

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION NO. 2324
ANSWERED ON 07TH AUGUST, 2026

**IMPLEMENTATION OF NEW SCHEMES TO ENHANCE FOOD PROCESSING
SECTOR**

2324. 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 FOOD PROCESSING INDUSTRIES
(SHRI CHIRAG PASWAN)**

(a): The Ministry of Food Processing Industries (MoFPI) is implementing Central Sector Umbrella Scheme Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) since 2016-17; Central Sector Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) since 2021-22 and Centrally Sponsored Scheme Prime Minister Formalization of Micro Food Processing Enterprises (PMFME) since 2020-21 for the overall development of food processing sector across the country. No new scheme has been recently implemented by MoFPI.

(b): The food processing sector has continued to attract Foreign Direct Investment (FDI). As per the data released by the Department for Promotion of Industry and Internal Trade (DPIIT), the total FDI equity inflow into the food processing sector during the period from April 2014 to March 2026 was US\$ 10,344.04 million. While it is not possible to attribute the FDI inflows exclusively to any particular scheme, the policy and scheme interventions of MoFPI have contributed to creating an enabling ecosystem for investment in the food processing sector. The details of the total Foreign Direct Investment (FDI) equity inflow in Food Processing Sector are as below:

Year (April to March)	FDI (in US\$ million)
2014-15	516.72
2015-16	505.02
2016-17	727.22

2017-18	904.90
2018-19	628.24
2019-20	904.70
2020-21	393.41
2021-22	709.72
2022-23	895.34
2023-24	608.31
2024-25	540.76
2025-26	3009.70
Total	10344.04

Source: Department for Promotion of Industry and Internal Trade of India

(c): MoFPI is implementing Prime Minister Formalization of Micro Food Processing Enterprises (PMFME) scheme for providing financial, technical and business support for setting up of new/ upgradation of micro food processing enterprises in the country. The details of financial assistance available under PMFME Scheme are as under:

(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 Program (EDP) modified to meet the requirement of food processing industry and product specific skilling.

(d) & (e): Under PMKSY, a total of 1735 projects have been approved, out of which 1256 projects are completed or operational. The total project cost of approved projects is Rs. 33163.34 crore having approved grants-in-aid of Rs.9258.60 crore and grants-in-aid of Rs. 6914.94 crore has been released, as on 30.06.2026. Under PMFME, 2,00,421 micro food processing enterprises have been approved having subsidy of Rs. 5954.57 crore and Seed Capital of Rs. 1438.28 crore has been sanctioned for 4,18,293 Self Help Group members. Under PLISFPI, a total incentive of Rs. 3,271.44 crore has been disbursed to approved applicants as on 30.06.2026.

The details of direct/ indirect employment opportunities generated through the schemes of MoFPI across the country, as on 30.06.2026 are as follows-

- PMKSY: 9.16 lakh
- PMFME: 10.19 lakh
- PLISFPI: 3.35 lakh
