

GOVERNMENT OF INDIA  
MINISTRY OF FOOD PROCESSING INDUSTRIES  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 3124**  
ANSWERED ON 18<sup>TH</sup> DECEMBER, 2025

**IMPLEMENTATION OF SCHEMES FOR DEVELOPMENT OF FPI**

**3124. SMT. ANITA NAGARSINGH CHOUHAN:**

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

- (a) whether the Government is implementing special schemes for development of food processing industries in tribal and rural areas in Parliamentary Constituency no.-24, if so, the details thereof;
- (b) whether a brief description of currently operational schemes and the number of beneficiary individuals and institutions under them is available, if so, the details thereof;
- (c) the financial assistance, the grant rate and eligibility conditions being provided for establishment of food processing units in these areas; and
- (d) whether the Government is considering to launch new schemes for expansion in this sector in the near future and if so, the details thereof, if not, the reasons therefor?

**ANSWER**

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

**(a) to (d):** In order to promote and ensure overall development of food processing sector, Ministry of Food Processing Industries (MoFPI) has been incentivizing setting up/expansion of related infrastructure through its two Central Sector Schemes namely Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) and Production Linked Incentive Scheme for Food Processing Industry (PLISFPI). Further, a Centrally sponsored PM Formalization of Micro Food Processing Enterprises (PMFME) scheme is also being implemented by MoFPI. All these three schemes are demand driven and are implemented across the country including tribal & rural areas and all Parliamentary Constituencies.

Under PMKSY, financial assistance is provided to entrepreneurs for setting up of food processing industries. The scheme is operational for a period upto 2025-26 with total outlay of Rs 6520 Crore for 15<sup>th</sup> Finance Commission Cycle. MoFPI has approved 1619 projects across the country till 31.10.2025 under this scheme.

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. MoFPI has approved 170 proposals across the country till 31.10.2025 under this scheme.

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. 162744 micro food processing enterprises have been approved for assistance across the country till 31.10.2025 under this scheme.

The details of incentives available under these schemes of MoFPI are given at **Annexure-I** and the eligibility conditions under these scheme of MoFPI are given at **Annexure-II**.

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**ANNEXURE REFERRED TO IN REPLY TO PART (a) TO (d) OF THE LOK SABHA UNSTARRED QUESTION NO. †3124 FOR ANSWER ON 18<sup>TH</sup> DECEMBER, 2025 REGARDING “IMPLEMENTATION OF SCHEMES FOR DEVELOPMENT OF FPI”**

**Incentives available under Pradhan Mantri Kisan Samapada Yojana (PMKSY)**

<b>S. No.</b>	<b>Component Scheme</b>	<b>Scheme Benefits (Grant-in-aid) for projects in General Area</b>	<b>Scheme Benefits (Grant-in-aid) for projects in Difficult Areas as well as SC/ST, FPOs, SHGs</b>
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	For Private organizations/entities: grant-in-aid of @ 50% of the eligible cost [subject to maximum of Rs. 5 crores per project]	For Private organizations/entities: grant-in-aid of @ 70% of the eligible cost [subject to maximum of Rs. 5 crores per project]
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 structure under Production Linked Incentive Scheme for Food Processing Industry (PLIS-FPI)**

Category/ Segments	Segment	Incentive Disbursement criteria (%)		Upper cap (% & Amount in crore)	Rate of Incentives (%)					
		Min. CAGR	Max. CAGR		2021-22	2022-23	2023-24	2024-25	2025-26	2026-27
Cat. 1										
RTE/RTC	Biscuits	10%	13%	8%	5%	5%	5%	5%	4.5%	4%
	Non-Biscuits			Rs.334.48	7.5%	7.5%	7.5%	7.5%	6.75%	6%
F&V	Spices	10%	12%	8%	5%	5%	5%	5%	4.5%	4%
	Non-Spices		15%	Rs.286.56	10%	10%	10%	10%	9%	8%
Marine	Marine products	5%	10%	8%	6%	6%	6%	6%	5%	4%
	Value added products			Rs.79.44	10%	10%	10%	10%	10%	10%
Mozzarella Cheese		15%	16%	25% Rs.70.75	10%	10%	10%	8%	6%	4%
Millet Products	Large Entity	10%	-	Rs.100	-	10%	10%	10%	9%	8%
	MSME	10%	-	Rs.10.54						
Cat. 2	Organic Products	10%	-		10%	10%	10%	10%	9%	8%
	Innovative Products	10%	-		10%	10%	10%	10%	9%	8%
Cat. 3	Branding & Marketing (B&M)	Only Indian brands covered for selling food products completely manufactured in India.		50% of total expenditure	-	Financial incentive @50% of expenditure on B&M abroad subject to max. grant of 3% of sales of food products or Rs. 50 Cr per year, whichever is less.				

CAGR- Compound Annual growth Rate

**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.

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**Eligibility criteria under PMKSY**

- The combined net worth of the applicant should be at least 1.5 times of the grants-in-aid sought in respect of proposals from General Areas and at least equal to the grants-in-aid sought for, in case of proposals from Difficult Areas or proposals from SC/ST promoters or FPOs or SHGs. In case of Food Testing Labs, component scheme of PMKSY, net worth of the applicant should be at least equal to the grants-in-aid sought in case of General Areas also.
- In-principle /final term loan sanction letter specific to the proposal from a bank.
- Detailed bank appraisal note from a Scheduled Commercial Bank.
- Term loan from the Bank for an amount not less than 20% of the total project cost in respect of proposals from General Areas and 10% of the total project cost in case of proposals from Difficult Areas or proposals from SC/ST promoters or FPOs or SHGs.
- Infusion of promoter's equity of at least 20% of the total project cost in respect of proposals from General Areas and 10% of the total project cost in case of proposals from Difficult Areas or proposals from SC/ST or FPOs or SHGs.
- Only one application will be accepted from an entity against an Expression of Interest under the scheme.
- Expansion/Upgradation of existing facility(ies) will not be allowed except for Food Safety & Quality Assurance Infrastructure (FTL) and Creation/Expansion of Food Processing & Preservation Capacities (CEFPPC) schemes..
- Entities or promoter(s) of entities who have availed financial assistance under another scheme (any scheme other than the CEFPPC scheme) of the Ministry will be eligible for Grants-in-aid only after two years from the date of commercial operation of the previous project. Provided that an entity or promoter(s) of an entity shall not be eligible for financial assistance for more than two projects during a period of 10 years.

**Eligibility criteria under PLISFPI**

Category	Segment	Minimum Sale (Rs. in Crore)	Minimum Investment (Rs in Crore)	Min CAGR % for Sales Incentives
Category-I	Ready to Eat /Ready to Cook	500	100	10
	Processed Fruits & Vegetables	250	50	10
	Marine Products	600	75	5
	Mozzarella Cheese	150	23 Crore-10 MTPD	15
Category-II	Innovative/Organic Products including Free range eggs,	a. Udyami Registered b. Achieved Minimum sale of Rs. 1 Crore during 2019-20 for each of the Innovative/		

	Egg Products, Poultry Products	organic product proposed to be incentivized.  c. Applicant for Organic Product shall be registered with APEDA (NPOP Certification)
Category-III	<ul style="list-style-type: none"> <li>Only Indian Brands are covered for branding &amp; Marketing abroad having products manufactured in India;</li> <li>Branding &amp; Marketing shall be undertaken either by the Applicant directly or through its subsidiary or any other agency India/Abroad</li> </ul>	
Millets based products	Large Entity - 250 Crore	MSME - 2 Crore
<p>The scheme is applicable only for the sale of products whose <b>entire chain of manufacturing process (including primary processing) takes place in India</b>. This condition does not apply for additives, flavours and edible oils used in the manufacturing process. The incentives under the scheme varies from 5%-10% in first 4 years and 4%-9% in subsequent years.</p>		

#### **Eligibility criteria under PMFME to Support to Individual Micro Enterprises**

- Beneficiary contribution should be minimum of 10% of the project cost with balance being loan from Bank.
- The individual applicant should be above 18 years of age irrespective of educational qualification.
- Applicant/enterprise is eligible for bank loan under the Scheme, even if he has availed bank loan in other Subsidy Linked Schemes of Government. Applicant is also eligible for Interest Subvention and Top Up convergence with other Government Sponsored Schemes. Lending Banks may consider sanctioning need based working capital limit to the beneficiaries, as admissible. However, no subsidy would be provided on the working capital.
- The applicants/Entrepreneurs of existing units under stress and qualifying for restructuring by the Banks are eligible for upgradation/expansion of the Unit under the scheme.

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