

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 971
ANSWERED ON 05TH FEBRUARY, 2026

FOOD PROCESSING BASED SCHEMES FOR FARMERS

971. SHRI ASHOK KUMAR RAWAT:

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

- (a) the details of proposed food processing-based schemes of Budget 2025-26 to increase farmers' income;
- (b) whether any special financial assistance is being provided to Farmer Producer Organisations (FPOs) and cooperative societies and if so, the details thereof; and
- (c) whether any provisions have been made to ensure that farmers receive income above the minimum support price and if so, the details thereof?

ANSWER

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

- (a): No budget announcement has been made for food processing schemes during 2025-26.
- (b): The Ministry of Food Processing Industries (MoFPI) incentivizes setting up of food processing sector 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.

Under PMKSY, quantum of grant is provided at enhanced level of 50% of eligible project cost, in comparison to 35% for proposals from general areas (Subject to the maximum ceiling under respective sub-schemes) to Farmer Producer Organizations (FPOs). Cooperatives are eligible entities for availing grants @35% of eligible project cost under schemes of MoFPI.

- (c): As per the Government's policy of procurement of foodgrains, stocks conforming to the Government of India (GoI) specifications which are offered by the farmers at Purchase centers are procured by the Government Agencies at Minimum Support Price (MSP). However, if the farmers get prices better than MSP in open market, they are free to sell their produce.
