

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 1506
ANSWERED ON 31ST JULY, 2026

**STRENGTHENING FOOD PROCESSING ECOSYSTEM AND VALUE
ADDITION**

1506. DR. SATISH POONIA:

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

- (a) the key outcomes of the South Asian Policy Leadership for Improved Nutrition and Growth (SAPLING) Dialogue–2026 and the measures proposed to strengthen India's food processing ecosystem;
- (b) the steps taken to promote value addition, reduce post-harvest losses and strengthen agricultural supply chains through food processing;
- (c) the initiatives undertaken to promote investment, technology adoption, and Micro, Small and Medium Enterprise(MSME) participation in the food processing sector; and
- (d) the measures taken to enhance food processing levels, generate employment, and improve farmers' income through the sector?

ANSWER

**THE MINISTER OF FOOD PROCESSING INDUSTRIES
(SHRI CHIRAG PASWAN)**

(a): The SAPLING Dialogue–2026 reaffirmed food processing as a key driver for enhancing value addition, generating employment, improving nutrition outcomes, strengthening export competitiveness, and building resilient food systems. The dialogue highlighted the need to strengthen farm-to-processor linkages, improve post-harvest infrastructure, promote formalization of MSMEs, encourage technology adoption, and reinforce food safety and quality standards. It also explored measures like the development of commodity-specific processing clusters, expansion of cold-chain and logistics infrastructure, adoption of digital traceability systems, promotion of innovation and blended finance for MSMEs, and enhanced public-private and regional collaboration to foster a robust, inclusive, and globally competitive food processing ecosystem in India.

(b) to (d): The Ministry of Food Processing Industries (MoFPI) supports the creation and expansion of the processing/preservation capacities through implementation of three schemes for the overall development of food processing sector, including creation of modern infrastructure with efficient supply chain management from farm gate to retail outlets, reduce post-harvest losses and create value-addition, providing better returns to farmers, creation of employment opportunities, increasing the processing levels and enhancing the export of processed foods. Brief of these three schemes being implemented by MoFPI are as under:

i. Central Sector scheme- Pradhan Mantri Kisan Sampada Yojana (PMKSY):

Pradhan Mantri Kisan Sampada Yojana (PMKSY) is being implemented since 2017-18 across the country. The component schemes under PMKSY are (i) Integrated Cold Chain & Value Addition Infrastructure (ii) Creation/ Expansion of Food Processing and Preservation Capacities (CEFPPC scheme), (iii) Operation Greens (OG scheme), (iv) Creation of Infrastructure for Agro Processing Clusters (APC scheme), (v) Mega Food Parks (MFP scheme- discontinued w.e.f. 01.04.2021) and (vi) Creation of Backward and Forward Linkages (CBFL scheme- discontinued w.e.f. 01.04.2021). Under these component schemes, MoFPI provides financial support in the form of grants-in-aid/ subsidy for setting up of food processing projects thereby creating both processing and preservation infrastructure facilities including cold chain infrastructure.

ii. Centrally sponsored "PM Formalization of Micro Food Processing Enterprises (PMFME) Scheme:

MoFPI provides financial, technical and business support for setting up/ upgradation of micro food processing enterprises in the country under "Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME) Scheme.

iii. Central Sector Production Linked Incentive Scheme for Food Processing Industries (PLISFPI):

Production Linked Incentive Scheme for Food Processing Industries (PLISFPI) of MoFPI is intended, inter alia, to support creation of global food manufacturing champions and support Indian brands of food products in international market. The scheme is being implemented over a six-year period from 2021-22 to 2026-27 with an outlay of Rs.10,900 crores.

To promote investment, technology adoption, and Micro, Small and Medium Enterprise (MSME) participation in the food processing sector, in addition to implementing schemes like PMFME, PMKSY and PLISFPI the Ministry of Food Processing Industries (MoFPI) has been proactively engaging with industry stakeholders across various sub-segments of the food processing and allied sectors through regular consultations and roundtable interactions. These engagements are aimed at understanding companies' investment and expansion plans, identifying challenges that may impede the implementation of such plans, exploring opportunities for technology adoption and transfer, and gathering industry feedback to facilitate a conducive business environment.

Ministry has also been extending support to industry associations for organizing regional conferences, seminars, and promotional events across the country. These platforms serve to disseminate information on investment opportunities in India, highlight the progressive policy initiatives and reforms undertaken by the Government of India, and foster meaningful dialogue between the Government and industry.

Further strengthening this outreach, the Ministry organizes **World Food India**, India's flagship international event for the food processing sector, which provides a premier platform for MSMEs to showcase their products, technologies, and innovations before a diverse audience comprising global investors, multinational corporations, domestic enterprises, policymakers, and other key stakeholders. The event facilitated business networking, investment promotion, technology exchange, and market access.
