

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 5516
TO BE ANSWERED ON 03RD APRIL, 2025
SUPPORT TO THE PRIVATE ENTERPRISES

5516. SHRI MALVINDER SINGH KANG:

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

- (a) whether the Government has any proposal to lure private entrepreneur to make the food processing industry commercially and economically viable for domestic and international market and if so, the details thereof; and
- (b) the details of the support proposed to be provided by Government to the private enterprises?

ANSWER

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

(a) & (b): 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, 526 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 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 proposals from 133 food processing companies have been approved for assistance under various categories of the PLISFPI scheme in the country till 28th February, 2025.

Project Execution Agency (PEA) / Implementing agencies / organizations such as Govt. / PSUs / Joint Ventures / NGOs / Cooperatives / Self Help Groups (SHGs) / Farmer Producer Organizations (FPOs) / Farmer Producer Companies (FPCs) / Private Sector companies/

Partnership firm / Proprietorship firms/individuals etc. are eligible for availing grants under these schemes of MoFPI.

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.

The details of incentives available under PMKSY, PLISFPI and PMFME schemes of MoFPI are at **Annexure.**

**ANNEXURE REFERRED TO IN REPLY TO PART (a) & (b) OF THE LOK SABHA
UNSTARRED QUESTION NO. 5516 FOR ANSWER ON 03RD APRIL, 2025
REGARDING “SUPPORT TO THE PRIVATE ENTERPRISES”**

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.

Incentives available under Production Linked Incentive Scheme for Food Processing Industry (PLIS-FPI)

- 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.
