

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 5322
TO BE ANSWERED ON 03RD APRIL, 2025

**PROMOTION OF FOOD PROCESSING INDUSTRIES IN MALERKOTLA AND
SANGRUR**

5322. SHRI GURMEET SINGH MEET HAYER:

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

- (a) whether the Government has taken any steps to promote food processing industries in Malerkotla and Sangrur districts, particularly for vegetables and grains, in view of the lack of adequate food storage and processing infrastructure leading to post-harvest losses and reduced profitability, if so, the details thereof;
- (b) the steps taken/being taken by the Government to promote Food Processing Industries in the said districts particularly for vegetable and grains;
- (c) whether there are any schemes or incentives for farmers and entrepreneurs to set up food processing units and if so, the details thereof;
- (d) whether the Government has identified specific locations for cold storage, grain silos and processing hubs in these districts and if so, the details thereof;
- (e) the details of the measures being implemented for financial assistance, technical training and market linkages in the food processing sector in Malerkotla and Sangrur;
- (f) whether the Government has any plans to collaborate with private investors to boost food processing infrastructure and if so, the details thereof;
- (g) the initiatives taken to reduce post-harvest losses and improve price realization for farmers in these districts; and
- (h) whether any studies or consultations have been conducted with local stakeholders regarding these challenges and if so, the details thereof?

ANSWER

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

(a) to (g): In order to promote and ensure overall development of Food Processing Sector including processing of vegetables & grains and to help it face various challenges, Ministry of Food Processing Industries (MoFPI) is implementing 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 including Malerkotla & Sangrur districts of Punjab. These schemes are not region specific but demand driven and implemented across the country.

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 51 projects under corresponding component schemes of PMKSY in Punjab, out of which 2 projects are located in Sangrur district, 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 2,606 micro food processing enterprises have been approved for assistance under PMFME scheme in Punjab, out of which 80 & 252 micro food processing enterprises located in Malerkotla and Sangrur district respectively, 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, 9 food processing companies have been approved for assistance under various categories of the PLISFPI scheme in Punjab, 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, value addition etc., thereby help in providing better returns to farmers and creating huge employment opportunities, reducing wastage of agricultural produce, reduction in post harvest losses, enhancing productivity and increasing the processing level.

Schemes of MoFPI are, inter alia, intended to develop value-added products, benefitting & increasing the price of their products and income of the farmers in the country including Malerkotla & Sangrur districts of Punjab.

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.

The schemes of MoFPI also provide support for training, marketing & branding. The details of incentives available under these schemes are at **Annexure-I**.

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 (WFI)” 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. In addition, MoFPI is also organizing the WFI, 2025 to highlight investment opportunities and advancements in food processing.

(h): MoFPI has conducted a study related to “Assessment Studies for identifying gaps in infrastructure & processing facilities” for development of potential value chains for perishable products for 11 crops in identified clusters. A brief of its findings are placed at **Annexure-II**.

ANNEXURE REFERRED TO IN REPLY TO PART (a) TO (g) OF LOK SABHA UNSTARRED QUESTION NO. 5322 FOR ANSWER ON 03RD APRIL, 2025 REGARDING “PROMOTION OF FOOD PROCESSING INDUSTRIES IN MALERKOTLA AND SANGRUR”

Incentives available under Pradhan Mantri Kisan Samapada Yojana (PMKSY)

S. No.	Component Scheme	Scheme Benefits (Grant-in-aid) for projects in General Area	Scheme Benefits (Grant-in-aid) for projects in Difficult Areas as well as SC/ST, FPOs, SHGs
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.

Assistance available under PLISFPI scheme

- i. The beneficiary should achieve minimum year on year sales growth of 10% for claiming incentive under Category-I, Category-II and Millet-Based Products components of the Scheme. Under Category -I component, the companies have to make committed investments to increase their production capacities. If a company does not make the committed investment upto end of 2023-24, it is not eligible to receive incentives under the Scheme.
- ii. Under Category-III, i.e., Branding and Marketing component, a company is eligible for financial incentives @ 50% of expenditure incurred on Branding & Marketing abroad subject to a maximum of 3% of Sales of food products or Rs 50 crore per year, whichever is less. The minimum expenditure should be Rs. 5 crore over a period of five years.

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.

**ANNEXURE REFERRED TO IN REPLY TO PART (h) OF LOK SABHA
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**Brief of finding of Assessment Studies for identifying gaps in infrastructure &
processing facilities**

Crop	Clusters	Deficient Infrastructure
ANDHRA PRADESH		
Banana	Cluster-1- Ananthapuramu & Kadapa (YSR)	Integrated pack house with ripening chamber, reefer van and secondary processing facilities of chips/ flour unit/ puree/ value addition unit
	Cluster-2- East Godavari, West Godavari, Visakhapatnam & Vizianagaram	
Mango	Cluster-1- Ananthapuramu, Chittoor & Kadapa (YSR)	Integrated pack house with pre cooling, cold storage, sorting/ grading/ packing line, reefer van and secondary processing facilities of aseptic pulp line with concentrate facility/ RTSB packing line/ IQF unit/ blast freezing unit
	Cluster-2- Krishna	
Shrimp	Cluster-1- East Godavari, Krishna & West Godavari	Automatic grading, weighing & packing with X -ray vision graders and packer, value addition facility (Breaded Prawn Processing & Marinated Prawn Processing)
ASSAM		
Pineapple	Cluster-1-Dima Hasao, East Karbi Anglong, Kamrup & West Karbi Anglong	Integrated pack house with pre cooling, sorting/ grading/ packing line, reefer van and canning line
BIHAR		
Guava	Cluster-1- Muzaffarpur, Nalanda & Patna	Integrated pack house with cold storage and secondary processing facility of aseptic pulp line with concentrate facility/ RTSB packing line
Litchi	Cluster-1- Muzaffarpur, Pashchim Champaran Purbi Champaran, Sitamarhi & Vaishali,	integrated pack house with sulphitation chamber/acid dip chamber and secondary processing facility of pulping canning & bottling unit facility/ RTSB packing line/ blast freezing unit with deshelling & deseeding machine for frozen pulp
GUJARAT		
Banana	Cluster-1- Anand, Bharuch, Chhotaudepur, Narmada, Surat & Vadodara	Integrated pack house with ripening chamber, reefer van and secondary processing facilities of chips/ flour unit/ puree/ value addition unit
Mango	Cluster-1- Navsari & Valsad	Integrated pack house with pre cooling, cold storage, sorting/ grading/ packing line, reefer van and secondary processing facilities of aseptic pulp line with concentrate facility/ RTSB packing line/ IQF unit/ blast freezing unit
	Cluster-2- Junagadh & Rajkot	
Pomegranate	Cluster-1- Banaskantha & Kachchh	Integrated pack house with reefer van and secondary processing facility of juice line/ frozen aril unit / fresh aril unit
HIMACHAL PRADESH		

Apple	Cluster-1- Kinnaur, Kullu & Shimla	Integrated pack house with sorting/ grading/ packing line, CA store with optical grader, reefer van and secondary processing juice concentrate line
JAMMU & KASHMIR		
Apple	Cluster-1- Anantnag, Baramulla, Budgam, Kulgam, Kupwara, Pulwama & Shopian	Integrated pack house with sorting/ grading/ packing line, CA store with optical grader, reefer van and secondary processing juice concentrate line
MADHYA PRADESH		
Amla (Aonla)	Cluster-1- Chhindwara, Katni, Rewa, Shahdol & Sidhi	Integrated pack house and secondary processing facilities of juice, murabba, powder, candy
Guava	Cluster-1- Dhar, Indore & Khargone	Integrated pack house with cold storage and secondary processing facility of ascetic pulp line with concentrate facility/ RTSB packing line
	Cluster-2- Bhopal, Sehore & Vidisha	
	Cluster-3- Gwalior, Morena & Sheopur	
Orange / Mandarin / Kinnow	Cluster-1- Agar Malwa, Rajgarh & Shajapur	Integrated pack house and secondary processing facility of juice concentrate/ pulp processing/ tertiary unit (pectin & citrus peel oil)
MAHARASHTRA		
Banana	Cluster-1- Jalgaon	Integrated pack house with ripening chamber, reefer van and secondary processing facilities of chips/ flour unit/ puree/ value addition unit
Grapes	Cluster-1- Nashik & Pune	Integrated pack house with cold storage and secondary processing facility of drying
	Cluster-2- Sangli & Solapur	
Mango	Cluster-1- Raigad, Ratnagiri & Sindhudurg	Integrated pack house with pre cooling, cold storage, sorting/ grading/ packing line, reefer van and secondary processing facilities of aseptic pulp line with concentrate facility/ RTSB packing line/ IQF unit/ blast freezing unit
Orange / Mandarin / Kinnow	Cluster-1- Akola, Amravati & Nagpur	Integrated pack house and secondary processing facility of juice concentrate/ pulp processing/ tertiary unit (pectin & citrus peel oil)
Pomegranate	Cluster-1- Ahmednagar, Nashik & Pune	Integrated pack house with reefer van and secondary processing facility of juice line/ frozen aril unit / fresh aril unit
	Cluster-2- Sangli & Solapur	
MEGHALAYA		
Pineapple	Cluster-1- Ri Bhoj	Integrated pack house with pre cooling, sorting/ grading/ packing line, reefer van and canning line
	Cluster-2 - East Garo Hills & West Garo Hills	
PUNJAB		
Orange / Mandarin / Kinnow	Cluster-1- Bathinda, Fazilka & Sri Muktsar Sahib	Integrated pack house and secondary processing facility of juice concentrate/ pulp processing/ tertiary unit (pectin & citrus peel oil)
RAJASTHAN		
Orange / Mandarin / Kinnow	Cluster-1-Jhalawar	Integrated pack house and secondary processing facility of juice concentrate/ pulp processing/ tertiary unit (pectin & citrus peel oil)
TAMIL NADU		
Amla (Aonla)	Cluster-1- Dindigul, Theni & Tirunelveli	Integrated pack house and secondary processing facilities of juice, murabba, powder, candy

Banana	Cluster-1- Coimbatore & Erode	Integrated pack house with ripening chamber, reefer van and secondary processing facilities of chips/ flour unit/ puree/ value addition unit
	Cluster-2- Madurai, Theni & Thoothukudi	
TRIPURA		
Pineapple	Cluster-1- Dhalai & North Tripura	Integrated pack house with pre cooling, sorting/ grading/ packing line, reefer van and canning line
UTTAR PRADESH		
Amla (Aonla)	Cluster-1- Pratapgarh, Prayagraj, Banda, Chitrakoot	i. Integrated Pack House with Cold Storage & Secondary Processing Facility of Juice, Murabbas & others
Banana	Cluster-1-Gorakhpur, Kushi Nagar, Maharajganj	i. Pack house/Collection Centre with Ripening Chamber, Chips/Flour Unit & Refrigerated Vehicle; and ii. Puree Unit
	Cluster-2- Fatehpur, Kaushambi	
Guava	Cluster-1 -Budaun, Kasganj, Aligarh, Farrukhabad, Etah	i. Pack house with Multi Commodity Cold Storage, Secondary Processing Facilities [Integrated Pulping Unit, Jelly & others]
Mango	Cluster-1-Lucknow, Unnao, Sitapur	i. Integrated Pack house with pre Cooling Unit, Cold Storage, Refrigerated Van & Secondary Processing Facility (Aseptic/ Canning Line)
	Cluster-2-Saharanpur, Bijnor, Meerut, Amroha, Bulandshahar	
WEST BENGAL		
Pineapple	Cluster-1-Darjeeling, Uttar Dinajpur, Jalpaiguri	Juice pet bottle packing line