

GOVERNMENT OF INDIA  
MINISTRY OF FOOD PROCESSING INDUSTRIES  
**LOK SABHA**  
**UNSTARRED QUESTION NO. 4395**  
ANSWERED ON 19<sup>TH</sup> MARCH, 2026

**TARGET TO EXPAND FOOD PROCESSING CAPACITY**

**4395. SHRI K E PRAKASH:**

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

- (a) whether the Government has set any target to significantly expand India's food processing capacity, aiming to double it from the current level of around 12–13 per cent over the next six to seven years and if so, the details thereof;
- (b) whether any specific schemes, infrastructure investments or policy measures have been planned to achieve this expansion and if so, the details thereof; and
- (c) the timeline and key performance indicators the Government has set to monitor progress towards this target?

**ANSWER**

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

**(a):** The capacity of the food processing industry in terms of Gross Value Added (GVA) data released by the Ministry of Statistics and Programme Implementation is ₹ 2.24 lakh crore in the year 2023-24 (as per 1<sup>st</sup> Revised Estimates). Based on the previous data on the GVA of the Food Processing Industries (FPI) Sector, the GVA FPI Sector is projected to reach ₹2.87 lakh crore over the next six 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):** 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 31<sup>st</sup> 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 31<sup>st</sup> December 2025, 1,72,707 individual Micro Food Processing Enterprises approved for credit linked assistance amounting to Rs. 5009.61 Cr, 3,76,326 SHG members approved for Rs 1282.98 Cr and 76 Incubation centres with outlay of Rs 208.10 Cr.

(c): MoFPI monitors the performance of its schemes/programmes on a quarterly basis by monitoring key indicators. For PMKSY, indicators like number of food processing / preservation units operationalized, total agro-produce processing and preservation capacity added and total employment generated due to food processing & preservation/expansion are monitored. Under the PMFME Scheme, indicators include number of micro enterprises assisted in the current year, number of Self Help Groups (SHG) members supported under the scheme, number of women micro enterprises supported under the scheme and additional employment opportunity generated. Further, number of applicants supported, Sales (including exports) by supported applicants and Additional employment generated by the supported applicants (nos.) over and above the previous year for PLIFPI Scheme.

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