

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 3219
ANSWERED ON 18TH DECEMBER, 2025

NEW FOOD PROCESSING UNITS

3219. SMT. MALVIKA DEVI:

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

- (a) whether the Government has taken any measures to ensure strict monitoring, identification and disposal of expired food products and if so, the steps being taken to prevent such expired items from being recycled, repackaged and re-introduced into the market including details of any enforcement mechanism or inspections conducted in this regard;
- (b) the number of new food-processing units that have been established across the country during the last financial year;
- (c) whether the Government has proposed any new food-processing plants for the State of Odisha including the districts of Kalahandi and Nuapada and if so, the details thereof;
- (d) the subsidies, incentives or support schemes currently available for micro and small enterprises for setting up food-processing units; and
- (e) whether additional subsidies or schemes exist for entrepreneurs belonging to aspirational districts like Kalahandi and Nuapada and if so, the details thereof?

ANSWER

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

(a): As per the information provided by Food Safety and Standards Authority of India (FSSAI), FSSAI is mandated to lay down science based standards for articles of food and to regulate their manufacture, storage, distribution, sale and import to ensure availability of safe and wholesome food for human consumption.

FSSAI has issued an advisory dated 03.11.2025 reiterating strict compliance with environmentally sound procedures for disposal of seized, rejected, and expired food items, in line with earlier guidelines dated 21.12.2020 issued under Sections 38(4) and 47(4) of the Act. The advisory directs enforcement authorities to adopt only approved disposal methods, in coordination with local authorities.

Further, FSSAI through its regional offices and also through the State/UT Food Safety Departments, carry out regular inspections & audits of all food business operators of all food products to ensure compliance with the standards & statutory requirements established under the FSS Act, 2006 and the Regulations made thereunder.

(b) & (c): In order to promote and ensure overall development of food processing sector, Ministry of Food Processing Industries (MoFPI) has been incentivizing for setting up of related industries through its two Central Sector Scheme viz. Pradhan Mantri Kisan SAMPADA Yojana (PMKSY), Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) and a Centrally sponsored PM Formalization of Micro Food Processing Enterprises

(PMFME). These schemes are not region or state specific but demand driven and being implemented across the country including Kalahandi and Nuapada districts of Odisha.

Under PMKSY Scheme, 8 projects have been approved for assistance in the country during last financial year (2024-25), out of which 2 projects located in the state of Odisha.

Under PMFME Scheme, 45713 new micro food processing enterprises have been approved for assistance in the country during last financial year (2024-25), out of which 484 micro food processing enterprises have been approved in the State of Odisha including 3 in Kalahandi and 3 in Nuapada.

(d) & (e): The details of incentives available under these schemes of MoFPI are given at **Annexure**. MoFPI provides subsidy/incentives to the eligible entities, as per scheme guidelines across the country including aspirational districts like Kalahandi and Nuapada districts of Odisha. Under PMKSY, for difficult areas, subsidy @50% of eligible project cost is provided against @35% in general areas.

ANNEXURE REFERRED TO IN REPLY TO PART (d) & (e) OF THE LOK SABHA UNSTARRED QUESTION NO. 3219 FOR ANSWER ON 18TH DECEMBER, 2025 REGARDING “NEW FOOD PROCESSING UNITS”

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	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% Rs.334.48	5%	5%	5%	5%	4.5%	4%
	Non-Biscuits				7.5%	7.5%	7.5%	7.5%	6.75%	6%
F&V	Spices	10%	12%	8% Rs.286.56	5%	5%	5%	5%	4.5%	4%
	Non-Spices		15%		10%	10%	10%	10%	9%	8%
Marine	Marine products	5%	10%	8% Rs.79.44	6%	6%	6%	6%	5%	4%
	Value added products				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.