Strengthening Food Processing Sector through MoFPI Schemes: Infrastructure Development and Over 13 Lakh Employment Generated

Boost to Food Processing Industry under PMKSY, PMFME and PLISFPI Schemes Across India

New Food Processing Units

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In order to promote and ensure overall development of Food Processing Industries including value addition of food products & promotion of agri-based industries, Ministry of Food Processing Industries (MoFPI) has been incentivizing setting up/ expansion of related infrastructure, 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) Scheme across the country.

MoFPI provides subsidy/incentives to the eligible entities, as per scheme guidelines across the country including Jamui, Khagaria, Samastipur, Sagar, Ghaziabad and Surat Lok Sabha Constituencies. The details of incentives available under these schemes of MoFPI are given at **Annexure.**

To facilitate scaling up of food processing infrastructure and enterprises, MoFPI issues, from time to time, detailed guidelines for its schemes, based on the stakeholders' consultations. Guidelines include model frameworks, basic eligibility conditions, documents required, evaluation criteria etc. for availing grant-in-aid for setting up of food processing units.

Under the Capacity Building component of the PMFME Scheme, MoFPI provides assistance for training of Trainers, District Resource Persons, Entrepreneurs and various other groups for Entrepreneurship Development Skilling (EDP+) & product specific skilling to meet the requirement of food processing industry. The scheme also envisages strengthening backward and forward linkages, provision of common facilities, incubation centres, training, marketing & branding.

MoFPI, through its two autonomous Institutions namely, National Institute of Food Technology Entrepreneurship & Management, Kundli, Haryana (NIFTEM-K) & National Institute of Food Technology Entrepreneurship & Management, Thanjavur, Tamil Nadu (NIFTEM-T), also provide handholding support, mentorship, training, access to facilities such as Pilot Plant, NABL-accredited Food Testing Labs, incubation services, quality testing, R&D support, networking opportunities, etc.

All these schemes are implemented across the country and aim towards creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet which includes storage, transportation, creation of market linkages etc., thereby help in reducing post-harvest losses and facilitating enhance farmer incomes and creating off-farm employment opportunities.

As on 31.12.2025, 4.69 lakh direct/ indirect employment opportunities have been generated from the operational projects under component schemes of PMKSY, 5.18 lakh direct and indirect employment opportunities has been generated under PMFME scheme and 3.29 lakh direct/ indirect employment opportunities has been generated under PLISFPI across the country.

This information was given by the Minister of State for Food Processing Industries Shri Ravneet Singh in a written reply in Lok Sabha today.

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CMC – MoFPI

Annexure

Incentives available under Pradhan Mantri Kisan Samapada Yojana (PMKSY)

S. No.	Component Scheme	Scheme Benefits (Grant-in-aid) for projects in General Area	Scheme Benefits (Grant-in-aid) for projects in Difficult Areas as well as SC/ST, FPOs, SHGs
1.	Integrated Cold Chain and Value Addition Infrastructure	Grant-in-aid @ 35% of eligible project cost [subject to maximum of Rs.10 crores per project]	Grant-in-aid @ 50% of eligible project cost [subject to maximum of Rs. 10 crores per project]
2.	Creation/ Expansion of Food Processing & Preservation Capacities	Grants-in-Aid @35% of eligible project cost [subject to maximum of Rs. 5 crores per project]	Grants-in-Aid @50% of eligible project cost [subject to maximum of Rs.5 crores per project]
3.	Infrastructure for Agro-Processing Clusters	Grants-in-aid @35% of eligible project cost in General Area [subject to maximum of Rs. 10 crores per project]	Grants-in-aid @50% of eligible project [subject to max. of Rs. 10 crore per project]
4.	Operation Greens	Grants-in-Aid @35% of eligible project cost for Integrated Value Chain Development Projects, maximum grants-in-aid would be ₹15 crore per project; and for Standalone Post-Harvest Infrastructure Projects, maximum grants-in-aid would be ₹10 crore per project.	Grants-in-Aid maximum @50% of eligible project cost for Integrated Value Chain Development Projects, maximum grants-in-aid would be ₹15 crore per project; and for Standalone Post-Harvest Infrastructure Projects, maximum grants-in-aid would be ₹10 crore per project.

5.	Food Safety and Quality Assurance - Food Testing Laboratories	For Private organizations/ entities: grant-in-aid of @ 50% of the eligible cost [subject to maximum of Rs. 5 crores per project]	For Private organizations/ entities: grant-in-aid of @ 70% of the eligible cost [subject to maximum of Rs. 5 crores per project]
6.	Human Resource & Institutions- Research & Development	For Government Organizations - Grants @ 100% of equipment cost, consumables, For private organizations /universities/institutions, grant @ 50 % of equipment cost.	For Government Organizations - Grants @ 100% of equipment cost, consumables For Private Organizations /Universities/ Institutions, Grants @ 70% of equipment cost.

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<u>Incentives structure under Production Linked Incentive Scheme for Food Processing Industry (PLIS-FPI)</u>

Category/ Segments	**Segment**	**Incentive Disbursement criteria (%)**		**Upper cap (% & Amount in crore)**	**Rate of Incentives (%)**				
		Min. CAGR	**Max. CAGR**		**2021-22**	**2022-23**	**2023-24**	**2024-25**	**2025-26**
Cat. 1									
RTE/RTC	Biscuits	10%	13%	8% Rs.334.48	5%	5%	5%	5%	4.5%
	Non-Biscuits				7.5%	7.5%	7.5%	7.5%	6.75%
F&V	Spices	10%	12%	8% Rs.286.56	5%	5%	5%	5%	4.5%
	Non-Spices		15%		10%	10%	10%	10%	9%

Marine	Marine products	5%	10%	8% Rs.79.44	6%	6%	6%	6%	5%
	Value added products				10%	10%	10%	10%	10%
Mozzarella Cheese		15%	16%	25% Rs.70.75	10%	10%	10%	8%	6%
Millet Products	Large Entity	10%	-	Rs.100	-	10%	10%	10%	9%
	MSME	10%	-	Rs.10.54					
Cat. 2	Organic Products	10%	-		10%	10%	10%	10%	9%
	Innovative Products	10%	-		10%	10%	10%	10%	9%
Cat. 3	Branding & Marketing (B&M)	Only Indian brands covered for selling food products completely manufactured in India.		50% of total expenditure	-	Financial incentive @50% of expenditure on B&M abroad subje max. grant of 3% of sales of food products or Rs. 50 Cr per year, whichever is less.			

CAGR- Compound Annual Growth Rate

<u>The details of assistance available to Micro Food Processing Enterprises under PMFME Scheme</u>

(i). *Support to Individual / Group Category Micro Enterprises:* Credit-linked capital subsidy @35% of the eligible project cost, maximum ceiling Rs.10 lakh per unit;

(ii). *Support to SHGs for seed capital:* Seed capital @ Rs. 40,000/- per member of SHG engaged in food processing for working capital and purchase of small tools subject to maximum of Rs. 4 lakh per SHG Federation.

(iii). *Support for Common Infrastructure:* Credit linked capital subsidy @35% subject to maximum of Rs. 3 crore to support FPOs, SHGs, Cooperatives and any Government agency for setting up of common infrastructure. The common infrastructure will also be available for other units and public to utilize on hiring basis for substantial part of the capacity.

(iv). *Branding and Marketing Support:* Grant upto 50% for Branding and Marketing to groups of FPOs/ SHGs/ Cooperatives or an SPV of micro food processing enterprises.

(v). *Capacity Building:* The scheme envisages training for Entrepreneurship Development Skilling (EDP+): program modified to meet the requirement of food processing industry and product specific skilling.

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