GOVERNMENT OF INDIA MINISTRY OF FOOD PROCESSING INDUSTRIES

LOK SABHA

UNSTARRED QUESTION NO. 3446

TO BE ANSWERED ON 20TH MARCH, 2025

PROMOTION OF DOMESTIC FOOD PROCESSING MACHINERY

3446. THIRU ARUN NEHRU:

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

- (a) the details of the measures taken/being taken by the Government to modernize India's food processing sector and promote domestic food processing machinery;
- (b) whether the Government has proposed to establish a dedicated mechanism to attract investments and standardize locally produced machinery and if so, the details thereof;
- (c) whether the Government has any plan to address challenges in raw material access, regulations and technology transfer for the industry and if so, the details thereof;
- (d) the role of Research and Development (R&D) in enhancing the efficiency and competitiveness of domestic machinery; and
- (e) the initiatives taken/being undertaken by the Government to develop and enforce standards for locally manufactured food processing equipments?

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 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 Research and Development (R&D) component of the PMKSY Scheme, MoFPI extends financial assistance as grant-in-aid to Private organizations/universities/institutions, Public funded organizations and recognized R&D laboratories both in public and private sector to promote and undertake demand driven R&D work in food processing sector for product & process development, design and development of equipment, improved storage, shelf-life, packaging etc.

Under the PMFME Scheme, financial assistance is being provided to micro food processing enterprises for acquiring new technologies and upgrading equipment. In addition, handholding support is provided to the beneficiary for project formulation, execution, access to credit, linkages to machine/equipment manufacturers, maintenance of hygiene & quality control etc.

(b): MoFPI is incentivizing establishment of such facilities through its schemes of PMKSY, PMFME and PLIS, which are demand driven in nature and implemented across the country Apart from this, with the objective to boost investments and sourcing of Indian food products, MoFPI organized 3rd edition of a Mega Event, called "World Food India" during 19th to 22nd September 2024 at Bharat Mandapam, New Delhi to showcase domestic Industry and provide it with collaborative opportunities with international stakeholders. The event brought global food processing companies, innovators, supply chain stakeholders, equipment manufacturers, etc. on a collaborative platform and provide foreign companies with tie-up/ business opportunities with its Indian counterparts.

(c): In order to promote local industries, One District One Product (ODOP) approach under PMFME Scheme has been adopted to reap the benefit of scale in terms of procurement of inputs, availing common services and marketing of products. It provides the framework for value chain development and alignment of support infrastructure. The ODOP are identified by States / UTs based on the agriculture production, raw material availability, perishability of the product etc.

In order to promote use of technology in Food Processing Sector, MoFPI extends Grant-in-Aid to educational and research institutions including Council of Scientific & Industrial Research (CSIR) recognized Research and Development (R&D) units in private sector for related demand driven R&D projects through its R&D scheme under PMKSY.

In addition, National Institute of Food Technology, Entrepreneurship & Management (NIFTEM) Kundli and NIFTEM, Thanjavur, under administrative control of MoFPI, are also engaged in transfer of technology to industries, farmer producer organizations, startups, and others. Also, NIFTEM-T undertakes several consultancy services and industry sponsored research projects. The need for these projects originate from the industry and the technology developed by NIFTEM-T will be used by the industry after completion of the project.

- (d): Research and development (R&D) plays a crucial role in boosting the efficiency and competitiveness of domestic machinery. By fostering innovation, R&D helps improve product quality, reduce manufacturing costs, and enhance performance. It enables companies to stay ahead of market trends, adopt advanced technologies, and meet evolving consumer demands effectively. Thus, Research and Development (R&D) component of the PMKSY Scheme has been considered by Ministry.
- (e): Schemes of MoFPI are, inter alia, intended to develop value-added products, bringing innovative technologies, enhancing productivity, enhancing product quality and safety standards etc.

Based on the demand from the food industry, FPOs, MSMEs, etc, NIFTEMs design and develop identified machinery for food processing and transfer the designs to the manufacturers for large scale production and commercial sale of such machinery for end users.