

GOVERNMENT OF INDIA  
MINISTRY OF FOOD PROCESSING INDUSTRIES  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 851**  
ANSWER ON 25.07.2023

**INVESTMENT IN AGRICULTURAL PROCESSING**

**851. SHRI PARTHIBAN S.R.:**

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

- (a) the percentage of the agricultural production being processed in the country at present especially in Tamil Nadu;
- (b) the remedial steps taken by the Government to boost the level of processing and attract investment in this sector;
- (c) whether there is a substantial lack of necessary research and development in the field of food processing in the country and if so, the details thereof; and
- (d) the details of the schemes and awareness programmes launched by the Government so far in this regard?

**ANSWER**

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

(a) The Ministry of Food Processing Industries (MoFPI), Government of India (GOI) had commissioned a study by M/s Deloitte titled “Study to Determine the Level of Food Processing in India”, 2021. As per the report of the study, the estimated level of processing (in percent) for major agricultural commodities are as under:

Commodity	Estimated Level of Processing (In percent)	
	2015-16	2018-19
Coarse Cereals	28.3	29.4
Fruits	2.9	4.5
Vegetables	2.2	2.70
Milk	20.1	21.1
Fish	8.3	15.4
Meat	22.7	34.2

No state-specific estimates of level of processing for agricultural produce have been captured in the study.

(b) MoFPI,GOI implements various schemes like Pradhan Mantri Kisan Sampada Yojna (PMKSY), Pradhan Mantri Formalization of Micro Food Processing Enterprises (PMFME) and Production Linked Incentive (PLI) Schemes to create additional post-harvest facilities/ processing infrastructure to boost value addition, generate employment, reduce post-harvest losses and leverage investment. The Government has also allowed 100% foreign direct investment in food processing sector under the automatic route.

(c) MoFPI implements the scheme of Research & Development (R&D), as a component of PMKSY, which provides financial assistance as grant-in-aid to Private organizations/universities/institutions/R&D laboratories and CSIR recognized R&D units, Central/ State Government Institutions etc. to promote and undertake demand driven R&D work for the benefit of food processing sector for product & process development, design and development of equipment, improved storage, shelf-life, packaging etc. Two National Institutes of Food Technology Entrepreneurship and Management (NIFTEM)- Thanjavur and Kundli, under the MoFPI, also undertakes several research programmes in the food processing sector.

(d) Promotional initiatives of the Ministry are undertaken in order to create awareness about the potential and prospect of food processing industry in the country and about schemes/policies of the Government by providing assistance for organizing Workshops, Seminars, Exhibitions and Fairs. Promotional activities through the various social media platforms of the Ministry are also undertaken.

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