

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 1585
ANSWERED ON 13th FEBURARY,2025

PROMOTION OF FOOD PROCESSING IN RURAL AND BACKWARD REGIONS

1585. SMT. BIJULI KALITA MEDHI:

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

- (a) whether there are any specific measures to promote food processing in rural and backward regions of the country;
- (b) the steps taken/being taken to develop cold storage facilities and reduce food wastage across the supply chain; and
- (c) whether there is any financial assistance or subsidy available for building cold storage units, specifically for perishable crops like Darangiri bananas in the market area?

ANSWER

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

(a): In order to promote and ensure overall development of Food Processing Industries, Ministry of Food Processing Industries (MoFPI) has been incentivizing setting up/expansion of related infrastructure through its Central Sector 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 and backward regions. These schemes are not region or state specific but demand driven.

Under PMKSY, credit linked financial assistance (capital subsidy) is provided to entrepreneurs for setting up of food processing industries with total outlay of Rs 5520 Cr for 15th Finance Commission Cycle.

Under PMFME scheme, financial, technical and business support is provided for setting up / upgradation of micro food processing enterprises. The scheme is operational for a period of upto 2025-26 with an outlay of Rs.10,000 Crore.

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 operational for a period from 2021-22 to 2026-27 with an outlay of Rs. 10,900 crores.

(b) & (c): Ministry of Food Processing Industries, under its schemes, does not provide financial assistance for establishment of standalone cold storages facilities. However, it incentivizes creation of cold chain, preservation and value addition infrastructure as part of food processing projects under relevant component schemes of PMKSY.

These schemes aim towards creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet which includes storage, transportation, value addition, etc., thereby help in providing better returns to farmers and creating huge employment opportunities, reducing wastage of agricultural produce and increasing the processing level.

Ministry extends financial support to prospective entrepreneurs for setting up of different kinds of food processing industries including bananas processing, as per respective scheme guidelines.

Department of Agriculture & Farmers Welfare is implementing Mission for Integrated Development of Horticulture (MIDH) under which capital assistance is provided for various horticulture activities including Construction/Expansion/ Modernization of cold storages of capacity up to 5000 MT in the country on the basis of Annual Action Plan (AAP) received from States/UTs. AAPs are prepared by the States/UTs based on their requirement, capacity and availability of resources. The component of Cold Storage is demand/entrepreneur driven for which Government assistance in the form of credit linked back ended subsidy is available at the rate of 35% of the project cost in general areas and 50% of the project cost in hilly and scheduled areas through respective State Horticulture Missions. Under the scheme, assistance is available to individuals, Groups of farmers/ growers/ consumers, Partnership/ Proprietary firms, Self Help Groups (SHGs), Farmers Producer Organization (FPOs), Companies, Corporations, Cooperatives, Cooperative Marketing Federations, Local bodies, Agricultural Produce Market Committees (APMCs) & Marketing Boards and State Governments.

Scheme also provides assistance for setting up of food processing units in North East and Himalayan States only;. For Food Processing Units credit linked back ended assistance @ 50% of eligible project cost, in North Eastern and Himalayan States of the maximum project cost of Rs. 800.00 lakh/unit is available.”
