

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 1636
ANSWERED ON 05TH December, 2024

PLI SCHEME FOR FOOD PROCESSING SECTOR

1636. DR. T SUMATHY ALIAS THAMIZHACHI THANGAPANDIAN

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

- (a) the details of funds released and utilized under the Production Linked Incentive (PLI) Scheme for the Food Processing Sector since its inception, State/UT-wise including Tamil Nadu;
- (b) whether the Government has conducted any study on the financial constraints faced by Small and Medium Enterprises (SMEs) in the food processing sector, if so, the details thereof and if not, the reasons therefor;
- (c) the steps taken/being taken by the Government to provide financial assistance to SMEs in the Food Processing sector;
- (d) whether the Government has a plan to simplify the regulatory requirements for SMEs in Food Processing Sector and if so, the details thereof; and
- (e) the measures taken/being taken by the Government to promote innovation and technology adoption within the Food Processing sector?

ANSWER

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

(a). The PLI scheme is a Central Sector Scheme. The incentives are released directly to the approved beneficiaries and not through the State Government. So far, Rs 1084 crores have been disbursed as incentives under the Scheme.

(b), (c) and (d). The Ministry of Food Processing Industries (MoFPI) is implementing the following Schemes: Pradhan Mantri Kisan Sampada Yojana (PMKSY), Production Linked Incentive Scheme for Food Processing Industries (PLISFPI), and the Pradhan Mantri Formalization of Micro food processing Enterprises (PMFME) scheme. The Guidelines of these schemes have been formulated after stakeholder consultations. These schemes support food processing enterprises, including SMEs, by offering financial, technical, and marketing support for food processing infrastructure, capacity building, innovation, and formalization.

SMEs are also eligible to avail the benefits under various components of the PMKSY Scheme. PMFME scheme specifically targets formalization of unorganized units, improving their access to institutional credit and modern infrastructure. The PLISFPI supports SMEs through incentives for innovative and organic product sales and provides branding and marketing aid to promote Indian food brands internationally. The PLI Scheme for Millet-Based Products further aids SMEs by fostering millet inclusion in food products, driving value addition, and enhancing market diversification. 70 MSMEs

have directly enrolled under the scheme, with an additional 40 serving as contract manufacturers for larger firms.

The Ministry of Micro, Small and Medium Enterprises (MSMEs) is implementing various schemes / programmes to improve the MSME sector in terms of new technologies and investments which *inter-alia* includes, MSME Champions Scheme, Credit Guarantee Fund Trust for Micro and Small Enterprises (CGTMSE), Prime Minister's Employment Generation Programme (PMEGP), SelfReliant India Fund, Micro and Small Enterprises - Cluster Development Programme (MSE-CDP), Technology Centre Systems Programme etc. These schemes aims *inter-alia* to increase credit-flow and simplify regulatory requirements for SMEs, including those in food processing sector.

(e). The Government has implemented several measures to foster innovation and technology adoption in the food processing sector. Under the PLISFPI, financial incentives are extended to beneficiaries for promoting the sales of innovative and organic products. The PMFME scheme aims to *inter-alia* strengthening institutions, research, and training. The National Institutes of Food Technology Entrepreneurship and Management (NIFTEM) at Kundli, Haryana and NIFTEM at Thanjavur, Tamil Nadu, in collaboration with State Technical Institutions, provide training and research support. Additionally, specialized institutions under Indian Council of Agricultural Research (ICAR), Council of Scientific & Industrial Research (CSIR), and premier bodies like Defence Food Research Laboratory (DFRL) and Central Food Technological Research Institute (CFTRI) offer targeted training and research assistance.
