

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 3196
ANSWERED ON 06TH AUGUST, 2026

SETTING UP OF AGRO PROCESSING CLUSTERS FOR SUGARCANE BY-PRODUCTS

3196. SHRI HARENDRA SINGH MALIK:

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

- (a) whether there is any new budgetary proposal under the Pradhan Mantri Kisan Sampada Yojana to set up special Agro Processing Clusters for sugarcane by-products such as jaggery, vinegar and liquid jaggery in Muzaffarnagar and Bijnor and if so, the details thereof;
- (b) whether the Government proposes to set up modern testing laboratories and curation centres in Muzaffarnagar and Bijnor districts under the One District One Product (ODOP) initiative to make jaggery export-worthy in accordance with international standards and if so, the details thereof;
- (c) whether the Government proposes to cover the small processing units of the region under the Operation Greens to enhance their energy efficiency and encourage to adopt solar-based cold storages and if so, the details thereof; and
- (d) the details of the direct and indirect employment generated through the food processing units under Muzaffarnagar Lok Sabha Constituency during the last three years, block-wise?

ANSWER

THE MINISTER OF FOOD PROCESSING INDUSTRIES
(SHRI CHIRAG PASWAN)

(a): The Ministry of Food Processing Industries (MoFPI) has been implementing the Scheme for Creation of Infrastructure for Agro Processing Clusters (APC) since 2017 as a component Scheme of the Pradhan Mantri Kisan Sampada Yojana (PMKSY). The APC Scheme aims to create modern infrastructure for food processing based on a cluster approach, reduce post-harvest losses, add value to agricultural produce, increase farmers' income and generate employment. Under the Scheme, financial assistance in the form of grant-in-aid/subsidy is provided at the rate of 35% of the eligible project cost in General Areas and 50% in North Eastern States, including Sikkim, Himalayan States, notified ITDP areas and Islands, subject to a maximum of ₹10 crore.

The APC Scheme is not District/ State/ Product-specific. The APC Scheme is demand-driven and proposals are invited from prospective investors / entrepreneurs through Expressions of Interest (EoIs) issued by the Ministry from time to time, subject to availability of funds. At

present, no project has been approved under the APC Scheme in Muzaffarnagar and Bijnor districts of Uttar Pradesh.

(b): MoFPI does not establish food testing laboratories on its own. The Ministry only provides financial assistance for setting up Food Testing Laboratories under the Scheme for Food Safety and Quality Assurance Infrastructure (FSQAI). It is a demand-driven scheme. Proposals are invited on an all India basis through EoIs floated from time to time on the Ministry's SAMPADA Portal. Selection of locations is not pre-determined and is based on the eligibility criteria, technical and financial viability, and merit of proposals, as per the Scheme Guidelines available on the Ministry's website. At present, no proposal for establishment of Food Testing Lab in Muzaffarnagar and Bijnor districts is pending in the Scheme for FSQAI.

Under the Pradhan Mantri Formalization of Micro food processing Enterprises (PMFME) Scheme, Jaggery has been identified as One District One Product (ODOP) in Muzaffarnagar and Bijnor districts. The Scheme is demand-driven and implemented through the respective State Governments/UTs. Proposals for establishment of such facilities are identified and recommended by the State Governments based on local requirements and approved in accordance with the Scheme Guidelines. No specific proposal for establishment of modern testing laboratories or curation centres in Muzaffarnagar and Bijnor districts has been received by the Ministry under the Scheme.

(c): Under Operation Greens Scheme a component of PMKSY Umbrella Scheme, the Ministry is providing financial assistance @ 35% of the eligible project cost for projects in general category areas, and @ 50% for projects in difficult category areas, as well as for projects involving SC/ST, Farmer Producer Organizations (FPOs) and Self-Help Groups (SHGs) for value chain development of 10 fruit crops, 11 vegetable crops and shrimp in the identified production clusters. Sugarcane by-products are not covered under the Operation Greens Scheme for financial assistance. Further, setting up of standalone cold storage facility is also not supported under the Operation Greens Scheme. However, projects approved under various component Schemes of PMKSY are encouraged to adopt energy efficient power systems including installation of solar panels, as per applicable Scheme Guidelines of the component Schemes.

(d): All component Schemes of the Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) are demand-driven and applications are invited through EoIs issued by the Ministry from time to time. Lok Sabha Constituency-wise/block-wise employment data is not maintained by the Ministry. However, in the State of Uttar Pradesh, 103 food processing projects have been approved under PMKSY, of which 83 projects have been completed/operational. Through these completed/operational projects, employment for 64,877 persons have been generated, as on 30.06.2026.
