

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 1071
ANSWERED ON 05TH FEBRUARY, 2026

GROWTH AND EXPORT PROMOTION OF FPI

1071. SHRI TEJASVI SURYA:

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

- (a) the projected growth of India's Food Processing Industry (FPI) over the next two years along with the major factors driving this growth;
- (b) the role of Government schemes such as the Production Linked Incentive (PLI) Scheme and Pradhan Mantri Kisan Sampada Yojana (PMKSY) in supporting this expansion;
- (c) the steps being taken to promote the rapidly growing organic food market, particularly for farmers and MSMEs;
- (d) the measures undertaken to strengthen processing, storage and cold chain infrastructure to reduce post-harvest losses,
- (e) the estimated employment generation and export growth expected from the food processing sector during the Financial Year 2026; and
- (f) the strategies in place to increase exports of value-added and organic food products, and the expected impact on farmers' income and India's share in global food markets?

ANSWER

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

(a): The Gross Value Added (GVA) data is released by the Ministry of Statistics and Programme Implementation. Based on the previous data on the GVA of the Food Processing Industries (FPI) Sector, the GVA FPI Sector is projected to reach ₹2.43 lakh crore over the next two years considering CAGR of last 8 years. The growth is expected to be driven by interventions such as the Production Linked Incentive Scheme for Food Processing Industries (PLISFPI), Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) and Prime Minister Formalization of Micro Food Processing Enterprises (PMFME) and Agri-Infra Fund of Ministry of Agriculture and Farmers Welfare, increased demand for value-added and processed food products, improvement in supply-chain and cold-chain infrastructure, and growing focus on exports and food safety standards.

(b) to (d): The Ministry of Food processing Industries (MoFPI) supports the creation and expansion of the processing/preservation capacity through implementation of various schemes for the overall development of food processing sector, including creation of modern infrastructure with efficient supply chain management from farm gate to retail outlets, to reduce post-harvest losses and to increase the level of processing. The schemes being implemented by MoFPI are as follows:

MoFPI is implementing a Central Sector Umbrella Scheme- PMKSY since 2016-17 to create post-harvest infrastructure and processing capacity. The component schemes under PMKSY are (i) Integrated Cold Chain and Value Addition Infrastructure, (ii) Creation of Infrastructure for Agro-Processing Clusters, (iii) Creation / Expansion of Food Processing & Preservation Capacities (iv) Operation Greens (v) Food Safety and Quality Assurance - Food Testing Laboratories (FTL) (vi) Human Resource & Institutions- Research & Development (vii) Mega Food Parks (the component has been discontinued with effect from 01.04.2021 with provision for committed liabilities only) and (viii) Creation of Backward and Forward Linkages (the component has been discontinued from 1st April 2021). MoFPI

provides credit linked financial assistance (capital subsidy) in the form of grants-in-aid to the eligible applicants as per the scheme guidelines and as on December 2025, 1607 projects have been approved under PMKSY out of which 1196 projects have been completed.

MoFPI is implementing the PLISFPI for the period FY 2021-22 to FY 2026-27 with an approved outlay of ₹10,900 crore, to support the creation of global food manufacturing champions, commensurate with India's natural resource endowment, and to support Indian brands of food products in international markets. By 31st December, 2025, 169 applications have been approved under the scheme, with beneficiaries reporting investments of ₹9,207 crore and incentives disbursed amounting to ₹2,162.55 crore.

Furthermore, to provide comprehensive support for establishing or upgrading micro food processing enterprises assistance is provided through PMFME scheme. As of 31st December 2025, 4,04,062 applications have been sent to banks and 1,72,707 loans have been sanctioned with term loan amount of Rs. 14.19 thousand crores. Seed Capital support has been sanctioned for 3,74,819 women SHG members amounting to Rs. 1277.45 Crore. Additionally, the programme has successfully trained 693 Master Trainers, 1,312 District Level Trainers, and 1,36,723 beneficiaries across 36 States and Union Territories.

With creation of food processing infrastructure under the above schemes, the demand for farm produce, which is raw material for food processing industries, increases leading to better prices to farmers including MSMEs and increasing farm gate profitability. The above scheme has significantly contributed at micro level (farmers and cold chain owners) by increasing income through better price realization, value addition and wastage reduction etc. across the country. The assistance under aforementioned schemes and programmes is also available for the organic food products.

(e): As per the latest report of Annual Survey of Industries (ASI) for the year 2023-24 released by Ministry of Statistics and Programme Implementation (MoSPI), the estimated employment is projected to reach 26,63,809 by the financial year 2026-27 considering CAGR of last 8 years. Further, as per the data released by Directorate General of Commercial Intelligence & Statistics (DGCI&S) under Ministry of Commerce and Industry, the expected export growth of food processing industry is projected to reach USD 12,006.92 million by the financial year 2026-27 considering CAGR of last 8 years.

(f): Agricultural and Processed Food Products Export Development Authority (APEDA) under Ministry of Commerce and Industries provides financial assistance for export of APEDA's scheduled products to its registered exporters. Financial assistance is provided under Agriculture and Processed Foods Export Promotion Scheme of APEDA for the 15th Finance Commission Cycle (2021-22 TO 2025-26) in three broad areas, namely

- i. Scheme for infrastructure Development
- ii. Scheme for Quality Development
- iii. Scheme for Market Promotion

Further, APEDA is implementing the National Programme for Organic Production (NPOP). The programme involves the accreditation of certification bodies, standards for organic production, promotion of organic farming and marketing, etc. Under NPOP, operators are certified as per their scope of operation such as production, processing and trading. In order to have greater visibility of the Indian exporters, food producers and engaging new business partners in the global market, APEDA provides opportunities to them to market their products in International and domestic trade fairs. APEDA develops a vibrant Indian pavilion during the trade fairs inviting participant exporters for various international and national trade event organized by APEDA. A dedicated export promotion forum is established by APEDA for specific products to streamline efforts and resources towards boosting exports.