

GOVERNMENT OF INDIA  
MINISTRY OF FOOD PROCESSING INDUSTRIES  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 2248**  
ANSWERED ON 12<sup>TH</sup> FEBRUARY, 2026

**FOOD PROCESSING UNITS AND PROJECTS IN KERALA**

**2248. SHRI BENNY BEHANAN:**

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

- (a) whether the Government has taken note that several food processing units and projects in Kerala, particularly in fruit, vegetable, fish, meat, spice, coconut and value-added agriculture sectors, are operating below capacity or have failed to take off due to inadequate infrastructure, high input costs and limited market access and if so, the details thereof;
- (b) whether the Government has reviewed the State-wise utilisation of central schemes such as the Prime Minister Formalisation of Micro Food Processing Enterprises (PMFME) scheme, Mega Food Parks and cold chain infrastructure schemes and if so, the details thereof along with specific reference to Kerala and the reasons for delays and underutilisation;
- (c) whether the Government acknowledges that weak linkages between farmers, fisherfolk and food processing units in Kerala have resulted in post-harvest losses, price volatility and reduced income realisation especially during seasonal gluts and if so, the details thereof; and
- (d) whether the Government proposes any Kerala-specific, time-bound interventions to address the above issues, if so, the details thereof?

**ANSWER**

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

**(a):** Ministry of Food Processing Industries (MoFPI), through its schemes, is helping strengthening of food processing/ preservation infrastructure with efficient supply chain and modernization/ capacity enhancement of food processing units across the country including Kerala.

MoFPI is incentivizing setting up of food processing industries including fruit, vegetable, fish, meat, spice, coconut and value-added agriculture sectors through its Central Sector Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) Scheme, Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) and a Centrally sponsored PM Formalization of Micro Food Processing Enterprises (PMFME) scheme.

As on 31.12.2025, MoFPI has approved 38 food processing projects under component schemes of PMKSY, 8478 micro food processing enterprises under PMFME scheme and 10 projects under PLISFPI in Kerala.

**(b):** Robust institutional mechanism has been put in place at National, State and District levels for effective utilization and implementation of the PMFME scheme. At the national level, Inter-Ministerial Empowered Committee (IMEC) has been constituted as a policy making body to give overall direction, guidance for implementation of the scheme and monitor & review its progress and performance. Further, all the States/ UTs have appointed State Nodal Agencies (SNAs), constituted State Level Approval Committees (SLACs) & District Level Committees (DLCs) for implementation of the scheme. Online portal has also been developed for submission of applications, approval and release of subsidy under the scheme. Ministry conducts regular meetings with States/ UTs, lending banks, State Level Bankers Committee (SLBC) and other stakeholders for timely fund utilisation and monitoring the progress of implementation of the Scheme.

Securing various statutory clearances and utility provisions for Food Processing Industry takes significant time adversely affecting its implementation schedule.

MoFPI has taken various measures for timely implementation of these projects, including projects approved under Mega Food Parks and cold chain infrastructure schemes, which include (i) Dashboard for monitoring the progress of the projects; (ii) Regularly review with the promoters to help remove bottlenecks in implementation; (iii) Assessing the progress of projects through site visits to prevent delays in their completion; (iv) Issues taken up with the Banks/ Financial Institutions to expedite sanction and disbursement of term loan to the projects; (v) Penal provisions on the promoters in case of delayed completion of projects; (vi) MoFPI, on the request of project implementing agencies, also took up the matter with the concerned department of State Government and their agencies for smooth and timely implementation.

The Mega Food Park Scheme has been discontinued by the Ministry since 01.04.2021.

**(c) & (d):** In order to help it face various challenges and ensure overall development of Food Processing Sector, MoFPI, through its schemes, extends financial support to prospective entrepreneurs for setting up of different kinds of food processing units, as per respective scheme guidelines across the country including Kerala.

All these help in creation of linkage between farmers & food processors and thereby increasing the income of the farmers and reducing post-harvest losses.

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