

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 916
ANSWERED ON 23RD JULY, 2026

PROCESSING CAPACITY CREATED UNDER CENTRAL SCHEME

916. ADV PRIYA SAROJ:

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

- (a) the total agricultural production and the estimated quantity of agricultural produce processed during the last five years, year-wise and commodity-wise, particularly for Uttar Pradesh;
- (b) the details of the processing capacity created under Central schemes during the said period along with the gap between growth in agricultural production and expansion of processing and cold-chain capacity and the reasons therefor as recorded in the reviews conducted by the Ministry, year-wise, commodity-wise and district-wise particularly for Uttar Pradesh;
- (c) the details of the estimated post-harvest losses during the last five years, along with the number of complaints received regarding lack of cold storage, food parks and logistics infrastructure, year-wise, commodity-wise and district-wise particularly for Uttar Pradesh;
- (d) the findings of monitoring reports regarding utilisation of funds under Central food processing schemes, including details of delayed, incomplete or non-operational projects; and
- (e) the measures proposed to reduce wastage of agricultural produce and to ensure that Central schemes result in actual value addition and higher income for farmers?

ANSWER

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

(a): The details of the total agricultural production during the last five years, commodity wise for the state of Uttar Pradesh is placed at **Annexure**. To assess the value addition in various agricultural commodities, the Ministry of Food Processing Industries (MoFPI) has conducted study to determine the level of processing, titled “*Study on Assessment of the Level of Food Processing in India*” in 2026 through CRISIL. The available studies on level of processing are periodic in nature and do not provide neither State-wise nor year-wise estimates. The details of the extent of processing for the various category/commodities covered in the study are as below:

Level of Processing in India (%)					
Category / Commodity	FY11	FY16	FY19 (E)	FY23	FY25(E)
Paddy	69.70%	85.20%	92.30%	76.00%	77.00%
Wheat	55.30%	70.10%	78.00%	78.00%	79.00%
Maize & Millets	20.00%	28.30%	29.40%	82.00%	84.00%
Cereals (Overall)	51.10%	63.70%	68.80%	78.00%	79.00%
Gram	29.30%	59.60%	80.40%	65.00%	69.00%
Red Gram	31.60%	51.30%	51.70%	71.00%	71.00%
Other Pulses	40.50%	58.10%	53.80%	76.00%	75.00%
Pulses (Overall)	34.00%	57.40%	61.80%	69.00%	71.00%
Groundnut	8.10%	17.50%	42.70%	78.00%	81.00%

Rapeseed and Mustard	56.50%	36.00%	32.50%	77.00%	79.00%
Other Oilseeds	87.90%	79.90%	61.50%	78.00%	80.00%
Oilseeds (Overall)	60.10%	49.60%	49.80%	78.00%	80.00%
Fruits	1.60%	2.90%	4.50%	17.00%	19.00%
Potatoes & Onion	1.10%	2.00%	3.20%	19.00%	22.00%
Other Vegetables	2.70%	2.40%	2.40%	8.00%	10.00%
F&V (Overall)	1.90%	2.50%	3.30%	16.00%	18.00%
Milk	17.20%	20.10%	21.10%	58.00%	60.00%
Eggs & Poultry	3.50%	7.40%	11.60%	18.00%	20.00%
Meat	18.60%	22.70%	34.20%	41.00%	46.00%
Fish	2.80%	8.30%	15.40%	23.00%	26.00%
Tea *	—	89%	—	93%	93%
Coffee *	—	57%	—	97%	97%
Spices	—	—	—	59%	61%
Sugarcane	69%	84%	84%	87%	87%

Source: Study on Assessment of the Level of Food Processing in India”- 2026 by CRISIL

(b): MoFPI implements Central Sector umbrella scheme – Pradhan Mantri Kisan Sampada Yojana (PMKSY) since 2017-18 across the country. Under the various component schemes of PMKSY, MoFPI provides financial support in the form of grants-in-aid/ subsidy for setting up of food processing projects thereby creating both processing and preservation infrastructure facilities including cold chain infrastructure across the country including the state of Uttar Pradesh. The schemes are demand-driven and proposals are invited by floating Expression of Interest from time to time based on availability of funds. As on 30th June, 2026, the total processing and preservation capacity created under PMKSY of the completed projects is 294.21 lakh metric ton per annum.

Further, 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. As on date, around 35 lakh metric tonnes per annum of processing and preservation capacity has been created under the PLI scheme.

There may be some possibility of gap existing between growth in production and expansion of processing level probably because of less than optimal investment in particular infrastructure, nascent stages of supply chain development in some cases, etc. To address the above issues and for holistic end-to-end development of food processing sector, the MoFPI implements PMKSY, Centrally sponsored "PM Formalization of Micro Food Processing Enterprises (PMFME) Scheme" and PLISFPI. However, the data on gap between growth in production and expansion of processing and cold-chain capacity, year-wise, commodity-wise and district-wise for Uttar Pradesh are not available with MoFPI. MoFPI, is therefore, not in a position to provide the reasons behind any such gap.

(c): The MoFPI estimates post-harvest losses from time to time for various agri-products in the country through commissioning of studies based on primary surveys. The available studies on post-harvest losses are periodic in nature and do not provide year-wise estimates. As per the latest study conducted by NABARD Consultancy Service Pvt. Ltd (NABCONS) in 2022 with reference year 2020-22, the estimated percentage loss of the crops covered in the state of Uttar Pradesh is as below:

Post Harvest Losses of crops covered in Uttar Pradesh (%)	
Crop	Overall Total Loss
Bajra	4.11
Black gram	6.11
Bottlegourd	6.43
Egg	6.06
Green Pea	6.34

Inland fish	4.99
Maize	5.77
Meat	2.80
Milk	1.12
Mushroom	2.74
Muskmelon	7.25
Mustard	5.97
Paddy	4.00
Potato	5.82
Poultry Meat	7.24
Sugarcane	6.91
Wheat	6.36

The schemes of the MoFPI are demand-driven wherein proposals are invited from eligible entities through Expression of Interest (EoI) issued from time to time, subject to the availability of funds. Under the scheme, funds are not allocated State-wise. Ministry, therefore, does not receive complaints in a structured or centralized manner in regard to lack of cold storage, food parks, or logistics infrastructure, year-wise, commodity-wise, or district-wise for any state. However, the demand for such infrastructure is reflected through proposals submitted by the stakeholders for various schemes of the Ministry.

(d): Prior to the release of Grant-in-Aid (GIA), joint inspections of the project units are conducted by representatives of MoFPI and the Programme Management Agency (PMA), along with other stakeholders such as bankers, Agricultural & Processed Food Products Export Development Authority (APEDA) officials, etc. These inspections are aimed at verifying that the project is being implemented in accordance with the scheme guidelines and that the physical progress is commensurate with the financial progress. The inspection reports also assess the utilization of funds, including expenditure incurred from promoter's equity, term loan, and grant in aid is released.

The findings of monitoring reports indicate that, while a majority of projects are progressing satisfactorily, instances of delays, incomplete implementation, or projects becoming non-operational are observed in some cases. These are generally attributable to factors such as delays in financial closure, land-related issues, statutory approvals, or other implementation challenges. The Ministry takes appropriate action based on these reports, including withholding further release of GIA, seeking clarifications, or initiating corrective measures, in accordance with the provisions of the respective scheme guidelines.

(e): The Government has taken several measures to reduce wastage of agricultural produce and to ensure that Central schemes lead to value addition and higher farmer income. These include support for development of post-harvest and processing infrastructure such as cold

chain, storage, transportation, and food processing units under various schemes of the MoFPI. Assistance is also provided for promotion of micro food processing enterprises, strengthening farmer-processor linkages, adoption of better processing and preservation technologies, and improvement in market access. These efforts aim to minimize post-harvest losses, enhance value addition, and improve farmers' income through better price realization.

ANNEXURE REFERRED TO IN REPLY TO PART (a) OF LOK SABHA UNSTARRED QUESTION NO. 916 FOR ANSWER ON 23rd JULY, 2026 ON “PROCESSING CAPACITY CREATED UNDER CENTRAL SCHEME”

Crop-wise Production in Uttar Pradesh					
Production in Lakh Tonnes					
Crop	2021-22	2022-23	2023-24	2024-25	2025-26*
Rice	152.72	161.43	159.90	207.59	198.05
Wheat	339.50	336.10	353.40	356.53	358.77
Maize	16.21	19.52	26.68	19.61	30.50
Barley	5.01	5.92	4.72	4.90	6.15
Jowar	2.70	3.15	4.62	4.35	5.22
Bajra	19.51	20.46	21.95	18.92	23.11
Small Millets	0.05	0.08	0.42	0.28	0.33
Shree Anna /Nutri Cereals	22.26	23.69	27.00	23.55	28.66
Nutri/Coarse Cereals	43.47	49.13	58.40	48.06	65.31
Tur	3.55	3.64	3.95	1.15	2.67
Gram	8.18	8.98	7.86	8.08	9.44
Urad	2.92	2.82	5.02	3.37	3.29
Moong	0.54	0.66	0.69	2.10	2.18
Lentil	4.66	5.17	5.77	6.25	7.32
Other Pulses	6.35	7.16	7.85	5.36	6.08
Groundnut	1.03	1.14	1.48	4.96	4.62
Sesamum	0.71	0.84	1.19	1.22	2.16
Soybean	0.09	0.11	0.18	0.31	0.55
Sunflower	0.05	0.03	0.03	0.02	0.02
Rapeseed & Mustard	10.33	16.20	19.16	24.09	26.54
Linseed	0.17	0.35	0.29	0.26	0.51
Safflower	0.00	--	--	--	--
Sugarcane	1791.67	2242.46	2158.11	2208.01	2296.99
Cotton#	0.09	0.07	0.09	0.40	0.36
Tobacco	1.23	0.93	1.28	1.40	--
Sannhemp##	0.03	0.07	0.07	0.03	--
Guarseed	0.01	0.01	0.01	-	--
*Data for the year 2025-26 is of 3rd Advance Estimates					
# Cotton Production in Lakh Bales, 1Bale=170 Kg					
## Sannhemp Production in Lakh Bales, 1Bale=180 Kg					

Source: Ministry of Agriculture & Farmers' Welfare