

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 879
ANSWERED ON 06TH FEBRUARY, 2026

PROMOTION OF NUTRACEUTICALS AND FUNCTIONAL FOODS

879. SHRI RAJINDER GUPTA:

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

- (a) whether Government has introduced or enhanced incentives to promote nutraceuticals and functional foods, including those based on millets and other indigenous superfoods, if so, the details thereof;
- (b) the financial outlay, expenditure and number of units supported under such incentives during the last three years, State-wise;
- (c) the support provided for research and development, regulatory approvals and market access;
- (d) the key challenges in standardisation, quality assurance and consumer awareness; and
- (e) the steps taken or proposed to scale up domestic production and exports?

ANSWER

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

(a) & (b): There is no specific provisions for supporting nutraceuticals & functional foods under the schemes implemented by Ministry of Food Processing Industries (MoFPI). However, in order to promote and ensure overall development of Food Processing Industries including those based on millets and other indigenous superfoods viz. makhana, MoFPI has been incentivizing setting up/expansion of related infrastructure through its two Central Sector schemes namely Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) Scheme, Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) and a Centrally Sponsored – Pradhan Mantri Formalization of Micro Food Processing Enterprises (PMFME) Scheme across the country. These schemes are not region or state specific but demand driven.

One component of PLISFPI focuses on Millet-Based Products (MBP), with an outlay of Rs. 800 crores. The objectives of the PLI Scheme for Millet-Based Products (PLISMBP) are to increase the use of millets in food products and promote their value addition by incentivizing the manufacturing and sale of selected millet-based products in both domestic and export markets. As on date, out of total allocation of Rs. 800 crores for PLISMBP, an amount of Rs.793.27 crore has been approved to incentivise 29 applicants, which includes 8 large and 21 Small & Medium entities.

Under PMFME Scheme, Millet and its products have been identified as One District One Product (ODOP) in 21 districts of 11 States. 17 Incubation Centers approved in 10 States having Millet processing lines. As on 31.12.2025, 4,612 micro food processing enterprises with subsidy of Rs. 91.20 Cr for millet processing units and 379 micro food processing enterprises with subsidy of Rs. 12.81 crore for makhana processing units have been approved across the country.

Year-wise total allocation & funds utilized under PMKSY, PLISFPI & PMFME since 2022-23 across the country are given at **Annexure-I**.

The details of food processing projects sanctioned by MoFPI under the said three schemes across the country, since 2022-23 is given at **Annexure-II**.

(c) to (e): The regulatory matters in food processing sector is within the mandate of Food Safety and Standards Authority of India (FSSAI) under Ministry of Health & Family Welfare. As informed by FSSAI, it has specified standards for nutraceutical products under the Food Safety and Standards (Health Supplements, Nutraceuticals, Food for Special Dietary Use, Food for Special Medical Purpose, Functional Food and Novel Food) Regulations, 2016. These regulations have specified permissible ingredients, standards, limits of vitamins, minerals, botanicals and other substances, labelling requirements and claims framework.

Key challenges in standardisation are overlapping of vitamins with drug; diverse definition of nutraceuticals across the different countries.

Further, in order to promote processing of millets and other indigenous superfoods viz. makhana, MoFPI through its three schemes, extends financial support to prospective entrepreneurs for setting up of related industries, as per respective scheme guidelines.

Under Research and Development (R&D) component of the PMKSY Scheme, MoFPI extends financial assistance as grant-in-aid to Private organizations/ universities/institutions, Public funded organizations and recognized R&D laboratories both in public and private sector to promote and undertake demand driven R&D work in food processing sector.

Under Branding and Marketing component of the PMFME scheme, support is provided to Farmer Producer Organisations/Self Help Groups/Cooperatives or a Special Purpose Vehicle of micro food processing for developing a common packaging & branding with provision for quality control, standardization, and adhering to food safety parameters for consumer retail sale.

Schemes implemented by MoFPI aim towards creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet which includes storage, transportation, value addition etc., thereby enhancing productivity, reducing wastage of agricultural produce, reduction in post harvest losses, enhancing productivity, increasing the processing level and enhancing the export of the processed foods.

ANNEXURE REFERRED TO IN REPLY TO PART (a) & (b) OF THE RAJYA SABHA UNSTARRED QUESTION NO. 879 FOR ANSWER ON 06TH FEBRUARY, 2026 REGARDING “PROMOTION OF NUTRACEUTICALS AND FUNCTIONAL FOODS”

Details of funds allocated and funds utilized in PMKSY & PLISFPI & PMFME schemes of MoFPI

(Rs in Crores)

Scheme	2022-23		2023-24		2024-25	
	R.E.	A.E	R.E.	A.E	R.E.	A.E
PMKSY	673.00	561.92	745.00	666.20	630.00	540.12
PLISFPI	801.00	489.83	1150.00	590.50	700.00	450.49
PMFME	290.00	274.76	800.00	778.84	1200.00	1023.10

R.E.—Revised Estimates, A.E.- Actual Expenditure

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ANNEXURE REFERRED TO IN REPLY TO PART (a) & (b) OF THE RAJYA SABHA UNSTARRED QUESTION NO. 879 FOR ANSWER ON 06TH FEBRUARY, 2026 REGARDING “PROMOTION OF NUTRACEUTICALS AND FUNCTIONAL FOODS”

Number of projects approved under PMKSY, PLISFPI and PMFME schemes of MoFPI since 2022-23

S. No.	State/UT	No. of approved projects under PMKSY	No. of approved Micro Food Processing Enterprises under PMFME	No. of approved units at different locations under PLISFPI
1.	Andaman & Nicobar	0	12	0
2.	Andhra Pradesh	33	6712	2
3.	Arunachal Pradesh	7	97	1
4.	Assam	47	3061	0
5.	Bihar	7	23480	0
6.	Chandigarh	0	0	0
7.	Chhattisgarh	4	957	0
8.	Dadar & Nagar Haveli and Daman & Diu	0	7	0
9.	Delhi	1	258	0
10.	Goa	1	101	0
11.	Gujarat	23	703	5
12.	Haryana	18	1287	3
13.	Himachal Pradesh	5	1649	2
14.	Jammu & Kashmir	3	1332	0
15.	Jharkhand	0	3576	0
16.	Karnataka	20	6163	7
17.	Kerala	22	6496	0
18.	Ladakh	0	76	0
19.	Lakshadweep	0	0	0
20.	Madhya Pradesh	16	9221	2
21.	Maharashtra	71	23079	7
22.	Manipur	1	111	0
23.	Meghalaya	2	190	0
24.	Mizoram	0	40	0
25.	Nagaland	0	368	0
26.	Odisha	16	1978	0
27.	Puduchery	0	163	0
28.	Punjab	12	2545	3
29.	Rajasthan	22	947	0
30.	Sikkim	0	59	0
31.	Tamil Nadu	41	14970	7
32.	Telangana	34	6703	5
33.	Tripura	1	183	0
34.	Uttar Pradesh	26	16407	1
35.	Uttarakhand	12	859	4
36.	West Bengal	14	171	0
	TOTAL	459	133961	49