

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 4421
ANSWERED ON 23RD MARCH, 2021

SETTING UP OF FOOD PROCESSING INDUSTRIES

4421. DR. UMESH G. JADHAV:

Will the Minister of Food Processing Industries be pleased to state:

- (a) whether any steps are being taken to promote setting up of food processing industries at locations other than mega food park locations;
- (b) if so, the details thereof; and
- (c) the proposal for providing capital subsidy to food processing industries at locations other than mega food park locations?

ANSWER

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES
(SHRI RAMESWAR TELI)

(a) & (b): The Ministry of Food Processing industries (MoFPI) is implementing a Central Sector umbrella scheme- Pradhan Mantri Kisan Sampada Yojana (PMKSY) with 8 component schemes for overall growth and development of food processing sector with an outlay of Rs. 6000 Crore for the period 2016-17 to 2019-20. The period has since been extended to FY 2020-21.

Under the component schemes of PMKSY, MoFPI provides mostly credit linked financial assistance (capital subsidy) in the form of grants-in-aid to entrepreneurs for setting up of food processing / preservation industries. There is no restriction for projects to be located inside Mega Food Parks in the component schemes of PMKSY, except in the scheme "Creation /Expansion of Food Processing & Preservation Capacities (CEFPPC)". However, the project proposals, having 100% stake from SC/ST promoter(s) and having eligible project cost of Rs. 1 crore or more, are also considered for approval under CEFPPC scheme irrespective of their locations in the country.

(c): Financial assistance provided in the form of Grant-in-Aid for setting up of food processing industries varies under the different components of the scheme. The details are placed at **Annexure**.

ANNEXUR REFERRED TO IN PART (c) OF REPLY TO THE LOK SABHA UNSTARRED QUESTION NO. 4421 FOR ANSWER ON 23RD MARCH, 2021 REGARDING “SETTING UP OF FOOD PROCESSING INDUSTRIES”

Grants for setting up of Food Processing Industries under component schemes of PMKSY

S.No.	Component Scheme	Criterion of Grant	
		General Area	SC/ST/NER and Difficult areas.
1.	Mega Food Parks	Grant-in-aid @ 50% in general area, and [Subject to maximum of Rs.50.00 crores per project]	@75% of eligible project cost in NE Region and Difficult Areas. [Subject to maximum of Rs.50.00 crores per project]
2.	Cold Chain and Value Addition Infrastructure	Grant-in-aid for storage infrastructure such as ripening chamber, pack houses, pre-cooling units @35% for general area Grant-in-aid for value addition & processing infra including frozen storage @50% for general area . Grant-in-aid for irradiation facilities @50% for general area.	Grant-in-aid for storage infrastructure such as ripening chamber, pack houses, pre-cooling units @50% for NE/HS States. Grant-in-aid for value addition & processing infra including frozen storage @75% for NE/HS States. Grant-in-aid for irradiation facilities @75% of eligible project cost in NE/HS Region.
3.	Creation/Expansion of Food Processing & Preservation Capacities	Grant-in-aid @35% of cost of Plant & Machinery and technical civil works in General Area [subject to maximum of Rs.5.00 crores per project]	Grants-in-aid @50% of eligible project cost in the North East States including Sikkim and difficult areas State notified ITDP areas, Islands and SC/ST entrepreneurs subject to max. of Rs. 5.00 crore per project. Technical civil works
4.	Infrastructure for Agro-processing Clusters	Grant-in-aid @35% of eligible project cost in General Area [Subject to maximum of Rs.10.00 crores per project]	Grants-in-aid @50% of eligible project cost in the North East States including Sikkim and difficult areas State notified ITDP areas, Islands and SC/ST entrepreneurs subject to max. of Rs. 10.00 crore per project. Technical civil works
5.	Creation of Backward and Forward Linkages	Grant-in-aid @35% of eligible project cost in General area [Subject to maximum of Rs.5.00 crores per project]	Grant-in-aid @50% of eligible project cost in NE/HS States respectively. [Subject to maximum of Rs.5.00 crs per project]
6.	Food Safety and Quality Assurance Infrastructure	Set up/Up-gradation of Quality Control /Food Testing Laboratories- Grant in aid of 100% for Central/ State Govt. organizations; 70% for Other implementing agencies. HACCP/ISO Standards/Food Safety/Quality Management Systems Grant in aid of @50% [maximum of Rs.17L/22L]	@75% of eligible project cost in general area and NE/HS States
7.	Operation Greens	Grants-in-aid @50% of eligible project cost subject to max. of Rs. 50.00 crore per project for Long term infrastructure creation component and subsidy @50% of cost of transportation and/or storage of notified F&V for short term price stabilization measures.	Grants-in-aid 70% for FPO/SC/ST of eligible project cost subject to max. of Rs. 50.00 crore per project for Long term infrastructure creation component and subsidy @50% of cost of transportation and/or storage of notified F&V for short term price stabilization measures.