceiling Rs.10 lakh per unit;
- (ii). *Support to SHGs for seed capital:* Seed capital @ Rs. 40,000/- per member of SHG engaged in food processing for working capital and purchase of small tools subject to maximum of Rs. 4 lakh per SHG Federation.
- (iii). *Support for Common Infrastructure:* Credit linked capital subsidy @35% subject to maximum of Rs. 3 crore to support FPOs, SHGs, Cooperatives and any Government agency for setting up of common infrastructure. The common infrastructure will also be available for other units and public to utilize on hiring basis for substantial part of the capacity.
- (iv). *Branding and Marketing Support:* Grant upto 50% for Branding and Marketing to groups of FPOs/ SHGs/ Cooperatives or an SPV of micro food processing enterprises.
- (v). *Capacity Building:* The scheme envisages training for Entrepreneurship Development Skilling (EDP+): program modified to meet the requirement of food processing industry and product specific skilling.
