GOVERNMENT OF INDIA MINISTRY OF FOOD PROCESSING INDUSTRIES

LOK SABHA

UNSTARRED QUESTION NO. 3390

ANSWERED ON 20TH MARCH, 2025

SCHEMES TO INCREASE INCOME OF FARMERS

3390. DR. LATA WANKHEDE:

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

- (a) the significant schemes successfully implemented by the Government to increase farmers' income and promote the export of agricultural products, which have significantly benefitted the farmers;
- (b) the major steps taken so far by the Government in the development of the Mega Food Park Scheme and cold chain infrastructure strengthening the food processing industry;
- (c) the manner in which the expansion of the food processing industry has brought positive changes in agricultural productivity, rural development and employment generation thereby giving new momentum to the rural economy; and
- (d) the future plans to further enhance progress in this sector?

ANSWER

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

(a): Ministry of Food Processing Industries (MoFPI) has been incentivizing setting up/expansion of Food Processing Industries infrastructure through its Central Sector Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) Scheme, Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) and Centrally sponsored PM Formalization of Micro Food Processing Enterprises (PMFME) scheme across the country thereby increasing the income of the farmers and enhancing the export of the processed foods. These schemes are not region specific but demand driven.

A total of 1141 infrastructure projects are approved under corresponding schemes of PMKSY across the country with estimated benefit to about 5.04 lakh farmers.

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 28th 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

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. A total of 171 food processing companies have been approved for assistance under various categories of the PLISFPI scheme in the country.

(b): MoFPI provides grants in the form of capital subsidy to eligible project proposals under its component schemes of PMKSY for setting up of food processing / preservation industries including Agro Processing clusters (Mini Food Parks) Integrated Cold Chain and Value Addition Infrastructure.

The Mega Food Park Scheme has been discontinued by the Ministry since 01.04.2021. However, Ministry is implementing a sub-component scheme under PMKSY namely Creation of Infrastructure for Agro Processing Clusters (APC), which is similar to the Mega Food Park scheme but on smaller scale, wherein only 10 acres of the land is required.

So far, MoFPI has approved 41 Mega food Parks with project cost of Rs 4660.33 Cr with grants in aid of Rs 1958.53 Cr and 394 Cold Chain projects with project cost of Rs 11466.38 Cr with grants in aid of Rs 2970.89 Cr, under corresponding component schemes of PMKSY across the country till 28th February, 2025.

(c) & (d): The schemes of MoFPI aim towards creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet which includes storage, transportation, etc., thereby help in providing better returns to farmers and creating huge employment opportunities, reducing wastage of agricultural produce, enhancing productivity, increasing the processing level, which boosts rural economy and contribute in inclusive growth.

Ministry provides financial assistance in the form of grants-in-aid/ subsidy to entrepreneurs for setting up such industries across the country. The projects are selected for assistance on the basis of Expression of Interest (EoI) issued from time to time.
