

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 723
ANSWERED ON 25.07.2023

FOOD PROCESSING INDUSTRY SCHEMES IN RURAL AREAS

**723. SHRI PRATHAP SIMHA:
DR. UMESH G. JADHAV:**

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

- (a) whether the Government is implementing Food Processing Industry (FPI) schemes for the benefit of farmers in rural areas to process and increase the price of their production and also thereby increasing their income especially in Karnataka;
- (b) if so, the details of such schemes and the number of farmers who have been benefitted from the said schemes till date, district-wise;
- (c) whether the Government has prepared any long term plan for processing of agricultural products particularly in rural areas of Karnataka and if so, the details thereof;
- (d) whether the Government is facing any hardship to implement these schemes and if so, the details thereof; and
- (e) the other steps taken by the Government to promote food processing industries in the country?

ANSWER

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

(a) to (e): In order to ensure overall development of Food Processing Industries including processing of agro- products, Ministry of Food Processing Industries (MoFPI) has been incentivizing setting up/expansion of related infrastructure through its Central Sector Umbrella Scheme Pradhan Mantri Kisan SAMPADA Yojana (PMKSY), Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) and Centrally sponsored PM Formalization of Micro Food Processing Enterprises (PMFME) scheme across the country including rural areas of Karnataka and thus benefitting and increasing the income of the farmers in the country.

Under component schemes of PMKSY, MoFPI provides mostly credit linked financial assistance (capital subsidy) in the form of grants-in-aid to entrepreneurs. PMKSY is not any region or state specific but demand driven and is implemented across the country including the rural areas of Karnataka. So far, Ministry has approved 41 Mega food Parks, 382 Cold Chain projects, 72 Agro Processing Clusters, 469 Food Processing Units, 61 Creation of Backward & Forward Linkages Projects & 46 Operation Green projects across the country under corresponding component schemes of PMKSY. Out of this, 2 Mega Food Parks, 17 Cold Chain projects, 4 Agro Processing Clusters, 19 Food Processing Units and 3 Creation of Backward & Forward Linkages Projects are located in Karnataka. The completed projects of PMKSY are estimated to benefit more than 32 lakh farmers across the country and more than 1.8 Lakhs farmers in Karnataka.

Ministry also provides financial, technical and business support for setting up/ upgradation of 2 lakh micro food processing enterprises under PMFME scheme. The scheme is operational for a period of five years from 2020-21 to 2024-25 with an outlay of Rs. 10,000 Crore. So far, a total of 38466 micro food processing enterprises have been approved for assistance in the country, out of which 2444 micro food processing units located in Karnataka.

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 being implemented over a six-year period from 2021-22 to 2026-27 with an outlay of Rs. 10,900 crores. So far, a total investment of Rs 318.97 Cr has been committed in projects located in Karnataka under the scheme.

At times, the projects approved under PMKSY face delays in obtaining statutory clearances/ certificates from the State Govt. regarding Consent to Establish, Consent to Operate, building plan approval, electricity connection etc. Also, release of matching state funds gets delayed sometimes in centrally sponsored PMFME scheme. Ministry coordinates with stakeholders for removal of these bottlenecks.
