

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
STARRED QUESTION NO. *288
ANSWERED ON 12TH MARCH, 2026

HARNESSING POTENTIAL OF TAMIL NADU IN FOOD PROCESSING SECTOR

***288. SHRI C N ANNADURAI:**

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

- (a) whether the Government recognises the significant potential of Tamil Nadu in the food processing sector in view of its diversified agricultural base, strong dairy, fisheries, poultry and horticulture production and its proximity to major domestic and export markets and if so, the details thereof;
- (b) the details of Central schemes and investments supporting food processing capacity, value addition and infrastructure creation in the State;
- (c) whether gaps persist in cold chain coverage, primary processing, packaging and export- oriented facilities despite the State's potential and if so, the details thereof;
- (d) whether any assessment has been undertaken to examine constraints faced by farmers, Farmer Producer Organisations (FPOs) and Micro, Small and Medium Enterprises (MSMEs) in accessing technology, credit and market linkages and if so, the details thereof; and
- (e) whether the Government proposes targeted interventions to fully harness Tamil Nadu's food processing potential, reduce post-harvest losses and enhance farmer incomes and employment and if so, the details thereof?

ANSWER

THE MINISTER OF FOOD PROCESSING INDUSTRIES
(SHRI CHIRAG PASWAN)

(a) to (e): A statement is laid on the Table of the House.

STATEMENT REFERRED TO IN REPLY TO PARTS (a) TO (e) OF STARRED QUESTION NO. *288 FOR ANSWER ON 12TH MARCH, 2026 REGARDING “HARNESSING POTENTIAL OF TAMIL NADU IN FOOD PROCESSING SECTOR”

(a) to (e): In view of its rich agricultural produce base, strong dairy, fisheries, poultry and horticulture production and its proximity to major domestic and export markets, Tamil Nadu has potential to develop strong Food Processing Sector. Ministry of Food Processing Industries (MoFPI) incentivizes entrepreneurs to establish related Industries through its two Central Sector Schemes namely Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) and Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) and a centrally sponsored scheme namely PM Formalization of Micro Food Processing Enterprises (PMFME) scheme across the country including Tamil Nadu. Through these schemes, MoFPI supports food processing sector by providing grant-in-aid for creation of cold chain facilities; processing, packaging and export-oriented facilities across the country including Tamil Nadu.

Under component schemes of PMKSY, MoFPI provides financial assistance to entrepreneurs selected on the basis of Expression of Interest (EoI) issued from time to time. MoFPI has sanctioned 104 food processing projects with approved grant in aid of Rs 485.96 crores under various component schemes of PMKSY in the State of Tamil Nadu, till 31.12.2025.

Under PMFME Scheme, Ministry provides financial, technical and business support for setting up/ upgradation of micro food processing enterprises. A total of 17,869 micro food processing enterprises have been approved with subsidy of Rs 410.20 crores under PMFME Scheme in the State of Tamil Nadu till 31.12.2025.

PLISFPI is, inter alia, intended to support creation of global food manufacturing champions and support Indian brands of food products in international market. Food processing projects at 19 locations with committed investments of Rs 389.53 crores have been approved under various categories of the PLISFPI scheme in the State of Tamil Nadu.

MoFPI has undertaken several assessments from time to time to identify the challenges faced by farmers, Farmer Producer Organizations (FPOs), including Micro, Small and Medium Enterprises (MSMEs). Based on the recommendations emerging from such assessments, the Ministry periodically reviews and undertakes appropriate policy interventions and scheme-related measures for the overall development of the food processing sector.

MoFPI, through its schemes, provides grant-in-aid/incentives to the eligible entities including Farmer Producer Organizations (FPOs) and Micro, Small & Medium Enterprises (MSMEs), all over the country, including Tamil Nadu. These schemes aim towards creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet which includes storage, transportation, creation of market linkages etc., thereby help in reducing post-harvest losses and facilitating enhance farmer incomes and creating off-farm employment opportunities.
