

GOVERNMENT OF INDIA  
MINISTRY OF FOOD PROCESSING INDUSTRIES  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 3289**  
TO BE ANSWERED ON 20th March, 2025

**PROBLEMS FACED BY FOOD PROCESSING INDUSTRIES**

**3289. PROF. SOUGATA RAY:**

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

- (a) whether the Government has taken any steps to address various issues faced by the food processing industries of the country and if so, the details thereof;
- (b) whether the Government has taken steps to address the issues of fragmented supply chain, inadequate cold storage and warehousing facilities, poor transportation infrastructure, inconsistent quality and safety standards and complex regulatory environment, if so, the details thereof;
- (c) whether the Government is aware of the problems of lack of post-modern mechanization in the sector, if so, the details thereof;
- (d) whether the Government provides assistance to set up post-modern machinery in the food processing units of the country, if so, the details thereof; and
- (e) the details of the Government assistance provided to procure seasonal products and the steps taken to ensure adequate storage facilities to the industry?

**ANSWER**

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

**(a) to (e):** 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 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.

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. So far, MoFPI has sanctioned 1608 projects including 41 Mega food Parks, 394 Cold Chain projects, 75 Agro-processing Clusters projects, 536 Food Processing Units, 61 Creation of Backward & Forward Linkages and 44 Operation Greens projects under corresponding component schemes of PMKSY across the country till 28<sup>th</sup> February, 2025.

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. A total of 1,27,758 micro food processing enterprises have been approved for assistance under PMFME in the country till 28th February, 2025.

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. So far, 171 food processing companies have been approved for assistance under various categories of the PLISFPI scheme in the country till 28th February, 2025.

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

MoFPI, under its schemes, does not provide financial assistance for establishment of standalone cold storages facilities. However, it incentivizes creation of cold storage infrastructure as part of food processing projects under relevant component schemes of PMKSY.

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.

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