

GOVERNMENT OF INDIA  
MINISTRY OF FOOD PROCESSING INDUSTRIES  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 4001**  
ANSWERED ON 19<sup>TH</sup> DECEMBER, 2024

**GRANT FOR SETTING UP OF FPUS**

**4001. SMT. ROOPKUMARI CHOUDHARY:**

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

- (a) the types and number of grants available for setting up of food processing industries;
- (b) whether any grant is provided for setting up of Food Processing Units (FPUs) through Self-Help Groups/NGOs; and
- (c) if so, the mandatory eligibility/criteria for Self-Help Groups/NGOs to get the grant?

**ANSWER**

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

(a) to (c). Ministry of Food Processing Industries (MoFPI) has been incentivizing setting up/expansion of Food Processing Industries through its Central Sector schemes namely Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) Scheme, Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) and Centrally Sponsored – Pradhan Mantri Formalization of Micro Food Processing Enterprises (PMFME) Scheme across the country. These schemes are not region or state specific but demand driven.

Project Execution Agency (PEA) / Implementing agencies /organizations such as Govt. / PSUs / Joint Ventures / NGOs / Cooperatives / Self Help Groups (SHGs) / Farmer Producer Organizations (FPOs) / Farmer Producer Companies (FPCs) / Private Sector companies/ Partnership firm / Proprietorship firms/individuals etc. are eligible for availing grants under these schemes of MoFPI.

Selection of proposals for financial assistance under these schemes is done as per the prefixed criteria prescribed in the respective scheme guidelines, which are available on MoFPI website ([www.mofpi.gov.in](http://www.mofpi.gov.in)). The details of incentives available under these schemes are at **ANNEXURE**.

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**ANNEXURE REFERRED TO IN REPLY TO PART (a) TO (c) OF LOK SABHA UNSTARRED QUESTION NO. †4001 FOR ANSWER ON 19<sup>TH</sup> DECEMBER, 2024 REGARDING “GRANT FOR SETTING UP OF FPUS”**

**Incentives available under Pradhan Mantri Kisan Sampada Yojana (PMKSY)**

<b>S. No.</b>	<b>Component Scheme</b>	<b>Scheme Benefits (Grant-in-aid) for projects in General Area</b>	<b>Scheme Benefits (Grant-in-aid) for projects in Difficult Areas as well as SC/ST, FPOs, SHGs</b>
1.	Integrated Cold Chain and Value Addition Infrastructure	Grant-in-aid @ 35% of eligible project cost [subject to maximum of Rs.10 crores per project]	Grant-in-aid @ 50% of eligible project cost [subject to maximum of Rs. 10 crores per project]
2.	Creation/ Expansion of Food Processing & Preservation Capacities	Grants-in-Aid @35% of eligible project cost [subject to maximum of Rs. 5 crores per project]	Grants-in-Aid @50% of eligible project cost [subject to maximum of Rs.5 crores per project]
3.	Infrastructure for Agro-Processing Clusters	Grants-in-aid @35% of eligible project cost in General Area [subject to maximum of Rs. 10 crores per project]	Grants-in-aid @50% of eligible project [subject to max. of Rs. 10 crore per project]
4.	Operation Greens	Grants-in-Aid @35% of eligible project cost for Integrated Value Chain Development Projects, maximum grants-in-aid would be ₹15 crore per project; and for Standalone Post-Harvest Infrastructure Projects, maximum grants-in-aid would be ₹10 crore per project.	Grants-in-Aid maximum @50% of eligible project cost for Integrated Value Chain Development Projects, maximum grants-in-aid would be ₹15 crore per project; and for Standalone Post-Harvest Infrastructure Projects, maximum grants-in-aid would be ₹10 crore per project.
5.	Food Safety and Quality Assurance - Food Testing Laboratories	100% grants-in-aid for Govt. organizations  For Private organizations/entities: grant-in-aid of @ 50% of the eligible cost	For Private organizations/entities: grant-in-aid of @ 70% of the eligible cost

6.	Human Resource & Institutions- Research & Development	For Government Organizations - Grants @ 100% of equipment cost, consumables, For private organizations /universities/institutions, grant @ 50 % of equipment cost.	For Government Organizations - Grants @ 100% of equipment cost, consumables For Private Organizations /Universities/ Institutions, Grants @ 70% of equipment cost.
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**The details of assistance available to Micro Food Processing Enterprises under PMFME Scheme**

- (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 Skilling (EDP+): program modified to meet the requirement of food processing industry and product specific skilling.

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