



**STANDING COMMITTEE ON AGRICULTURE, ANIMAL
HUSBANDRY AND FOOD PROCESSING**
(2024-25)

EIGHTEENTH LOK SABHA

MINISTRY OF FOOD PROCESSING INDUSTRIES

**DEMANDS FOR GRANTS (2025-26)
(DEMAND No. 45)**

TWELFTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI
MARCH, 2025 /PHALGUNA, 1946 (Saka)**

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(EIGHTEENTH LOK SABHA)

MINISTRY OF FOOD PROCESSING INDUSTRIES

DEMANDS FOR GRANTS (2025-26) (DEMAND No. 45)

Presented to Lok Sabha on 19.03.2025

Laid on the Table of Rajya Sabha on 19.03.2025



**LOK SABHA SECRETARIAT
NEW DELHI**

March, 2025 / PHALGUNA, 1946 (Saka)

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**COMPOSITION OF THE STANDING COMMITTEE ON AGRICULTURE, ANIMAL
HUSBANDRY AND FOOD PROCESSING (2024-25)**

SHRI Charanjit Singh Channi – Chairperson

MEMBERS

LOK SABHA

2. Shri Patel Umeshbhai Babubhai
3. Smt. Harsimrat Kaur Badal
4. Shri Rajkumar Chahar
5. Smt. Anita Nagarsingh Chouhan
6. Shri Kuldeep Indora
7. Shri Rajpalsinh Mahendrasinh Jadav
8. Md. Abu Taher Khan
9. Shri Rahul Singh Lodhi
10. Shri Sukanta Kumar Panigrahi
11. Smt. Krishna Devi Shivshankar Patel
12. Shri Naresh Chandra Uttam Patel
13. Shri Narayan Tatu Rane
14. Shri Murasoli S
15. Shri Dharambir Singh
16. Shri Dushyant Singh
17. Shri Sudhakar Singh
18. Shri Kodikunnil Suresh
19. Shri Tejasvi Surya
20. Smt. Geniben Nagaji Thakor
21. Shri Bhausahab Rajaram Wakchaure

RAJYA SABHA

22. Smt. Ramilaben Becharbhai Bara
23. Dr. Anil Sukhdeorao Bonde
24. Shri Banshilal Gurjar
25. Shri S. Kalyanasundaram
26. Shri Nitin Laxmanrao Jadhav Patil
27. Shri Madan Rathore
28. Shri Ramji Lal Suman
29. Shri P. P. Suneer
30. Shri Randeep Singh Surjewala
31. *Vacant**

** Vacant vice Shri Krishan Lal Panwar resigned from Rajya Sabha on 14.10.2024.*

SECRETARIAT

- | | | | |
|----|------------------------|---|-----------------------------|
| 1. | Shri Srinivasulu Gunda | - | Joint Secretary |
| 2. | Shri Khakhai Zou | - | Director |
| 3. | Smt. Paromita Kumar | - | Assistant Executive Officer |

INTRODUCTION

I, the Chairperson, Standing Committee on Agriculture, Animal Husbandry and Food Processing (2024-25), having been authorized by the Committee to submit the Report on their behalf, present this Twelfth Report on Demands for Grants (2025-2026) of the Ministry of Food Processing Industries.

2. The Committee under Rule 331E(1)(a) of the Rules of Procedure and Conduct of Business in Lok Sabha considered the Demands for Grants (2025-26) of the Ministry of Food Processing Industries, which were laid on the Table of the House on 11 February, 2025.

3. The Committee took evidence of the representatives of the Ministry of Food Processing Industries at their Sitting held on 28 February, 2025. The Report was considered and adopted by the Committee at their Sitting held on 18 March, 2025.

4. For facility of reference and convenience, the Observations /Recommendations of the Committee have been printed in bold letters in Part-II of the Report.

5. The Committee wish to express their thanks to the Officers of the Ministry of Food Processing Industries for appearing before the Committee and furnishing the information that they desired in connection with the examination of Demands for Grants of the Ministry.

**New Delhi;
18 March, 2025
27 Phalguna, 1946 (Saka)**

**Charanjit Singh Channi
Chairperson,
Standing Committee on Agriculture
Animal Husbandry and Food Processing**

REPORT

PART – I

CHAPTER –I

INTRODUCTORY

NARRATION ANALYSIS

1.1 Role and Functioning of the Ministry

The Ministry of Food Processing Industries (MOFPI) is a Ministry of the Government of India responsible for the formulation and administration of the rules, regulations, and laws related to food processing in India.

1.2 The Ministry was established in 1988, with the aims of developing a strong food processing industry, increasing employment in the rural sector, and enabling farmers with modern technology. Subsequently, vide notification No.DOC.CD-442/1999 dated 15.10.1999, this Ministry was made a Department and brought under the Ministry of Agriculture. It was again notified as the Ministry of Food Processing Industries vide Cabinet Secretariat's Note No.1/22/1/2001- Cab (1) dated 06.09.2001.

1.3 The subjects allocated to the Ministry under Government of India (Allocation of Business) Rules, 1961 are as under:

- a) Industries relating to:
 - (i) Processing and Refrigeration of certain agricultural products (milk powder, infant milk food, malted milk food, condensed milk, ghee and other dairy products), poultry and eggs, meat and meat products.
 - (ii) Processing of fish (including canning and freezing);
 - (iii) Establishment and servicing of development council for fish processing industry;
 - (iv) Technical assistance and advice to fish processing industry;
 - (v) Fruit and vegetable processing industry (including freezing and dehydration); and
 - (vi) Food grains milling industry.
- b) Planning, development and control of, and assistance to, industries relating to bread, oil seeds, meals (edible), breakfast foods, biscuits, confectionery (including cocoa processing and chocolate making), malt extract, protein isolate, high protein food, weaning food and extruded food products (including other ready to eat foods).

- c) Specialized packaging for food processing industry
- d) Beer including non-alcoholic beer
- e) Alcoholic drinks from non-molasses base
- f) Aerated water and soft drinks

1.4 The Goals of MoFPI are as follows:

- Better utilization and value addition of agricultural produce for enhancement of income of farmers.
- Minimizing wastage at all stages in the food processing chain by the development of infrastructure for storage, transportation and processing of agro-food produce.
- Induction of modern technology into the food processing industries from both domestic and external sources.
- Maximum utilization of agricultural residues and by-products of the primary agricultural produce as also of the processed industry.
- To encourage R&D in food processing for product and process development and improved packaging.
- To provide policy support, promotional initiatives and physical facilities to promote value added exports

1.5 The strategic role and functions of the Ministry fall under three categories:

- Policy support developmental & promotional
- Technical & advisory
- Regulatory.

1.6 MOFPI are concerned with the formulation & implementation of policies and plans for all the industries under its domain within the overall national priorities and objectives. Its main focus areas include—development of infrastructure, technological up gradation, and development of backward linkages, enforcement of quality standards and expanding domestic as well as export markets for processed food products.

1.7 As per the Ministry, their focus areas are:

- Reduce post-harvest losses of agri-horti produce
- Enhance processing and preservation capacities, Encourage Agro-processing cluster
- Identify gaps in infrastructure and assist in its creation
- Creation of global food manufacturing champions
- Promote Millet Based Food Processing

1.8 The Ministry have two institutions under its aegis namely NIFTEM-K i.e. National Institute of Food Technology, Entrepreneurship and Management-Kundli, Haryana, and NIFTEM-T i.e. National Institute of Food Technology, Entrepreneurship and Management-Thanjavur, Tamil Nadu. The Ministry has initiated the action for setting up of NIFTEM in Bihar during 2025-26.

1.9 When the Committee desires to know the projected growth for Food Processing Industry over the next five to ten years and what are the challenges/hindrances to achieve it, the Ministry has stated as under:

“Food Processing Industries (FPI) has emerged as an important segment of the Indian economy in terms of its contribution to GDP, employment and exports. During the last 8 years ending 2022-23, Food Processing (FP) sector has been growing at an Average Annual Growth Rate (AAGR) of around 5.35 per cent. Gross Value Added (GVA) in FP sector has increased from 1.30 lakh crore in 2013-14 to 1.92 lakh crore in 2022-23 (as per first revised estimates). The FPI sector is further expected to grow at compound annual growth rate (CAGR) of around 6-7% in next 10 years.

Inadequate infrastructure and processing facilities, supply chain issues, etc. are some of the challenges in achieving steady and high growth rates. To address these challenges, the Ministry implements schemes namely, Pradhan Mantri Kisan Sampada Yojana (PMKSY), PM Formalisation of Micro Food Processing Enterprises Scheme (PMFME) and Production Linked Incentive Scheme (PLIS). These schemes help in creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet for promotion, overall development and growth of FP sector, creation of employment opportunities, reducing wastage of agricultural produce, increasing the level of processing and enhancing export of the processed foods.”

CHAPTER –II

ANALYSIS OF DEMAND FOR GRANTS

SUMMARY OF DEMANDS

2.1 The Demands for Grants of the Ministry of Food Processing Industries (Demand No. 45) was laid on 11th February, 2025 in the House. The Demand No. 45 has only Voted components and no Charged components. The Demand has a total budgetary provision of Rs.5267.60 crores, including Rs 5264.96 in the Revenue Section and Rs. 2.64 crores in the Capital Section. However, there is a recovery of Rs. 903.38 crores under the head of AIDF, therefore the net budgetary provision is Rs.4364.22 crores.

(in Rs. crore)

	Revenue	Capital	Gross Total
<i>Charged</i>	-	-	-
<i>Voted</i>	5264.96	2.64	5267.60
<i>Transfer to AIDF</i>			-903.38
Total	4361.58	2.64	4364.22

2.2 Major head-wise details of budgetary allocation to the Ministry of Food Processing Industries for the financial year 2025-26 are as follows:

Major Head	Budget Estimates
2408-Food	3121,13,00
2552 - North Eastern Areas	290,34,00
3601-Grants-in-Aid to State Governments	1744,00,00
3602-Grants-in-Aid to Union Territory Governments with Legislature	24,00,00
3451- Secretariat	85,49,00
Revenue Section (I)	5264,96,00
4408-Capital Outlay on Food Storage and Warehousing	54,00
5475-Capital Outlay on Other General Economic Services	2,10,00
Capital Section (II)	2,64,00
Grand Total (I+II)	5267,60,00

2.3 When asked by the Committee about the proportion (in % terms) of Budgetary Allocation (Budget Estimates) made in favour of the Ministry out of the total Budget of the Government of India for the last three years, the Ministry submitted as under-

(Rs. In Crore)

Year	Total Outlay (BE) of GOI	Total Outlay (BE) of MOFPI	% of the Total Outlay
2020-2021	3042230.00	1232.94	0.04
2021-2022	3483236.00	1308.66	0.04
2022-2023	3944909.00	2941.99	0.07
2023-2024	4503097.00	3287.65	0.07
2024-2025	4820512.00	3290.00	0.07
2025-2026	5065345.00	4364.22	0.09

2.4 The Annual Plan of the Schemes administered by the Ministry of Food Processing Industries for the Financial Year 2025-26 is given at **Annexure I**.

CHAPTER –III

PAST FINANCIAL PERFORMANCE OF THE MINISTRY

3.1 The details of Budget Estimates, Revised Estimates and Actual Expenditure of the Ministry for the last five years are as follows:

(Rs. in crore)					
Year	BE	RE	Actuals	Under utilised amount vis- vis RE	Utilisation in % terms vis-a- vis RE
2022-23	2822.00	1764.00	1326.51	437.49	75.19
2023-24	3092.29	2695.00	2035.55	659.45	75.53
2024-25	3052.00	2530	1020.14*	1509.86	40.32

*as on 24.01.2025

3.2 When the Committee desire to know the reasons for underutilization of budget allocation, and the steps taken to address that, the Ministry submitted its reply as under:

“The Ministry provides mostly financial assistance (capital subsidy) to entrepreneurs selected on the basis of Expression of Interest (EoI) issued from time to time. The schemes are not any region or State specific but demand driven and are implemented across the country.

At times, difficulty in getting sufficient number of eligible proposals for release of funds is the main reason for inability to fully utilize the funds under scheme heads. For the approved projects, the conditions stipulated in the Scheme Guidelines/ approval letters are to be complied in order to be eligible for the incentive/ subsidy. If the projects are unable to meet the conditions of the Scheme Guidelines/ approval letters, there is a consequent short fall in the incentive/ subsidy outgo.

In order to address these issues, The Ministry regularly monitors the progress of the projects, in association with the Project Management Agency (ies) [PMA] to address the issues faced in the implementation. Ministry also interacts with State governments, if found necessary, to help promoters/Implementing Agencies in getting statutory approvals in a timely manner and to avoid unnecessary delay in implementation.

3.3 Below is the quarterly targets and utilization of funds by the Ministry during the last three years:

(Rs. in crore)										
FY	Ist Qtr.as per DDG	Ist Qtr. utilisation	IIInd Qtr.as per DDG	IIInd Qtr. utilisation	IIIrd Qtr.as per DDG	IIIrd Qtr. Utilisat ion	IVth Qtr.as per DDG	IVth Qtr. utilisatio n	Total Budget in the FYs	Total utilization in the FYs
2021-22	287.78	304.54	433.82	242.96	261.60	271.59	325.46	328.30	1308.66	1147.39
2022-23	735.49	126.62	970.85	219.50	588.41	319.06	647.24	789.95	2941.99	1455.13
2023-24	822.00	396.73	1085.00	313.74	657.00	332.05	723.65	1157.00	3287.65	2199.52
2024-25	822.50	458.19	1085.70	442.19	658.00	240.63	723.80	--	3290.00	1194.52 (as on 11.02.2025)

3.4 Regarding the reasons for deviation and remedial measures taken thereby, the Ministry stated as under:

“In respect of underutilization of the funds, it is submitted that the Scheme Divisions could not spend the targeted amount in time due to non-receipt of viable proposals. However, the Ministry actively monitors the implementation of the projects to ensure timely utilization of the funds in accordance with the Scheme Guidelines.”

3.5 When the Committee enquiring about the details of Supplementary Demands posted/Amount surrendered by the Ministry during the last three years along with the reasons for the same, the Ministry has posted supplementary demands and surrendered funds for the IIInd and Final Batch of SDG 2023-24 to clear pending proposals, proportionate to RE 2023-24 ceilings. The details are given in Annexure II.

3.6 When the Committee further desires to know the details of the re-appropriation of funds during the previous fiscal year and the current fiscal year, the Ministry stated that the re-appropriation was within the prescribed limits of the Ministry of Finance and details regarding re-appropriation are given in **Annexure- III.**

3.7 The details of Outlay and Expenditure for the period 2021-22 to 2024-25 of the Ministry of Food Processing Industries scheme-wise are given at **Annexure-IV.**

3.8 The details of achievement of physical targets during the last three financial years in respect of the Ministry of Food Processing Industries scheme-wise are given at **Annexure-V.**

CHAPTER –IV

ANALYSIS OF SCHEMES OF THE MINISTRY

4.1 The Ministry of Food Processing Industries has been implementing the following Central Sector/Centrally Sponsored Schemes:

Sl. No.	Name of the Scheme
Central Sector Scheme	
A	Pradhan Mantri Kisan Sampada Yojana (having below given 8 component schemes)
A1	Scheme for Mega Food Parks (Discontinued w.e.f. 01.04.2021)
A2	Scheme for Creation of Infrastructure for Agro-processing Clusters
A3	Scheme for Integrated Cold Chain and Value Addition Infrastructure
A4	Scheme for Creation/ Expansion of Food Processing & Preservation Capacities
A5	Scheme for Creation of Backward and Forward Linkages (Discontinued w.e.f. 01.04.2021)
A6	Scheme for Food Safety and Quality Assurance Infrastructure (erstwhile Scheme for Quality Assurance)
A6(i)	(i) Scheme for Setting up/ Upgradation of Food Testing Laboratories
A6(ii)	(ii) Scheme for Implementation of HACCP/ISO Certification
A7	Scheme for Human Resources and Institutions:
A7(i)	(i) Research & Development
A7(ii)	(ii) Skill Development
A8	Scheme for Operation Greens
B	Production Linked Incentive Scheme for Food Processing Industry (PLISFPI)
Centrally Sponsored Scheme	
C	Pradhan Mantri Formalisation of Micro food Processing Enterprises Scheme (PMFME)

4.2 The details of implementation period, target segment and approved outlay of the Schemes implemented by the Ministry are as under:

Schemes implemented by Ministry		
Scheme	Target Segment	Approved Outlay (In Rs. Cr)
Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) Implementation Period: 2021-2026	Small and Medium Enterprises	5,520
Prime Minister Formalisation of Micro Food Enterprises (PMFME) Implementation Period: 2020-2026	Micro Enterprises	10,000
Production Linked Incentive for Food Processing Industries (PLISFPI) Implementation Period: 2021-2026	Primarily Large Units	10,900

4.3 On being asked about the details related to the allocation and utilization of funds meant for two Central Sector Schemes namely, Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) and Production Linked Incentive for Food Processing Industries (PLISFPI) and one Centrally Sponsored Scheme viz. Pradhan Mantri Formalisation of Micro Food Processing Enterprises Scheme (PMFME) during the Financial Year 2024-25, the Ministry furnished the following reply:

(Rs. in crore)

Revenue Expenditure/ Capital Expenditure	BE 2024-25	RE 2024-25	A.E.(as on 11.02.2025)
Pradhan Mantri Kisan Sampada Yojana; Schemes for			
Mega Food Parks	24.80	32.55	8.32
Creation of Infrastructure for Agro- processing Clusters	38.90	47.00	16.86
Integrated Cold Chain & Value Addition Infrastructure	179.80	118.80	77.42
Creation/Expansion of Food Processing & Preservation Capacities	271.60	218.29	150.24
Creation of Backward and Forward Linkages	6.20	0.20	0.01
Food Safety & Quality Assurance Infrastructure	30.00	48.40	20.54
Human Resource and Institutions	4.10	3.15	0.08
Operation Green	173.40	161.41	72.90
Swachhta Action Plan	0.20	0.20	0.02
Total Scheme Expenditure "B" (PMKSY)	729.00	630.00	346.39
PLIS- Production -Linked Incentive Scheme for Food Processing Industry ("C")	1444.02	700.00	12.68
Centrally Sponsored Scheme			
PM Formalisation of Micro Food Processing Enterprises (PM FME) Scheme ("D")	879.50	1200.00	696.27
TOTAL "A+B+C+D" (PMKSY+PLIS+PM FME)	3052.52	2530.00	1055.34

*as on 24.01.25

4.4 When asked about the underutilised amount and utilisation percentage terms vis-à-vis Revised Estimates (RE), the Ministry furnished in its reply as under:

(Rs. in crore)

Year	BE	RE	Actuals	Underutilised amount vis- visRE	Utilisation in % terms vis-a- vis RE
2022-23	2822.00	1764.00	1326.51	437.49	75.19
2023-24	3092.29	2695.00	2035.55	659.45	75.53
2024-25	3052.00	2530	1020.14*	1509.86	40.32

4.5 The above data shows that since 2022-23 BEs were not only reduced at RE stage, the actual utilization of reduced REs has shown that in 2022-23 and 2023-24, 25% of REs were surrendered. In 2024-25, 60% only of the RE could be spent in 10 months.

4.6 Regarding the probable reasons for low utilization of even reduced RE and desired to know whether it is due to lower demand from the States or due to any defect in the design of the Schemes, the remedial steps taken to arrest the declining trend of utilisation, the Ministry submitted the reply as under:

“It is submitted that the Ministry provides mostly financial assistance (capital subsidy) to entrepreneurs selected on the basis of Expression of Interest (Eoi) issued from time to time. The schemes are not any region or State specific but demand driven and are implemented across the country.

At times, difficulty in getting sufficient number of eligible proposals for release of funds is the main reason for inability to fully utilize the funds under scheme heads. For the approved projects, the conditions stipulated in the Scheme Guidelines/ approval letters are to be complied in order to be eligible for the incentive/ subsidy. If the projects are unable to meet the conditions of the Scheme Guidelines/ approval letters, there is a consequent short fall in the incentive/ subsidy outgo.

The Ministry regularly monitors the progress of the projects, in association with the Project Management Agency(ies) [PMA] to address the issues faced in the implementation. Ministry also interacts with State governments, if found necessary, to help promoters/Implementing Agencies in getting statutory approvals in a timely manner and to avoid unnecessary delay in implementation”.

4.7 When the Committee desired to know the details of representations submitted by the State Governments regarding their inability to provide funds for implementation of Central Sector Schemes in Food Processing Sector, the Ministry furnished the following reply:

“Pradhan Mantri Kisan Sampada Yojana (PMKSY) Scheme and Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) Scheme are Central Sector scheme administered by this Ministry and funds are not provided by the State Governments. These schemes are demand driven scheme. The fund under the scheme are released by the Ministry directly to the project implementing agency as subsidy to the approved project, subject to compliance of the conditions of the scheme guidelines.”

Allocation/ Sub-allocation for SC/ST/North- East Regions/ Remote Area/ Backward Region

4.8 A detailed note on Schemes/ Programme implemented by the Ministry/ Department including the details of the Central Sector Schemes and Centrally Sponsored Schemes alongwith Special Component/ Schemes/ Programmes which require allocation/ sub-allocation for SC/ST/North- East Regions/ Remote Area/ Backward Region, as furnished by the Ministry is as follows:

“Ministry of Food Processing Industries (MoFPI) has been incentivizing setting up/expansion of related infrastructure through its Central Sector Scheme Pradhan Mantri Kisan SAMPADA Yojana (PMKSY), Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) and Centrally sponsored PM Formalization of Micro Food Processing Enterprises (PMFME) scheme.

There is provision for allocation of funds for SC/ST/NER including special concessions under PMKSY and PMFME.

SC/ST: With an aim to encourage wider participation of stakeholders and provisions special concessions for SC/ST applicants, from whom Ministry used to get less encouraging participation, following preferential provisions have been made in component scheme guidelines of PMKSY-

- (i) Recognizing an applicant as SC/ST, if their share is 51% in the Applicant's Entity, in comparison to earlier requirement of 100%;
- (ii) Fee requirement of Rs. 15,000/-, in comparison of Rs. 20,000/- for general public;
- (iii) Net Worth requirement reduced to amount equal to grant sought, in comparison to 1.5 times for general public;
- (iv) Term Loan requirement reduced to 10% of eligible project cost, in comparison to 20% for general public;
- (v) Equity requirement deduced to 10% of eligible project cost, in comparison to 20% for general public;
- (vi) Qualifying level reduced to 45 out of 100, in comparison to 60 for general public;
- (vii) Quantum of grant at enhanced level of 50% of eligible project cost, in comparison to 35% for general public (subject to the maximum ceiling under respective sub-schemes);
- (viii) Requirement of minimum project cost reduced to Rupees One Crore, in comparison to Rupees Three Crores in r/o CEFPPC projects [for other schemes, no such criteria is fixed]

NER: The amendments have been carefully carried out with an aim to encourage wider participation of stakeholders and provisions special concessions for NER applicants, from whom Ministry used to get less encouraging participation. Following preferential provisions have been made in component scheme guidelines of PMKSY-

- (i) **Higher rate of Grants:** In order to attract more promoters, the grant amount is @ 50% on eligible project Cost for NER region, while for other projects it is 35% in most of the schemes.
- (ii) **Concession in project completion time:** Keeping in view difficult terrain and material supply constraints in North Eastern region, projects located in the region are allowed more time in completing the project.
- (iii) **Lower requirement of promoter's capital in projects:** Project promoters in North eastern Region are required to contribute only 10% in place of 20% required for other regions.

Since the schemes are demand driven, Ministry invites project proposals from interested individuals/entities by floating an Expression of Interest (Eoi) from time to time.

Further, Ministry is regularly conducting virtual/ physical meetings with promoters/investors of NER to assess the implementation of sanctioned projects and to find out issues/problems being faced by them. Ministry also writes letters to State governments, if seemed necessary, to help promoters/Implementing Agencies in getting statutory approvals in a timely manner and to avoid unnecessary delay in implementation.

PMFME- Under the PMFME Scheme, the Credit Linked Subsidy is being provided @ 35% for all the categories. However, as per directions of Department of Expenditure, M/o Finance; 8.3% for SC, 4.3% for ST and around 10% for North eastern Region is allocated out of total BE/RE of every Financial Year."

4.9 The details of budgetary allocations and their utilization (consolidated) under NER, SC/ST and TSP components are as follows:

Allocations and Expenditure under NER:

Year	BE	RE	Actuals	utilization in % terms vis-a- vis RE
2022-23	180.00	96.30	55.56	57.69
2023-24	156.42	103.72	78.62	75.80
2024-25	165.00	183.00	76.80	41.97

Allocations and Expenditure under TSP:

Year	BE	RE	Actuals	utilization in % terms vis-a- vis RE
2022-23	77.60	41.422	13.28	32.08
2023-24	67.26	66.44	40.62	61.14
2024-25	69.15	78.70	31.22	39.67

Allocations and Expenditure under SCSP:

Year	BE	RE	Actuals	utilization in % terms vis-a- vis RE
2022-23	149.40	79.52	42.79	53.54
2023-24	129.83	128.23	116.53	90.88
2024-25	133.45	151.89	88.32	58.34

4.10 The details furnished by the Ministry regarding the budgetary provisions under SC/ST, NER and TSP components (consolidated as well as scheme-wise) for various schemes of the Ministry during the last three years are given in Annexure VI.

4.11 When asked about the reasons for underutilization under SC/ST, NER components and remedial actions taken, the Ministry submitted in its written replies as under:

“As submitted in reply to the above point, difficulty in getting sufficient number of eligible proposals for release under SCSP, TSP and NER heads is the main reason for inability to fully utilize the funds under scheme heads. Ministry mostly exhausts funds available under General Head of the schemes.

In order to address the issues, Ministry has made preferential provisions in the guidelines of schemes. Ministry is regularly conducting meetings with promoters/investors to assess the implementation of sanctioned projects and to find out issues/problems being faced by them”.

CENTRAL SECTOR SCHEMES**A. Pradhan Mantri Kisan Sampada Yojana (PMKSY)**

4.12 The *Pradhan Mantri Kisan Sampada Yojana (PMKSY)* is a comprehensive package resulting in the creation of modern infrastructure with efficient supply

chain management from farm gate to retail outlet. As per the Ministry, not only does it provide a big boost to the growth of the food processing sector in the country but also helps in providing better returns to farmers and is a big step towards doubling farmers' income, creating huge employment opportunities, especially in rural areas, reducing wastage of agricultural produce, increasing the level of processing, and enhancing the export of the processed foods.

4.13 The main features of PMKSY Scheme as furnished by the Ministry as follows:

- New Central Sector Scheme launched on 03.05.2017
- Total outlay of Rs. 6,000 crores for 14th FC and Rs. 5520 crores for 15th FC
- Eligible organizations: Farmer Producer Organisations (FPOs)/ Cooperatives / Farmer Producer Companies (FPCs) / Self Help Groups (SHGs) / Government. & Private Sector companies, processors, retailers etc.

4.14 The Ministry have stated the following objectives of the PMKSY:

- Creation of modern infrastructure for food processing mega food parks/ clusters and individual units
- To create effective backward and forward linkages - linking farmers, processors and markets
- To create robust supply chain infrastructure for perishables

4.15 When the Committee desired to know the details of eligibility criteria for applicants under PMKSY Scheme and Three-tier appraisal system followed during the project selection and approval, the Ministry in its reply stated as follows:

(a) Net worth: combined net worth of the applicant shall not be less than 1.5 times of grants-in-aid sought under the scheme.

(b) In-principle/final term loan sanction letter from a bank.

(c) Term loan from the bank for an amount not less than 20% of the total project cost in respect of proposals from General area. In case of proposals from difficult areas or proposals from SC/ST or Farmer Producer organisations or Self-Help Groups, term loan mount shall not be less than 10% of the total project cost.

(d) A detailed appraisal notes from a scheduled Commercial Bank specific to the proposal.

(e) Infusion of equity of at least of at least 20% of the total project cost for proposals from General Areas (10% for proposals from Difficult areas or proposals from SC/ST or farmer producer organisations or Self-Help Groups.

(f) Only one application will be accepted from an entity against Expression of Interest issued under the Scheme.

(g) Expansion/Upgradation of existing facility(ies) will not be allowed except for FTL and CEFPPC schemes

(h) Entities or promoter(s) of entities who have availed financial assistance under another scheme (any scheme other than the CEFPPC scheme) of the Ministry will be eligible for Grants-in-aid only after two years from the date of commercial operation of the previous project. Provided that an entity or promoter(s) of an entity shall not be eligible for financial assistance for more than two projects during a period of 10 years.

Details of Three-tier appraisal system followed during project selection and approval:

The Ministry of Food Processing Industries constitutes a Technical Committee (TC) and a Project Approval Committee (PAC) for scrutiny/consideration/approval of proposals received against EOI. The Technical committee and Project Approval Committee may be assisted by Project Management Agency (PMAs) to be appointed by the Ministry.

At the first stage, the PMA examines the proposal/project and then PMA submits its report to the Technical Committee (TC). The TC scrutinizes the applications as per eligibility criteria of applicable scheme guidelines. Thereafter, in respect of proposals that are found eligible for consideration of Grants-in-aid, recommendations of the TC are placed before Project Approval Committee for consideration and approval or otherwise.

4.16 The details of budgetary allocation and utilization under the Central Sector Scheme- PMKSY since 2022- 23 are as follows:

(Rs. in crore)					
Year	BE	RE	Actuals	Amount of underutilization vis-à-vis RE	utilization in % terms vis-a- vis RE
2021-22	690.00	791.00	713.49	77.51	90.20%
2022-23	900.00	673.00	561.92	111.08	83.49%
2023-24	923.24	745.00	666.21	78.79	89.42%
2024-25	729.00	630	325.05*	304.95	51.59%
2025-26	903.38	-	-	-	-

*as on 24.01.25

4.17 When asked to furnish the reason for downward revision of estimates at RE stage, the Ministry furnished the following reply:

“As sufficient numbers of proposals for release of grant were not expected during the FY 2024-25, lower allocation of funds under RE 2024-25 was requested. Further, no fresh Expression of Interest (EOI) was issued in most of the sub-schemes of PMKSY except two EOI, one dated 07.08.2024 issued for inviting proposals for Irradiation units under Cold Chain Scheme and second dated 27.01.2025 issued for inviting applications from prospective entrepreneurs under CEFPPC Scheme.”

4.18 On being asked about the reasons for such underutilisation and the measures taken or proposed to be taken to ensure optimum utilization of funds for the remaining period of the current fiscal, the Ministry submitted the following reply:

(a) “Gestation period for submission of documents in respect of sub-schemes of PMKSY varies from 18 to 30 months. Funds are released on submission of documents by the implementing agencies on fulfilment of all the criteria laid down in the guidelines of the sub-scheme concerned. There are generally delays in submission of required documents by applicants for release of subsidy. Hence, 100% utilization could not be achieved.

(b) Delays in implementation of the project on account of delay in securing statutory clearances from the respective Agencies (like Revenue Authority, Town Planning, Electricity Authority, Water Authority, Pollution Control Board, Licensing Authority, etc.).

(c) Utilization/releasing of funds depend upon the submission of documents for each instalment by the PIA on fulfilment of laid down criteria as per scheme guidelines. Hence, the variation.

(d) One of the reason for underutilization of allocated funds is mandatory budgetary allocation under the Head SCSP/TSP/NER against lower budget demand by the sub-schemes of PMKSY as there are less number of projects for which funds have to be released under these heads. Therefore, 100% utilization of allocated funds at RE stage could not be achieved.

Further regarding efforts that are being taken by the Ministry for optimum utilisation of the funds, the Ministry in its replies stated as under:

“The Ministry has appointed Project Management Agencies (PMAs) who are on continuous basis guiding the applicants during implementation of the Project. The Ministry also holds regular review meetings with PMA and implementing Agencies and tries to sort out issues arising in implementation as and when required. The Ministry is regularly calling for Progress reports from PMAs as well as implementing agencies

and is issuing show-cause notices in case of delays. The Ministry is also taking all appropriate actions to ensure smooth implementation of the progress”.

4.19 The details of approved and completed projects of PMKSY as furnished by the Ministry are as follows:

Name of Scheme	Total Project Sanctioned	Total Project Cost of Sanctioned Projects (Rs in Cr)	Total Grant Approved of Sanctioned Projects (Rs in Cr)	Total Grant released to Sanctioned Projects (Rs in Cr)	Processing & Preservation Capacity of Sanctioned Projects (LMT)	Farmers Benefited (Sanctioned)	Employment (Sanctioned)	Investment Leveraged (Rs in Cr)
CC	397	11624.73	2992.73	2384.67	210.37	3792144	238200	8632
APC	75	2421.87	648.16	266.70	25.91	277775	76283	1773.71
UNIT	526	8443.428	2023.4	1222.59	118.0354	186523	183713	6420.028
OG	44	2102.54	545.4	200.62	12.8	319474	101958	1557.14
FTL	205	1176.62	503.48	330.26	-	-	7585	673.14
MFP	41	4660.33	1958.53	1492.73	43.98	331881	127491	2701.8
BFL	61	693.3	167.73	150.45	8.82	413420	30794	525.57
HRI-R&D	236	97.31	95.01	82.24	-	-	-	2.34
HRI-Skill	26	18.83	9.06	9.03	-	-	-	9.77
Total	1611	31238	8943	6139	419.9	5321217	766024	22295

4.20 Asked about the reasons behind completion of only 1087 projects out of total sanctioned 1611 number of projects, the Ministry has given the following reply:

“Gestation period for submission of documents in respect of component-schemes of PMKSY varies from 18 to 30 months. Further, substantial numbers of pending projects have been approved in the end of 2023 or in the year 2024. Funds are released on submission of documents by the implementing agencies on fulfilment of all the criteria laid down in the guidelines of the sub-scheme concerned”.

A1. Scheme for Mega Food Parks

4.21 The Mega Food Park (MFP) Scheme aims at providing modern infrastructure facilities for food processing along the value chain from farm to market. The scheme functions on a hub and spoke model. It includes the creation of infrastructure for primary processing and storage near the farm gate at primary processing centres (PPCs), collection centres (CCs), and common facilities and enabling infrastructure at the central processing center. The food processing units, under the scheme, would be located at the Central Processing Centre (CPC), with need-based common infrastructure required for processing, packaging, environmental protection systems, quality control labs, trade facilitation centres,

etc. The Scheme has been discontinued w.e.f. 01.04.2021 with committed liabilities for the approved project.

4.22 The salient features of the Scheme as furnished by the Ministry are as follows:

- Provides modern infrastructure for food processing units based on a cluster approach, hub and spoke model
- Capital grant @ 50% of eligible project cost in general areas and @ 75% in NE/difficult/ITDP areas; max. support Rs. 50 crore per project;
- Components of Scheme: Core processing facilities, basic enabling & noncore infrastructure, SDF sheds, Primary Processing/Collection Centre;
- Min. Land area: Atleast 50 acres of contiguous land;
- Implemented through Special Purpose Vehicle (SPV) and State PSUs.

4.23 The details of allocation and expenditure under the Mega Food Park Scheme since 2021-22 are as follows:

(in Rs. Crore)					
Year	BE	RE	AE	Amount of under utilization vis-a-vis RE utilization in % terms vis-a-vis RE	utilization in % terms vis-a-vis RE
2021-22	47.60	54.37	52.59	01.78	01.78
2022-23	55.80	24.80	22.14	02.66	89.27%
2023-24	54.80	17.88	20.64	02.76	02.76
2024-25	24.80	32.55	8.32*	24.23	25.56
2025-26	80.40	--	--	--	--

* as on 31.12.2024

4.24 In regard to underutilisation of funds under Mega Food Park, the Ministry have furnished following reply:

“Ongoing Mega Food Park projects are required to apply for release of instalments of grant-in-aid after compliance with provisions of scheme guidelines. Most of the ongoing projects are due for release of final instalment which are required to comply with condition of leasing of at least 75% of total leasable area and operationalization of at least 25% units in the leasable area of the mega food park, which is normally a time taking process and most of MFP projects are not able to comply with this

condition for claim of subsidy. Thus, there are delays in claiming due amount of grant-in-aid by project developers which result in less utilization of funds under the scheme”.

4.25 When asked about the measures taken by the Ministry to ensure optimum utilisation of funds, the Ministry have submitted the reply as under:

“Ministry and Project Management Agency (PMA) have been following up and pursuing up with the implementing agencies (telephonically as well as through Email) to adhere to the timeline and submit documents as per the terms and conditions laid down in the approval letter as well as applicable guidelines. Besides, monitoring the progress of the ongoing projects is being done by holding Review Meetings chaired by the Hon'ble Minister, Secretary and Additional/Joint Secretary in the Ministry regularly. In addition, the Ministry is also providing the projects all possible support and hand holding including interaction with various concerned Departments/ Agencies of the State Governments at all levels and impressing upon implementation of the single window clearance system.”

4.26 Regarding the completion of only 24 projects out of 41 sanctioned projects, the Ministry have stated the reasons for underachievement and timeline for completion of the remaining projects, as under:

“Under achievement of ongoing Mega Food Park projects are mainly attributed to requirement to comply with conditions of leasing of at least 75% of total leasable area and operationalization of at least 25% units in the leasable area of the mega food park, which is normally a time taking process and MFP projects are finding difficult to comply with this condition. Besides, delay in obtaining statutory clearances (obtaining permission for conversion of land use (CLU), Consent to Establish, permission to sub-lease) from the concerned State Governments/ statutory authorities/land authorities has also contributed in under achievement of targets.

As regards timeline for completion of the remaining projects, it is submitted that completion of the projects mainly depends on the documents submitted by the SPVS/ Implementing agencies of MFPs on fulfilment of the criteria as laid down in the scheme guidelines for release of instalments. As there is considerable delay in receipt of documents from the Project Implementing Agencies, projects are being delayed. However, all efforts are being made by the Ministry to pursue with the applicants to complete the projects within a specific time-frame and to submit the documents and fulfil the milestones as stipulated in the scheme guidelines.”

4.27 The details of progress made by the Scheme as presented in the PowerPoint presentation of the Ministry since its implementation is as under:

Particulars	Nos.	Total Project Cost (Rs in Cr)	Total Grant Approved (Rs in Cr)	Total Grant released (Rs in Cr)	Processing & Preservation Capacity (LMT)	Farmers benefitted (nos)	Employment generated (nos)	Investment Leveraged (Rs in Cr)
Sanctioned	41	4660.33	1958.53	1492.73	43.98	331881	127491	2701.8
Operational	24	2778.79	1175.27	1072.55	28.42	60277	70343	1579.06

A2. Scheme for Creation of Infrastructure for Agro Processing Clusters

4.28 The Scheme for Creation of Infrastructure for Agro Processing Clusters has two basic components i.e. Basic Enabling Infrastructure (roads, water supply, power supply, drainage, ETP etc.) and Core Infrastructure/Common facilities (ware houses, cold storages, IQF, tetra pack, sorting, grading etc). Creation of common facilities in a cluster may vary depending upon requirements of food processing units existing outside the cluster or to be set up in a cluster. Minimum 5 food processing units with minimum investment of Rs. 25 crores are to be set up in the cluster.

4.29 The details of the Scheme for Creation of Infrastructure for Agro Processing Clusters, furnished by the Ministry are as under:

- Aims at development of modern infrastructure and common facilities to encourage group of entrepreneurs to set up food processing units based on cluster approach by linking groups of producers/farmers to the processors and markets through well-equipped supply chain with modern infrastructure.
- Envisages a cluster of minimum 5 processing units with an investment of Rs. 25 Cr.;
- Grant @ 35%/50% in general/difficult areas as well as for projects of SC, ST, FPO & SHGs, of eligible project cost upto max of Rs. 10 Crore per project;
- Minimum 10 acres land is required either by purchase or on lease of 50 years;
- Eligible organizations Farmer Producer Organisations/Cooperatives/ FPCs/SHGs/Government & private sector companies, processors, retailers etc.

4.30 The details of BE, RE and Actuals utilization under the scheme since 2021-22 are as follows:

(in Rs. Crore)					
Year	BE	RE	EAE	Amount of under utilization vis-a-vis RE utilization in % terms vis-a-vis RE	utilization in % terms vis-a-vis RE
2021-22	37.50	53.90	49.08	04.82	92.46%
2022-23	48.45	56.55	46.82	09.73	82.79%
2023-24	81.30	63.52	39.35	24.17	61.94%
2024-25	38.90	47.00	16.86*	30.14	35.87%
2025-26	55.90	--	--	--	--

*as on 24.01.25

4.31 When asked about the reason for upward revision of estimates at Revised Estimates, the Ministry in its written replies furnished as under:

“During the assessment of scheme project with the Programme Management Agencies (PMAs) as well as with the Programme Implement Agencies (PIAs), division has found sufficient proposals for release of GIA. Hence The BE has been revised from Rs. 38.90 crore to Rs. 47.00 crore, which will be utilized till March, 2025.”

4.32 In response to the Committee’s query about the reasons for underutilisation of allocated funds and the possibility of full utilisation of unused funds for the remaining period of the fiscal year, the Ministry has furnished the reply as under:

“Budget allocated under BE & RE 2024-25 is after realistic assessment of the projects expected to be completed during the financial year. However, as against the RE of Rs. 47.00 crore for 2024-25, as on date (13.02.2025), Rs. 23.754 crore (50.54% of RE) has already been utilized and Rs 7.10 crore of GIA has been concurred by IFD and may be utilized by the end of February 2025. Remaining amount of Rs. 16.146 crore will be utilized till March, 2025.”

Regarding the utilisation of unused funds:

(a) Currently, three proposal documents amounting to Rs. 9.99 crore has been uploaded on SAMPADA portal and its’ site visit will be scheduled by the Programme Management Agencies (PMA). As & when the site visit will complete, the amount of Rs. 9.99 crore will be released.

(b) In respect of NER project, total 4.64 crore GIA has been released till date. The other two (02) NER proposals are also received on sampada portal and site visit has also been scheduled amounting to Rs. 4.24 crore, which may be released by the end of February, 2025.”

4.33 When asked about the gestation period for setting up 'Agro Processing Cluster' projects, the Ministry replied as under:

"The time for completion and operationalization of project is 24 months from the date of issue of approval letter for project in General Areas and 30 months for project in Difficult Areas.

It is submitted that the typical gestation period for setting up Agro Processing Cluster (APC) projects can vary depending on the scale of the project, the location, and the regulatory environment. However, it generally takes 2 to 4 years to establish a fully-operational/complete agro-processing cluster. This period includes stages like planning, land acquisition, infrastructure development, installation of processing units, and securing supply chains for raw materials."

4.34 Asked as to how many jobs have been created under this Scheme during the last three years and kinds of skills that are required for those jobs, the Ministry furnished the following:

"Total 10403 employments have been created under the Scheme for Creation of Infrastructure for Agro Processing Cluster (APC) during the last three years. As the projects under APC scheme is set up by the Project Implementing Agencies (PIAs), the kinds of skill criteria may depend on the type of project."

4.35 The details of progress made by the Scheme as presented in the PowerPoint presentation of the Ministry since its implementation is as under:

Particulars	Nos.	Total Project Cost (Rs in Cr)	Total Grant Approved (Rs in Cr)	Total Grant released (Rs in Cr)	Processing & Preservation Capacity (LMT)	Farmers benefitted (nos)	Employment generated (nos)	Investment Leveraged (Rs in Cr)
Sanctioned	75	244.87	648.16	266.70	25.91	277775	76283	1773.71
Operational	23	616.55	194.03	149.67	7.11	69775	16645	422.52

A3. Scheme for Integrated Cold Chain and Value Addition Infrastructure

4.36 The Ministry have stated that the objective of the scheme is to provide integrated cold chain, preservation and value addition infrastructure facilities without any break, from the farm gate to the consumer in order to reduce post-harvest losses of horticulture and non-horticulture agri-produce. The projects under the scheme can be set up by Individuals as well as entities/organizations

such as Farmer Producer Organizations (FPOs, FPCs, NGOs, PSUs, Firms, Companies, etc. The scheme has been operational since the 11th Plan Period.

4.37 The details of Scheme for Integrated Cold Chain & Value Addition Infrastructure given by the Ministry are as under:

- Objective of the scheme is to provide integrated cold chain and preservation infrastructure facilities, without any break, from the farm gate to the consumer;
- To support setting up of standalone irradiation units.
- Financial assistance:
- Grant@ 35%/50% in general/difficult areas (SC/ST, FPO & SHGs) of eligible project cost upto Max. Rs. 10 crore per project;
- Eligible organizations: Farmer Producer Organizations/ Cooperatives/ FPCs/ SHGs/ Government & private sector companies, processors, retailers etc.

4.38 The details of BE, RE and actual utilization under the 'Scheme for Integrated Cold Chain and Value Addition Infrastructure' are as follows:

Year	BE	RE	Actuals	Percent of utilization <i>vis-a-vis</i> RE
2021-22	227.60	263.00	225.31	85.67%
2022-23	230.50	222.34	203.06	91.57%
2023-24	196.50	196.50	175.40	89.26%
2024-25	179.80	118.80	71.24	59.96%
2025-26	171.63	--	--	--

*as on 24.01.2025

4.39 On being asked about the reason for downward revision of estimates at RE stage and the reasons for underutilization of funds under this Scheme, the Ministry stated in its reply as under:

“Initially, BE was estimated on the basis of feedback received from Programme Management Agency (PMA). During review, it was assessed that many projects were not completed due to pending Statutory Clearances/Approvals like CTO, FSSAI, CLU, AERB Licence, Land acquisition issue etc. Hence, Budget estimate was revised accordingly”.

4.40 When the Committee asked about the measures undertaken or planned to enhance the effectiveness of the Scheme, based on the findings of the 'Third Party Assessment of the Scheme' conducted by NABARD Consultancy Services (NABCONS). In response, the Ministry provided the following reply:

“Under the scheme, Individual entities including FPOs are eligible to avail the financial support for setting up of cold chain projects for various sectors. Further, Farm Level Infrastructure has been made as a mandatory component of the scheme to encourage the formation of infrastructure facilities including the cold storage near the catchment areas. Considering the complexity and challenges associated with agricultural infrastructure projects of this nature, Project Implementation Agency (PIA) may dovetail assistance available under various other schemes of other central/state governments, which would improve the viability of the project. While dovetailing such assistance, it will be ensured that there is no duplication of assistance for the same component/activity of the project”.

4.41 When the Committee sought clarification on the planning and implementation of 21 new cold chain units, as outlined in the Outcome Budget for 2025-26. Additionally, it inquired about the measures to ensure the completion of the remaining ongoing projects from 2024-25. In response, the Ministry provided the following reply:

“The planning to set up 21 new cold chain units as outlined in the Outcome Budget for 2025-26 is part of a broader strategy to enhance the cold chain infrastructure. The 39 projects for 2024-25 were part of an earlier phase or planned timeline, 17 out of the 39 projects have been completed so far, remaining 22 projects are under implementation. To ensure that the targets of setting up 21 new cold chain units in 2025-26 (in addition to the ongoing 22 units from 2024-25) are fully achieved, the Ministry of Food Processing Industries (MoFPI) will adopt the following strategies:

(a) Identifying bottlenecks in project implementation, such as delays in clearances and approvals from Central and State authorities, and coordinating for remedial measures.

(b) Improved Monitoring and Project Tracking by the MoFPI with the help of the Project Management Agency (PMA) through physical visits.

(c) Periodical Review of the progress of projects against 2025-26 targets

(d) Regular monitoring through SAMPADA Portal.”

4.42 When the Committee desires to know about whether any the Ministry have collaborated with other Ministries/Departments, such as Agriculture, MSME, Commerce, Railways, etc. to ensure smooth implementation of the projects and to reap maximum benefits, the Ministry furnished the reply as under:

“The Ministry of Food Processing Industries (MoFPI) in consultation with several line Ministries and Departments like NITI Aayog, Ministry of Agriculture & Farmers Welfare (MoA&FW), APEDA, D/o Economic Affairs, D/o Atomic Energy, D/o Animal Husbandry & Dairying, D/o Fisheries, FSSAI etc. implements the scheme so as to achieve the mandate of the MoFPI without overlapping components among the schemes being implemented in line Ministries. Moreover, A Technical Committee comprising various members from other Ministries/Departments and several boards is also constituted for evaluation of the proposals received against Expression of Interest”.

4.43 The details of progress made by the Scheme as furnished by the Ministry in its PowerPoint Presentation are as under:

Particulars	Nos.	Total Project Cost	Total Grant Approved (Rs. in Cr)	Total Grant Released (Rs. in Cr.)	Processing & Preservation Capacity (LMT)	Farmers Benefitted	Employment	Investment Leveraged (Rs. in Cr)
Sanctioned	397	11624.73	2992.73	2384.67	210.37	3792144	238200	8632
Completed	286	7714.46	2108.03	2095.78	137.74	2731872	171600	5606.43

4.44 The details of cold chain projects, State/UT-wise for the last three years from 2022-23 to 2024-25 as furnished by the Ministry in its written replies are given in Annexure VII.

A4. Scheme for Creation/Expansion of Food Processing and Preservation Capacities (CEFPPC)

4.45 The Scheme envisages the creation, expansion, and/or modernization of processing and preservation capacities, which will help in increasing the level of processing, value addition, and thereby reduction of waste. The setting up of new units and modernization/expansion of existing units are covered under the scheme. The scheme envisages financial assistance to food processing units in the form of grant-in-aid at 50% of eligible project cost for NER/SC/ST, FPOs, SHGs, and @35% of eligible project cost for others with a maximum of Rs. 5 crore.

4.46 The details of Scheme for CEFPPC as furnished by the Ministry are as follows:

- To promote food processing/preservation units for increasing level of processing, value addition & reduction in wastage;
- Grant @ 35%/50% in general /difficult areas as well as for projects of SC.ST, FPOs & SHGs of eligible project cost upto max. of Rs. 5 crore per project;

- Eligible organisations: Farmer Producer Organisations, Cooperatives, FPCs, SHGs, Government & private sector companies, processors, retailers etc.

4.47 The details of BE, RE, and actuals under the scheme since 2021-22 furnished by the Ministry are as follows:

(Rs. in crore)					
Year	BE	RE	Actuals	Under utilisation vis-à-vis RE	%utilisation vis-à-vis RE
2021-22	162.00	242.50	238.08	04.42	98.17%
2022-23	282.80	219.68	170.10	49.58	77.43%
2023-24	320.00	275.12	254.87	20.25	92.63%
2024-25	271.60	218.29	160.63*	53.31	73.59%
2025-26	347.28				

*as on 13.02.2025

4.48 When the Committee desired to know why there have been underutilization of allocated funds and efforts taken by the Ministry for optimum utilisation of funds, the Ministry stated as under:

“Budget allocated under BE & RE 2024-25 is as per the realistic assessment of the projects to be completed during the financial year. Against the RE of Rs. 218.29 crore for 2024-25, as on date (13.02.2025), Rs. 160.63 crore (73.59% of RE) has already been utilized. Remaining amount will be utilized till March, 2025.

Ministry is making incessant efforts to utilize the funds as mentioned below:

- Ministry and the Projects Management Agencies (PMA) engaged under CEFPPC Scheme are interacting regularly with the Project Implementing Agencies (PIAs) of approved projects and are assisting them in timely implementation of the projects.
- Regular review meetings, virtual verification and physical site inspection of CEFPPC projects are conducted by the Ministry and PMAs for smooth and timely completion of the projects.
- Ministry, on the request of PIAs, also takes up the matter with the concerned State Government and their agencies for smooth and timely implementation.”

4.49 On being asked about the impact of less utilization of fund on the physical output under the Scheme, the Ministry stated as under:

“Against the RE of Rs. 218.29 crore for 2024-25, as on date (13.02.2025), Rs. 160.63 crore (73.59% of RE) has already been utilized. Remaining amount will be utilized till March, 2025. As on date 73.59% has been utilized on implementation of projects, it may not lead to reduction of capacities created under the Scheme.”

4.50 The details of progress made by the Scheme as furnished by the Ministry in its PowerPoint presentation are as under:

(Rs. in crore)								
Particulars	Nos.	Total Project Cost	Total Grant Approved (Rs. in Cr)	Total Grant Released (Rs. in Cr.)	Processing & Preservation Capacity (LMT)	Farmers Benefitted	Employment	Investment Leveraged Rs. in Cr)
Sanctioned	526	8443.428	2023.4	1222.59	118.0354	186523	183713	6420.028
Completed	290	4324.143	1083.84	1025.18	61.4116	48591	113490	3240.3035

4.51 When the Committee asked whether the Ministry is planning for setting up of 100 food processing/preservation units, as per the Outcome Budget, however only 36 out of 100 projects envisaged for 2024-25 could be completed so far, what are the reasons for the slow pace of execution and how it will be ensure that the targets are fully achieved, the Ministry stated the following reply:

“So far, 40 projects envisaged for 2024-25 have been completed against 100 projects and 20 more projects are expected to be completed by March, 2025. The main reasons for the slow pace of execution are delay in statutory clearances i.e Consent to Establish (CTE), Consent to Operate (CTO), Change of Land Use (CLU), FSSAI license, Building Plan, Water, Power etc., from various department and also timely disbursement of term loan from Bank”.

A5. Scheme for Creation of Backward and Forward Linkages

4.52 The objective of the scheme is to provide effective and seamless backward and forward integration for the processed food industry by plugging the gaps in supply chain in terms of availability of raw material and linkages with the market. The scheme enables linking of farmers to processors and the market thereby ensuring remunerative prices for their produce. The Scheme has been merged with Operation Green Scheme in 15th FC cycle with provision for committed liability for ongoing projects.

4.53 The details of the 'Scheme for Creation of Backward and Forward Linkages' are as follows:

- To plug gaps in the supply chain of perishables agri-horti produce;
- To connect farmers directly with processing and market;
- Support facilities like:
 - Primary processing centres/collection centres at farm gate;
 - Distribution hub and retail outlets at the front ends;
 - Reefer transport etc.
- Grant @ 35%/50% in general/difficult areas of max. Rs. 5.00 Cr. per project.

4.54 As per the Ministry the eligible organisations under the Scheme are:

State Agriculture Federations, State Marketing Federations, Farmer Producer Organisations, Cooperative, SHGs, companies, Food Processors, Logistic companies, supply chain operators, retail chains, wholesale chains, State/Central entities/organizations, etc. are eligible for financial assistance under the scheme.

4.55 Below are the details of BE, RE and actual utilization under the Scheme since 2021-2022:

(in Rs. Crores)

Year	BE	RE	Actuals	Under utilisation vis-à-vis RE	%utilisat ion vis-à-vis RE
2021-22	51.70	40.70	32.98	07.72	80.85%
2022-23	22.20	18.78	09.35	09.43	49.78%
2023-24	05.39	10.83	04.19	06.64	38.68%
2024-25	06.20	0.20	0.01*	0.19	5%
2025-26	11.10	--	--	--	--

4.56 On being asked about the reasons for underutilisation of funds, the Ministry submitted its reply as under:

"As on 17.02.2025, Rs. 0.011 crore has been utilised under the Scheme for creation of Backward and Forward Linkages (CBFL) of PMKSY. The reasons for underutilization of funds under CBFL scheme are:

- (a) CBFL scheme was discontinued w.e.f 01.04.2021.
- (b) Eight (8) ongoing CBFL projects are under various stages of implementation.
- (c) Out of these 8 projects, no project is mature and Project Implementing Agency of these projects have not submitted the requisite documents for claiming instalments of grants-in-aid/ subsidy."

4.57 On being asked to provide the details of steps taken by the Ministry to complete the seven pending projects granted under BFL and to ensure proper funding under the new Operation Green Scheme, the Ministry in its reply furnished the following:

(a) To improve physical progress of the projects in commensurate with financial achievement, they are being regularly monitored by Programme Management Agency (PMA) by periodic physical site visits.

(b) Ministry is also reviewing the progress of the projects at the level of Senior Officers with Project Implementing Agencies (PIAs) to expedite the implementation of the projects.

(c) Show Cause Notices are being issued to PIA with a direction to complete project without further delay.

The CBFL scheme has been amalgamated with Operation Greens (OG) scheme since 2021. Under OG scheme, sufficient fund is made available for implementing the approved projects.

4.58 The details of progress made under this Scheme as stated by the Ministry in its Powerpoint Presentation are as follows:

Particulars	Nos.	Total Project Cost (Rs. in Cr)	Total Grant Approved (Rs. in Cr)	Total Grant released (Rs. in Cr)	Processing &Preservati on Capacity (LMT)	Farmers Benefitted	Employment	Investment Leveraged Rs. in Cr)
Sanctioned	61	693.30	165.92	150.45	8.82	413420	30794	527.38
Completed	53	605.85	143.31	138.08	7.26	388120	28697	462.54

A6. Scheme for food safety and quality assurance infrastructure

A6(i). Scheme for Setting up/Up-gradation of Food Testing Laboratories

4.59 The Scheme for Setting Up/Up gradation of Food Testing Lab is implemented with the rationale to support the Food Safety regulatory activities of the Food Processing Sector and to help the food processing industry in regard to quality control measures.

4.60 The details regarding functions and grants of the Scheme for Setting up/Upgradation of Food Testing Laboratories are as under:

- To strengthen the food quality control infrastructure and to make it available to the food processing sector in order to ensure compliance to domestic and international food safety standards;
- These facilities so created under the scheme will be accessible to public at large and made available to the food processing units for testing their products;
- Make available modern commercial testing facilities for industry;
- Grant @ 50%70% of equipment in general/difficult areas for private projects and 100% for public sector.

4.61 As per Ministry, under the Scheme, Government organizations are eligible for a grant-in-aid of 100% of the eligible cost of the approved equipment for Government organizations, 70% of the eligible cost of the approved equipment for private organizations for NER/SC/ST, and 50% of the eligible cost of the approved equipment for others.

4.62 As per the Ministry the eligible organisations under the Scheme are: State Agriculture Federations, State Marketing Federations, Farmer Producer Organisations, Cooperative, SHGs, companies, Food Processors, Logistic companies, supply chain operators, retail chains, wholesale chains, State/Central entities/organizations, etc. are eligible for financial assistance under the scheme.

4.63 Below are the details of BE, RE and actual utilization under the Scheme since 2021-2022:

(in Rs. Crores)				
Year	BE	RE	AE*	% of Utilization vis-à-vis RE
2021-22	45.20	46.70	34.25	73.34%
2022-23	51.80	33.80	18.73	44.58%
2023-24	46.50	23.20	14.96	35.51%
2024-25	30.00	48.40	20.54*	42.43%
2025-26	55.91	--	--	--

****All expenditure in Scheme for Food Safety and Quality Assurance Infrastructure as on 24.01.2025***

4.64 On being asked about the reasons for upward revision of estimates at RE stage, the Ministry furnished reply as under:

“As of November 8, 2024, an expenditure of Rs 13.64 crore had been incurred, and the PMA provided an estimated expenditure of Rs 33.48 crore for the remainder of FY 2024-25, as the projects were expected to be completed towards the end of the fiscal year. Also, an additional expenditure of Rs 4 crore for earlier projects was anticipated, prompting a request for an upward revision at the RE stage”.

4.65 The Committee pointed out that despite underutilization of funds in the previous financial year 2023-24, higher amounts were allocated during Revised Estimates (RE) for the current fiscal. When the Committee asked to give justification for low utilization of allocated funds and the possibility of full utilization of the funds in the remaining two months of the fiscal, the Ministry submitted the following reply:

“The promoters stated that delays occurred due to the late supply of imported equipments, the unavailability of technical staff for the calibration of the equipment, and the time required to obtain necessary clearances. As a result, the project completion date was extended to the end of the financial year. Additionally, many projects requested to combine instalments towards the end, leading to lower fund utilization until the RE allocation stage.”

Regarding the full utilisation of funds for the remaining period of current fiscal, it is stated as under:

“Many projects are at the stage of completion and the PMA as well as project Promoters have informed the Ministry that they would submit the documents for final release in this Financial Year. As per the estimates received, the funds are likely to be utilized by the end of the FY 2024-25.”

4.66 The details of physical targets under scheme for food safety and quality assurance infrastructure are as follows:

Since the scheme is Demand Driven; targets are not assigned on a state-wise basis. Instead, they are determined based on the proposals received and approved. The targets, achievements, and status of projects under the scheme for the past three years are as follows:

Year			
2021-22	Indicator	Target	Achievement
	No. of new FTLs operationalized	18	6
	No. of FTLs given NABL accreditation	18	5
2022-23	Indicator	Target	Achievement
	No. of new FTLs operationalized	10	15
	No. of FTLs given NABL accreditation	05	13
2023-24	Indicator	Target	Achievement
	No. of new FTLs operationalized	05	10
	No. of FTLs given NABL accreditation	08	08

4.67 On being asked about the target of setting up of 20 new food testing labs as given in Outcome Budget, 2025-26, only 04 out of the target of 15 food testing labs could be completed so far in the current fiscal, what is the probability of completion of targets for the remaining period, the Ministry submitted the following reply:

“Out of the 15 projects, 06 have been completed, 01 project is under submission for final release and the remaining projects are in progress, with completion expected within the fiscal year 2024-25”.

4.68 The details of progress for the Scheme as furnished by the Ministry in its PowerPoint Presentation are as under:

Particulars	Nos.	Total Project Cost (Rs. in Cr)	Total Grant Approved (Rs. in Cr)	Total Grant released to (Rs. in Cr)	Employment Generated	Investment Leveraged (Rs. in Cr)
Sanctioned	205	1176.62	503.61	330.26	7585	673.01
Completed	165	720.35	311.16	305.43	6105	409.19

A7. Scheme for Human Resource and Institutions

A7 (i) Research & Development in Processed Food Sector

4.69 The Ministry of Food Processing Industries (MoFPI) is implementing Scheme for Research and Development (R&D) in processed food sector, which is a component of scheme for Human Resource and Institutions under the umbrella scheme of the Ministry i.e. Pradhan Mantri Kisan Sampada Yojana (PMKSY).

4.70 The salient features of the Scheme are as under:

- Objective is that the end product/outcome/findings of R&D work should benefit the food processing industry in terms of product and process development, efficient technologies, improved packaging, value addition etc.
- Eligible Institutions for assistance: All Universities, IITs, Central/State Government Institutions, Government funded Organizations, R&D laboratories and CSIR-recognized R&D units in private sector.
- Funding pattern:
 - For Government Organization: 100% of eligible project cost.
 - For Private Organization: 50% of eligible project cost in General areas & 70% of eligible cost in Difficult areas.

4.71 The details of progress of the Scheme as furnished by the Ministry in its PowerPoint Presentation are as under:

Particulars	Total Project Sanctioned	Total Project Cost of (Rs. in Cr)	Total Grant Approved (Rs. in Cr)	Total Grant released to (Rs. in Cr)	Investment Leveraged
Sanctioned	236	97.31	95.01	82.24	2.21
Completed	225	92.38	91.41	81.17	1.97

A7(ii) Skill Development

4.72 The Ministry of Food Processing Industries (MoFPI) is implementing the 'Skill Development Scheme' with the aim to provide sector specific skilled workforce from floor level workers, operators, packaging and assembly line workers to quality control supervisor etc. and to meet the skilled Human Resources requirement in the food processing sector.

4.73 As per Ministry, under the scheme, Grant-in-Aid is provided to the eligible Institutions/ organizations up to a maximum of Rs.5.00 lakhs per QP for development of training modules both in print Multi-media for each job role. Up to a maximum of Rs.0.50 lakh per QP is available for the translation of already developed training modules in recognized regional languages as per 8th schedule both in print and Multimedia for each job role. Grant-in-Aid is provided at the rate of 50% of cost of plant & machineries required for NSDA/NSDC validated training modules subject to a maximum of Rs.15 lakhs per training module limited to a maximum of 5 training modules per Training Centre. The Grant-in-Aid is released by the Ministry to eligible institutions/organizations in two equal instalments i.e. 50% advance and remaining 50% after the plant machinery has been purchased and installed by the Institute/organization.

4.74 The details of BE, RE and Actuals for the Scheme as furnished by the Ministry are as follows:

Year	BE	RE	Actuals	(Rs. in Crore)
				%Utilization vis-à-vis RE
2021-22	44.80	15.14	13.03	--
2022-23	23.69	22.36	20.49	--
2023-24	4.96	2.40	0.52	--
2024-25	4.10	3.15	0.08*	2.54%
2025-26	3.60	--	--	--

*as on 17.01.2025

4.75 On being asked about the reasons for downward revision of estimates at RE stage, the Ministry have furnished its reply as under:

“In this regard, the main reasons for downward revision of estimate at RE stage are as under:

- In the Expert Committee (EC) meeting, EC had recommended 05 R&D projects for the release of the 2nd/3rd instalment on reimbursement basis after reviewing the project completion report. Principal Investigators (PIs) of the 08 on-going R&D projects informed that the 2nd/3rd instalment was not required because they had completed their projects with the released funds as the 1st/2nd instalment by the Ministry.
- 8 new R&D proposals have been approved in the August, 2024. These proposals are on-going. Therefore, funds are being released on reimbursement basis resulting delay in receiving/non receiving of proposals for the release of 1st instalment from such organization.”

4.76 On being asked about the reasons for underutilization of funds despite a reduced RE, the reply of Ministry is as under:

“Earlier 100% grant-in-aid was being released to Govt. Organisations in advance. Now, in pursuance of Ministry of Finance’s directives, funds are being released on reimbursement basis resulting delay in receiving/ non-receiving of proposals for the release of funds from such organizations.”

4.77 When asked about the remedial steps that are being taken by the Ministry to improve fund utilization under the Human Resource Scheme, the Ministry stated as under:

“Under Research and Development Scheme, Principal Investigators (PIs) of approved projects have been requested to take extra efforts for immediate submission of requisite documents for the release of 2nd/3rd instalment of Grant-in-aid. Further, eight new R&D projects have been approved. In addition to this, 34 new R&D project proposals received so far are also under process as per scheme guidelines. 1st instalment would be released to new projects besides 2nd/3rd instalments to on-going R&D projects.”

4.78 When asked the details of bifurcated figure of the 250 projects that have been completed out of 262 projects under this scheme for the two sub-components of this Scheme, the Ministry furnished its reply as under:

“Out of 262 HRI projects, 236 R&D project proposals have been approved under the R&D scheme from FY 2008-2009 to till now. Of these, 225 R&D projects have been completed. 8 new R&D projects have been approved in the FY 2024-25 and are likely to be completed in FY 2026-27 and 3 on-going projects are likely to be completed in FY 2025-26.

Under the erstwhile Skill Scheme [i.e. Scheme for Human Resources and Institution-Skill Development] under PMKSY, a total of 26 skill projects were sanctioned for extending financial assistance in the form of Grants-in-aid [i.e. Capital Subsidy] for establishment of skill training centres and development of course content in Food Processing. Out of which 25 skill projects have since been completed and the remaining only 1 skill project is ongoing. The 1 ongoing skill project is expected to be completed or otherwise within 2nd quarter of next financial year.”

A8. Scheme for Operation Greens

4.79 The Operation Greens Scheme was launched in November 2018 for integrated development of Tomato, Onion and Potato (TOP) value chain, extended to 22 Crops in 2021-22. The salient features of the Scheme are as follows:

- ❖ Long term-Value Chain Development project-
 - Grant in aid @ 35% for general area and @ 50% for difficult areas as well as for projects of SC/ST, FPOs and SHGs for setting up of project for 22 perishables.
 - Max. GIA-15 crore for Integrated Value Chain Development Projects & 10 crore for stand-alone Post Harvest infrastructure Projects.

4.80 The details of BE, RE and actual utilization under the Scheme since 2022-23 are as follows:

(in Rs. Crore)				
Year	BE	RE	Actuals	% of utilization vis-a vis RE
2022-23	184.56	74.40	71.05	95.38%
2023-24	213.59	155.35	156.21	100.55%
2024-25	173.40	161.41	74.50*	41.03%
2025-26	177.36	--	--	--

*as on 14.02.2025

4.81 On being asked by the Committee, the Ministry furnished the reasons for underutilization of funds and corrective steps that are being taken to improve fund utilization under the Scheme as under:

“As on 14.02.2025, Rs. 74.50 Crore has been utilized under the Operation Greens scheme against the RE of Rs. 161.41 Crore. The reason for underutilization of funds is cancellation/ withdrawal of some of the approved projects and non-sanction of fresh projects during the current Financial Year as the funds allocated during 15th FCC has already exhausted and additional allocation could not be received. Further, the Operation Greens long term interventions are infrastructure projects, which require involvement of multiple Government agencies and logistic support for speedy development of projects, which intern also impact fund utilization under the scheme.

To improve the physical and financial progress of the Operation Greens scheme, the projects are regularly monitored by Programme Management Agency (PMA) by periodic site visits. Further, the Ministry is also reviewing the progress of the projects at the level of Senior Officers with Project Implementing Agencies (PIAs) to expedite the implementation of the projects.”

4.82 The details of progress of the Scheme as furnished by the Ministry in its PowerPoint presentation are as follows:

Particulars	Nos.	Total Project Cost (Rs. in Cr)	Total Grant Approved (Rs. in Cr)	Total Grant released (Rs. in Cr)	Processing & Preservation Capacity(LM T)	Farmers benefitted	Employment Generated	Investment Leveraged (Rs. in Cr)
Sanctioned	44	2102.54	545.4	200.62	12.8	319474	101958	1557.14
Completed	6	337.98	83.14	73.09	2.20	17580	13566	254.84

4.83 On being asked about the reasons for underachievement of targets as only 3 projects have been completed out of 4 projects under this Scheme, and measures taken by the Ministry to complete the remaining projects for the rest of period of the current fiscal, the Ministry furnished the following reply:

“As per scheme guidelines for Operation Greens Scheme time for completion and operationalization of projects will be 24 months from the date of issue of approval letter for projects in General Areas and 30 months for projects in Difficult Areas. Maximum projects under OG scheme sanctioned during November 2022 onward. Thus project completions have started quickly and as on date 6 projects have been completed. Further 4 projects have reported completion. Thus target of the FY 2024-25 is likely to be completed by end of March 2025.”

b. Production Linked Incentive Scheme for Food Processing Industry (PLISFPI)

4.84 Union Cabinet in its meeting on 31.03.2021 approved the Central Sector Scheme- “Production Linked Incentive Scheme for Food Processing Industry (PLISFPI)” to support creation of global food manufacturing champions

commensurate with India's natural resource endowment and support Indian brands of food products in the international markets with an outlay of Rs.10,900crores.The PLISFPI has been formulated based on the Production Linked incentive scheme of NITI Aayog under “*Aatma Nirbhar Bharat Abhiyaan* for Enhancing India's Manufacturing Capabilities and Enhancing Exports”. The Scheme will be implemented over a six-year period from 2021-22 to 2026-27.

4.85 The details of the Scheme's objectives as stated by the Ministry in their Power Point Presentation are as under:

- Creation of Global Food Manufacturing Champions
- Global Visibility of Indian Brands food products
- Employment opportunities for off farm jobs
- Remunerative prices to farm produce/income for farmers

4.86 The details of eligibility criteria of companies in terms of minimum sale and minimum investment under this Scheme along with no. of approvals, category-covered under PLISFPI and PLISMBP, as stated by the Ministry are as under:

Sl. No.	Scheme	Segment	Minimum Sale (Rs. Crore)	Minimum Investment (Rs. Crore)	Min. CAGR% for Sales Incentives	No. of approvals	Total
1.	Category-I of PLISFPI	RTE/RTC	500	100	10	12	53
		F&V	250	50	10	27	
		Marine	600	75	5	10	
		Mozzarella Cheese	150	23 Cr-10 MTPD	15	4	
2.	Category-II of PLISFPI	Innovative	(a) Udyami Registered (b) Achieved Min. sale of Rs. 1 crore during 2019-20 for each of the Innovative/organic product proposed to be incentivized. (c) Applicant for Organic Product shall be registered with APEDA (NPOP Certification)			2	16
		Organic				14	
3.	Category-III of PLISFPI	B&M	<ul style="list-style-type: none"> Only Indian Brands are covered for branding & marketing abroad having products manufactured in India; Branding & Marketing shall be undertaken either by the Applicant directly or through its subsidiary or any other agency India/Abroad 			73	73
4.	PLISMBP	Large Entities	250	-	-	8	29
	PLISMBP	MSME	2	-	-	21	
		Total				171	171

***The Scheme is applicable only for the sale of products whose entire chain of manufacturing process (including primary processing) takes place in India. This condition does not apply for additives. Flavours and edible oils used in the manufacturing process. The incentives under the scheme varies from 5%-10% in first 4 years and 4%-9% in subsequent years.”

4.87 On being asked to provide the targets for Sales by supported applicants under all the components of the Schemes, the Ministry furnished the following table which is prepared on the basis of threshold of CAGR for sales, targets for sale (including exports) under all respective categories are as follows:

(Rs. in Crore)

Category	Segment	Base line Sales 2019-20	Baseline Sales 2020-21 (Millet)	Threshold Sales 2021-22	Threshold Sales 2022-23	Threshold Sales 2023-24	Threshold Sales 2024-25	Threshold Sales 2025-26	Threshold Sales 2026-27	Total
I	Fruits & Vegetables	7598.35		21294.00	23423.40	25765.74	28342.32	31176.55	34294.21	164296.23
I	RTE/RTC	5933.92		43480.04	47828.05	52610.85	57871.94	63659.13	70025.04	335475.06
I	Marine	3341.98		9197.03	9656.88	10139.73	10646.72	11179.05	11738.00	62557.42
I	Mozzarella Chese	361.32		501.82	577.10	663.66	763.21	877.69	1009.35	4392.83
II	Organic Products	208.09		208.73	268.75	295.62	325.18	357.70	393.47	1849.45
II	Innovative Products	40.29		48.75	53.63	58.99	64.89	71.38	78.51	376.14
Millet Based Products	Large Entities		22.39*		97.84	107.62	118.39	130.23	143.25	597.32
Millet Based Products	SME		26.73*		98.51	108.37	119.20	131.12	144.23	601.44
Total		4090.35		76529.63	83849.81	91703.00	100317.81	109769.64	120141.47	570145.88

*Base Year for Millet based products is FY20-21

There are no targets for export sales

4.88 The table for PLISFPI Performance of all the Categories under this Scheme by the Ministry is as under:

	FY19-20	FY21-22	FY22-23	FY23-24	FY24-25 (for 9 months)
Sales (Rs. crore)	59,839	85,247	98,973	97,295	77,071
• Export Sales of approved products (Cat-I + Cat-II + Millets)					
Export Sales (Rs. crore)	FY19-20	FY21-22	FY22-23	FY23-24	FY24-25 (for 9 months)
With Marine	12128	20573	21471	18381	13391
Without Marine	4003	6012	7015	7017	5388
*For 9 months upto Dec'2024, based on QRR data					
• Millet procurement by the approved beneficiaries has increased 12X from 668 MT in FY20-21 to 7975 MT during FY23-24					
Year	FY20-21	FY22-23	FY23-24	FY24-25 (9 months)	Year
Procurement (MT)	668	4005	7975	12130	Procurement (MT)

4.89 The details of expenditure on B&M abroad and export sales for last four years for the selected beneficiaries under Category-III i.e. Branding and Marketing, on the basis of the Quarterly Review Reports, are as under:

Year	Expenditure on B&M abroad (Rs. in crore)	Exports Sales (Rs. in crore)
FY21-22	663.31	9985.30
FY22-23	421.07	11695.79
FY23-24	245.27	9918.86
FY24-25*	145.34	8754.93

*For 9 months (Apr – Dec' 2024).

4.90 About the details of progress made under this Scheme so far, the Ministry have furnished the following points:

- The beneficiaries of the scheme are a diverse mix of 133 companies out of which 37 belongs to MSME category. In addition, 40 MSMEs have invested as contract manufacturers of large companies under Category – I.
- As on 31st December 2024, against committed investment of Rs. 7696 Crore, investments of Rs. 8910 Crore has been made under the Scheme across 213 locations overachieving the stipulated target.
- The implementation of the scheme has promoted import substitution by Category-I companies. For example, two large companies viz. Nestle & HUL have substituted the tomato pulp/ puree imports and are procuring locally.
- As on 31st December, 2024, the scheme has reportedly generated more than 2.89 lakh employment.

4.91 When the Committee desires to know the impact of substitution of tomato pulp/puree imports by the two large companies viz. Nestle and HUL by procuring the same locally, and whether it results in job creation or not, the Ministry in its reply furnished as under:

“The Applicants have sourced tomato paste from Indian tomato processing companies. E.g. Nestle procured 4102 MT of tomato paste (of value Rs.30.12 crore) in FY 23-24 from Indian tomato processing companies like- Jain Farm Fresh, BEC Foods, Mother Dairy Fruit & Vegetables, Varun Agro Processing etc. Regarding job creation, it is understood that once an Applicant switches from imports to domestic materials, the domestic supply chain get strengthened resulting in increased in jobs and more farmers getting benefitted.”

4.92 The details of State-wise Investment under PLISFPI Scheme as furnished by the Ministry is as follows:

Particulars	Committed Investment (Rs in Crore)	Reported Investment (Rs in Crore)
Andhra Pradesh	1177.6	1180.01
Assam	48.01	50.34
Bihar	488.66	674
Chhattisgarh	40.93	45.49
Goa	17.99	20.22
Gujarat	1341.63	1521
Haryana	74.53	72.36
Himachal Pradesh	10.66	10.93
Jammu & Kashmir	61.13	73.86
Jharkhand	18.86	26.04
Karnataka	276.08	322.65
Kerala	165.91	194.25
Madhya Pradesh	475.8	625.68
Maharashtra	938.88	1244.43
Odisha	127.65	200.69
Punjab	126.31	125.51
Rajasthan	244.82	288.78
Tamilnadu	389.53	385.2
Telangana	196.54	207.89
Uttar Pradesh	1141.96	1326.25
Uttarakhand	116.05	137.62
West Bengal	161.63	177.46
Grand Total	7641.16	8910.66

4.93 When the Committee desired to know what are the indicators set by the Ministry to incentivize the manufacturing of processed food products under Ready to Eat/Ready to Cook/Fruits & Vegetables/Marine/Mozzarella cheese/innovative organic/millet products, including Indian brands for branding and marketing abroad, the Ministry furnished the following:

	RTE RTC	F&V	Marine Segment	Mozz. Cheese	Organic	Millet Based Products	Overseas B&M
Products covered	As per Scheme	As per Scheme	As per Scheme	As per Scheme	As per Scheme	As per Scheme	Indian Branded consumer products
Minimum CAGR required to become eligible for incentive	10%	10%	5%	15%	10%	10%	No requirement of CAGR
Minimum Committed Investment	100	50	75	26	No requirement	No requirement	No requirement. However, Rs.5 cr to be spent in 5 years
% Millet Content required	-	-	-	-	No. The product should be certified Organic	More than 15%	-

4.94 The details of 'output' and 'outcome' of the scheme since its inception as given below:

(Rs. in Crore)	
Segment	Incentive Disbursed (₹ Crore)
Processed Fruits & Vegetables	293.417
Ready to Cook/ Ready to Eat	647.423
Marine Products	114.11
Mozzarella Cheese	20.9
Organic Products	4.244
Millet-based products	3.917
Total	1084.011

4.95 The details of allocations made and expenditure incurred on PLISFPI scheme during the last three financial years is as under:

(in Rs. Crore)					
Year	BE	RE	Actuals	Shortfall/ underutilization	Utilization in%terms vis-à-vis RE
2021-22	10.00	10.00	09.27	00.73	92.70%
2022-23	1022.00	801.00	489.83	311.17	61.15%
2023-24	1530.00	1150.00	590.50	559.50	51.34%
2024-25	1444.02	700	12.67*	687.33	1.81%
2025-26	1200	--	--	--	--

*as on 24.01.2025

4.96 When asked for the specific reasons for downward revision of estimates at RE stage for the current fiscal, the Ministry's reply is as under:

"The Production Linked Incentive Scheme for Food Processing Industries (PLISFPI) follows a one-time selection process for applicants, with a fixed pool of approved applicants. These selected applicants submit their incentive claims through the PLI portal each year, between 1st April and 31st December, for the previous financial year. The claims and supporting documents are then reviewed by the Project Management Agency (PMA) in accordance with the Scheme Guidelines, after which the PMA submits its recommendations to the Ministry for disbursement. It has been observed from previous year's disbursements that a significant number of applicants were not eligible for incentive disbursement due to the absence of crucial documents, as required by the Scheme Guidelines. Consequently, at the Revised Estimate (RE) level, the allocation under the Budget Estimate (BE) was reduced accordingly."

4.97 On being asked about the reasons for underutilisation of funds under the Scheme, the Ministry stated in its reply as under:

“The Applicants submitted claim for incentive only in the very last week of the closing date i.e. between 25th to 31st December, as 31st December is last date for submit claims online. This leaves only 3 months for the claim verification and disbursement.

Further, as per GST Act, time till 31st December is given to submit reconciliation of GST sales with audited sales. So, Applicant take time to provide the reconciliation. Further, applicants are required to meet key conditions to become eligible for incentive- CAGR in Sales, Investment completion by 31/03/2024 and condition regarding non-usage of imported raw materials in the products. As the companies have not met this criterion, the incentive amount got reduced.”

4.98 On being asked by the Committee about the steps taken to improve the utilization of funds under the Scheme, the Ministry stated as under:

- a. Handholding is given to the Applicants regarding timely submission of incentives.
- b. Documentation requirement has been optimized. All claim related submissions are accepted in online mode through dedicated scheme portal only.
- c. Weekly meetings (every Tuesdays) are kept with Applicants for resolution of any queries.

4.99 When asked about the details of steps taken by the Ministry to ensure effective implementation of the Production Linked Incentive Scheme (PLIS) for the food processing industry, meet the 2025-36 targets for job creation, sales and exports, and support Indian Brands in global markets, the Ministry furnished in its reply as under:

“To ensure effective implementation of the PLI scheme, various steps have been taken as under:

- User-Friendly Interface: The PLISFPI Portal is designed as a one-stop solution for all information related to the scheme. The Portal is used to file Quarterly Returns and filing Incentive Claims by the Applicants.
- Efficient Communication: Email communications for different categories has been established to facilitate information dissemination, quick responses, and issue resolution.
- Accessibility: The Ministry and PMA have dedicated teams to ensure easy access and prompt assistance. Additionally, PMA has assigned case officers to each selected applicant.
- Technical Support: A dedicated IT team is available at the PMA to address any technical issues with the PLISFPI Portal.

- Comprehensive Information: The Portal provides a wealth of information, including the selection process, applications received, selected applicants, investment locations, incentive claims, and bank guarantees.
- Weekly Meetings: Weekly Meetings are held with the PLI Beneficiaries to understand their concerns and resolve issues and dissemination of important updates regarding the Scheme.”

Centrally Sponsored Scheme

C. Pradhan Mantri Formalization of Micro Food Processing Enterprises Scheme (PMFME)

4.100 As part of Aatmanirbhar Bharat Abhiyan, Ministry of Food Processing Industries (MoFPI) has launched an all India centrally sponsored "PM Formalisation of Micro food processing Enterprises (PMFME) Scheme" for providing financial, technical and business support for upgradation of existing micro food processing enterprises. The scheme was approved by the Union Cabinet on 20th May, 2020 and Guidelines for the scheme was issued on 19th June, 2020. It is to be implemented for a period of five years from 2020-21 to 2024-25 with an outlay of Rs. 10,000 crore. For providing credit linked subsidy to 2, 00,000 (Two lakh) micro food processing units across the country.

4.101 The background and aims of the Scheme as provided by the Ministry in their PowerPoint Presentation are as follows:

- “Scheme approved by the Union Cabinet on 20th May, 2020
- Scheme Guidelines issued on 19th June, 2020
- A Centrally Sponsored Scheme-launched on 29th June, 2020
- Scheme Outlay Rs. 10,000 crore to be implemented over a period 2020-21 to 2024-25(extended upto 2025-26)
- Envisages credit linked grant to 2 lakh micro food processing units

Aims of the Scheme:

- To enhance competitiveness of individual micro-enterprises in the unorganized segment;
- To promote formalization of the sector;
- To support individual enterprises/FPOs/SHGs/Cooperatives along the entire value chain;
- To adopt One District One Product (ODOP) approach.”

4.102 The salient features and status of implementation of the "PM Formalisation of Micro food processing Enterprises (PMFME) Scheme" are given in **Annexure-IX**.

4.103 The scheme has the following sharing of resources between the Centre and the States:

- Scheme has sharable and non-sharable components
- Non-sharable components (i.e. Incubation Centre, Capacity Building/Training, handholding Support)-100% funded by Gol
- Funding pattern for sharable components:
 - i) Centre-State share at 60:40;
 - ii) 90:10 sharing between center and Himalayan and North Eastern States;
 - iii) UTs with legislature sharing would be 60:40 between the Centre and the States;
 - iv) UTs without legislature 100% funds would be provided by the Central Government.”

4.104 The details of allocations made and expenditure incurred on PMFME scheme during the last three financial years and the current fiscal year are as under:

(Rs. in crore)					
Year	BE	RE	Actuals	Amount of under utilization	Utilization in % terms vis-a-vis RE
2022-23	900.00	290.00	275.06	14.94	94.84%
2023-24	639.05	800.00	779.06	20.94	92.36%
2024-25	879.50	1200.00	1000.97*	199.03	83.41%
2025-26	2000	--	--	--	--

*as on 14.02.2025, including mother sanction of Rs. 338.50 cr)

4.105 On being asked about the reasons for upward revision of estimates at RE stage, and despite of enhanced RE allocation, the actual utilisation is so low, the Ministry furnished its reply as under:

“The requirement of funds under the Centrally Sponsored Scheme PMFME Scheme is decided on the demand raised by States/UTs for implementation of various components. Accordingly, the upward revision of the estimates at RE stage due to increase in number of new applications sanctioned for credit linked subsidy and also the committed liabilities.

The proposed RE for the FY 2024-25 was Rs 1700 crores. However, the RE allocated by M/O Finance is Rs 1200 crore. Out of which, Rs 1000.97 crores has already been released to States/UTs which is 83.41%.”

4.106 When the Committee desired to know about the probability of full utilisation of the funds for the remaining period of the current fiscal, the Ministry furnished the following reply:

“RE allocated by M/O Finance is Rs 1200 crore. Out of which, Rs 1000.97 crores has already been released to States/UTs which is 83.41%. However, the Ministry will make all out efforts to utilize the entire the amount of allocated RE by 31st March, 2025.”

4.107 The details of the outcome for each components of the PMFME Scheme as furnished in the PowerPoint Presentation of the Ministry are as under:

S. No.	Components	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	Overall Achievement (as on 31.01.2025)
1.	Credit Linked Subsidy- Individual Enterprises	3,218	28,492	54,594	36,208	1,22,512
2	Credit Linked Subsidy- Common Infrastructure*	0	16	41	20	77
3.	Seed Capital (No. of SHG Members approved with Amount Released)	44,429 members for Rs. 134.39 Cr.	79,740 members for Rs. 257.82 C.	1,14,435 members for Rs. 385.02 Cr,	74,811mem bers for Rs. 264.62 Cr.	3,13,218 members for Rs. 1042.06 Cr.
4	Capacity Building*	3,504	30,563	39,634	22,517	96,767
5	Incubation Centre* Approved	21	3	2	0	76 Incubation Centres with an outlay of Rs. 206.95 Cr in=24 States/UTs approved.
	Commissioned	0	2	3	11	16
6	Branding & Marketing*	3	4	9	0	17

*Targets for the component not defined

4.108 On the basis of above table, when the Committee desired to know why the targets for components such as capacity building, incubation centre and branding and marketing is not defined and how in absence of targets for the said components, the progress or the success of the scheme will be evaluated, the Ministry have submitted its reasons as under:

“The components of the PMFME such as capacity building, incubation centre and branding and marketing are demand driven but not state/region specific. Being the Centrally Sponsored Scheme, the proposals under these components are received, scrutinised and recommended by States/UTs with the approval of State Level Approval Committee (SLAC). The respective State/UT have been authorized to approve, sanction, or reject project proposals received under the scheme”.

4.109 The details of State/UT-wise expenditure incurred on PMFME Scheme as furnished by the Ministry are given in **Annexure VIII**.

4.110 When the Committee pointed out that as per the details of expenditure incurred under this Scheme, State/UTs wise as furnished by the Ministry there are 08 States/UTs where no expenditure have been incurred and what are the reasons for the same, the Ministry in their written reply have submitted as under:

“The reasons for slow expenditure in these States / UTs are low generation of applications for credit linked subsidy due to less demand, non-on boarding on SNA SPARSH Platform as directed by Ministry of Finance and non-utilization of funds released in previous financial years. However, the concerned States / UTs have been requested to make all out efforts to increase the pace of expenditure under the scheme”.

One district One Product

4.111 The Scheme also supports One District One Product (ODOP) approach to reap the benefit of scale in terms of procurement of inputs, availing common services and marketing of products. ODOP for the scheme will provide the framework for value chain development and alignment of support infrastructure. The ODOP product selected are either a perishable agri-produce, cereal-based product or a food product widely produced, Minor Forest Produce or traditional food products in a district and their allied sectors. The PMFME Scheme provides support to new and existing individual micro units for capital investment.

4.112 The scheme also envisages strengthening backward and forward linkages, provision of common facilities, incubation centres, training, R&D, marketing & branding, provision of which would preferably be for ODOP products. The Ministry have furnished the points related to progress in implementation of the ODOP under PMFME Scheme which are attached as Annexure VIII. The Ministry have furnished that so far as 726 districts from 35 States/UTs have been approved under One District One Products (ODOPs).

CHAPTER – V

INSTITUTIONS UNDER FOOD PROCESSING INDUSTRIES

5.1 The Ministry have stated that they have the following two Institutions under their aegis:

- a. **NIFTEM-K** I.e. National Institute of Food Technology, Entrepreneurship and Management, Kundli, Haryana
- b. **NIFTEM-T** I.e. National Institute of Food Technology, Entrepreneurship and Management, Thanjavur, Tamil Nadu.

5.2 It was further stated that both the Institutions have gained the INI (Institute of National Importance) status after the enforcement of NIFTEM Act 2021 w.e.f. 01.10.2021. Below are the details of the Academic courses offered by these institutes:

- a. “B. Tech (Food Technology and Management) through JEE/CUET/NEET at NIFTEM-K and B. Tech (Food Technology) through JEE at NIFTEM-T
- b. M.Tech through GATE (Graduate Aptitude Test in Engineering) and Internal Examination
- c. MBA through CAT/MAT/CMAT and Institute level entrance test for non-CAT/MAT/ CMAT students (Only at NIFTEM-K)
- d. Ph.D through UGC NET/JRF and Institute level entrance test for non-NET and JRF students.”

5.3 The details of budgetary allocations for NIFTEM are as under:

Particulars	BE 2024-25	RE 2024-25	BE 2025-26
Assistance to NIFTEM, Kundli, Haryana	65.00	67.55	74.07
Assistance to NIFTEM, Thanjavur, Tamil Nadu	50.00	92.33	98.88
Total	115	159.88	172.95

5.4 On being asked to provide the details of budgetary support for NIFTEM-K and NIFTEM-T including budget allocation vis-à-vis utilization for the last three years including 2024-25, the Ministry furnished the following:

In every Financial Year. Ministry of Food Processing Industries gives funds to these Institutes as Grant-in-Aid under different heads as under:

- i) GIA Salaries
- ii) GIA General

- iii) GIA Creation of Capital Assets
- iv) GIA Scholarship

BE/RE figures in respect of NIFTEM-K for last three years i.e. F/Y 2021-22 to 2023-24 and BE/RE for current F/Y i.e. 2024-25 are as per table given below:

Head	2021-22			2022-23			2023-24			2024-25	
GIA Head	BE	RE	AE	BE	RE	AE	BE	RE	AE	BE	RE
GIA – Salaries	20.00	19.00	19.00	22.00	22.00	22.00	24.49	24.49	24.49	23	23
GIA- General	12.50	11.00	11.00	12.50	12.50	12.50	13.75	15.51	15.51	20.5	20.5
GIA- Creation of Capital Assets	8.00	10.50	10.50	10.00	25.06	25.06	0.01	19.00	10.00	20	22.55
GIA- Scholarship	-	-	-	-	-	-	0.01	1.00	1.00	1.5	1.5
Total	40.50	40.50	40.50	44.50	59.56	59.56	38.26	60.00	51.00	65	67.55

BE/RE figures in respect of NIFTEM-T for last three years i.e. F/Y 2021-22 to 2023-24 and BE/RE for current F/Y i.e. 2024-25 are as per table given below:

Head	2021-22			2022-23			2023-24			2024-25	
GIA Head	BE	RE	AE	BE	RE	AE	BE	RE	AE	BE	RE
GIA - Salaries	15.00	15.00	15.00	18.00	18.00	18.00	19.80	17.80	17.80	17.39	17.39
GIA- General	8.90	7.00	7.00	9.31	9.31	9.31	10.24	12.24	12.24	15.00	15.00
GIA- Creation of Capital Assets	8.00	6.00	6.00	8.00	8.00	8.00	0.01	2.51	2.51	15.11	15.11
GIA- Scholarship	-	-	-	-	-	-	0.01	0.76	0.76	2.50	2.50
Total	31.90	28.00	28.00	35.31	35.31	35.31	30.06	33.31	33.31	50.00	50.00

5.5 In Budget Speech 2025-26, it was stated that in line with our commitment towards 'Purvodaya', we will establish a National Institute of Food Technology, Entrepreneurship and Management in Bihar. The institute will provide a strong fillip to food processing activities in the entire Eastern region. This will result in (1) enhanced income for the farmers through value addition to their produce, and (2) skilling, entrepreneurship and employment opportunities for the youth. On being asked by the Committee about the expected timeline for execution and total and yearly proposed outlay for the establishment of the National Institute of Food Technology, Entrepreneurship, and Management in Bihar, the Ministry furnished the reply as under:

“The proposed NIFTEM in Bihar will initially focus on a robust intake capacity to meet the growing demand for skilled professionals in the food processing sector. While the exact number of student intakes will depend on infrastructure and program specifics, we expect the institute to provide significant educational opportunities for the youth of Bihar and the surrounding regions. The establishment of this institute will play a key role in enhancing the capacity and capabilities of the food processing industry in Bihar and Eastern India by providing highly trained individuals, fostering entrepreneurship, and encouraging innovation that directly aligns with the regional industry needs.”

5.6 On being asked about the specific courses or training programs will be offered to enhance entrepreneurship and employment in food processing and what are the provisions for financial incentives or scholarships, if any, for students and entrepreneurs, the Ministry stated as under:

“The NIFTEM in Bihar will offer a range of specialized courses designed to enhance skills in food technology, entrepreneurship, and management, with an emphasis on fostering innovation within the food processing industry. These programs will cover areas such as food engineering, business management, marketing, and sustainable practices. The institute will also introduce hands-on training programs to encourage both theoretical knowledge and practical application.

Additionally, the government recognizes the importance of making education accessible and supportive, especially for aspiring entrepreneurs and students. While the specific details on financial incentives and scholarships are under discussion, it is expected that the institute will offer various scholarships, financial aid programs, and potential funding opportunities for innovative startups in the food processing sector to encourage talent and entrepreneurship.”

PART-II

OBSERVATIONS/RECOMMENDATIONS OF THE COMMITTEE

1. Budgetary Allocation

The Committee are pleased to observe that the budgetary allocations for the Ministry of Food Processing Industries (MOFPI) have increased continuously from 2020-21 to 2025-26. The allocations which stood at Rs. 1,233 crore in 2020-21 have gone up to Rs. 4,364 crore in 2025-26, with the Ministry's share in the total outlay increasing from 0.04% in 2020-21 to 0.09% in 2025-26. The Committee further note that the allocation of Rs. 4,364.22 crore for 2025-26 is the highest ever allocation for the Ministry. This reflects the Government's sincere commitment to promote the Food Processing Sector, which plays a crucial role in reducing post-harvest losses, creating employment opportunities, and driving overall economic growth. The Committee, therefore, believe that the onus is now on the Ministry to create quality infrastructure, provide better opportunities for small and medium enterprises in the sector to grow, and foster innovation and competitiveness in the Food Processing Industry of the country.

2. Under-utilization of allocated funds

The Committee note that for the financial year 2024-25, the Ministry of Food Processing Industries was allocated a total budget allocation of Rs. 3290 Crore, out of which Rs. 3052.52 Crore was allocated under the Scheme Head, which was 92.8% of the total allocation. However, the estimate was revised downward to Rs. 2530 crore at RE stage and the actual expenditure

stands at Rs. 1055.34 crore (upto 11.02.2025), which is only 41.7% of the RE. The Committee are concerned as to how the Ministry propose to make full utilisation of the allocated funds with only about one and half month remaining in the current financial year. The past performance of the Ministry in terms of utilization of funds in the previous two years has also not been satisfactory as they could utilize only about 75% of the downwardly revised RE. The Committee are particularly concerned with the under-utilization funds in the current year as this is even poorer than previous year's performance. Since the utilization of funds has direct bearing on the outcomes and outputs of the outlays utilised, the Committee have no doubt that the expected outcomes and outputs could not have been realised during the last two/ three years. The Committee, therefore strongly urge the Ministry to have a thorough review of the budgetary estimation process to ensure full utilisation of the allocated funds in future.

3. NER, TSP and SCSP components

The Committee note that there are under-utilization of funds under the North-Eastern Region (NER), Tribal Sub-Plan (TSP), and Special Component Plan for Scheduled Castes (SCSP) for the financial year 2024-25. In regard to NER, against the RE of Rs. 183 crore, the actual utilization was Rs. 76.8 crore (as on 11.02.2025) which is only 41.97% of RE. Similarly, under TSP, the RE was Rs. 78.7 crore whereas, the actual expenditure is Rs.31.22 crore which again is only 39.67% of RE. Under SCSP, the actual utilization is Rs.88.31 crore which is only 58.14% of RE against the RE of Rs. 151.89 crore. The Committee while acknowledging several initiatives taken to encourage wider participation and provide special concessions for SC/ST and NER

applicants under the PMKSY and PMFME schemes such as preferential provisions including reduced fee requirements, lower net worth and equity conditions, and an enhanced grant level of 50% of the eligible project cost for Scheduled Castes/ Scheduled Tribes applicants. Despite these measures, challenges persist, including the difficulty in securing sufficient eligible proposals from these regions and communities. The Committee further note that the Ministry regularly conducts virtual and physical meetings with promoters and investors, offers assistance in obtaining statutory approvals from State governments, and continues to monitor project implementation closely to address these. The Committee would like to be apprised of details of the feedback obtained from the promoters and investors and the action taken thereon and its impact on likely utilisation in future.

4. Pradhan Mantri Kisan Sampada Yojana(PMKSY)

The Committee note that the Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) is a comprehensive scheme launched by the Government of India with an approved outlay of Rs. 5,520 crore, aimed at boosting the food processing sector. The Scheme is designed to create modern infrastructure and enhance supply chain management from farm gate to retail outlet. It aims to benefit FPOs, Cooperatives/ FPCs/ SHGs/ Government & Private Sector Companies, processors, and retailers. The Committee note that for the 2024-25, the budgetary estimation for the PMKSY scheme of the Ministry of Food Processing Industries was Rs. 729 crore, which was revised downward to Rs. 630 crore at the RE stage. The actual expenditure, however, stood at Rs. 325.05 crore (as on 24.01.2025). This indicates a

significant shortfall in expenditure for the scheme during the financial year with a utilization of only 51.59% against RE. The Committee, however, find that for the 2025-26, the budgetary allocation for the PMKSY scheme has been increased to Rs. 903.18 crore which is appreciated.

The Committee also note that the budgetary allocation for 2024-25 was revised downward at RE stage due to an anticipated lower number of proposals. Also the lack of fresh Expressions of Interest (Eols) for most sub-schemes limited the number of project proposals. The Committee further note that the gestation period for completion of the projects is long, ranging from 18 to 30 months, causing delays in fund release. Statutory clearances from various authorities have also contributed to project delays. Furthermore, utilization is dependent on the timely submission of documents by Project Implementing Agencies (PIAs), leading to variations in fund utilisation. The mandatory budgetary allocation for SCSP/TSP/NER heads, despite lower project demand, also resulted in underutilization. The Committee also note that the Ministry is making efforts to address these challenges by appointing Project Management Agencies (PMAs), conducting regular reviews, and issuing show-cause notices to ensure smoother project implementation.

The Committee feel that the factors that influence fund utilization during last few years should be accounted for during the budgetary demand assessment process. While occasional underutilization may be justifiable due to unforeseen circumstances, chronic underutilization of funds reflects inadequate planning and execution. This persistent issue must be addressed through enhanced oversight, robust financial management, and accountability mechanisms to ensure optimal use of allocated resources.

The Committee, therefore, recommend the Ministry to take effective measures to improve fund utilization as there is considerable increase in the budgetary provision for this scheme in the upcoming fiscal year, 2025-26. The Committee further urge the Ministry to streamline the process for obtaining statutory clearances, ensure timely submission of documents by Project Implementing Agencies (PIAs), reevaluate the allocation process for SCSP/TSP/NER heads to align with project demand, and increase the monitoring and support for Project Management Agencies (PMAs) so as to avoid possible implementation delays.

5. Scheme for Creation of Infrastructure for Agro Processing Clusters (APC)

The Committee note with concern the significant underutilization of funds under the Agro Processing Cluster Scheme for the financial year 2024-25. The Budgetary Estimate of Rs. 38.90 crore was enhanced to Rs. 47.00 crore at RE, but Rs. 16.86 crore only (35.87% of RE) could be spent (as on 24.01.2025). The Committee is particularly concerned about the current fiscal budgetary utilization rate of this Scheme, as it represents the lowest level in a series of consistent year-on-year decline in performance in terms of utilisation of allocations. The Committee are of the view that this trend of underutilization underscores the need for serious introspection on the part of the Ministry in terms of planning, monitoring and execution of the plans.

6. Scheme for Integrated Cold Chain and Value Added

The Committee note that for 2024-25, the 'Scheme for Integrated Cold Chain and Value Addition Infrastructure' was allocated Rs. 179.80 crore, which was later revised downward to Rs. 118.80 crore at RE stage and the

actual expenditure stands at Rs. 71.24 crore, i.e. only 59.96% of the RE till 24.01.2025. The Ministry is non-committal as to whether the 40 % unspent balances lying with them will be utilised by the end of the financial year. The Committee, therefore suggest that effective steps may be taken to ensure spending of unspent balances before the end of the financial year.

7. Scheme for creation of backward and forward linkages

The Committee note that the Scheme for the Creation of Backward and Forward Linkages (CBFL) under the Pradhan Mantri Krishi Sinchayee Yojana (PMKSY) had a Budget Estimate (BE) of Rs. 6.20 crore for the fiscal year 2024-25, was significantly revised downward to Rs. 0.20 crore and Rs. 0.01 crore only which is 5% of the RE could be utilized (as on 24.01.2025). The Committee also note that underutilization of funds was primarily due to the discontinuation of the CBFL scheme in April 2021 and 8 ongoing CBFL projects are under various stages of implementation. None of these 8 projects, is mature and Project Implementing Agency have not submitted the requisite documents for claiming instalments of grants-in-aid/ subsidy. The Committee would like to be apprised of (i) the number of projects completed and made operational since the commencement of the scheme, (ii) the projects that are under execution and also the amounts disbursed to them so far and the likely time taken to bring them on stream. etc. and whether there is any audit of the funds disbursed so far under the scheme.

8. Scheme for Setting up/Up-gradation of Food Testing Laboratories

The Committee are concerned at the significant budgetary underutilization of funds under the Scheme. Since the year 2022-23, the

utilization of funds is less than half of the RE. For the year 2023-24, the actual fund utilization was only 35.51% of the Revised Estimates (RE) for the year 2024-25, the Budget Estimate was Rs. 30 crore, which was enhanced to Rs. 48.40 crore at the RE stage but the actual utilization stands at Rs. 20.54 crore, accounting for 42.43% of the RE (as of 24.01.2025). The Committee also note that the utilization of funds for 2024-25, many projects are at the stage of completion and the PMA as well as project Promoters have informed the Ministry that they would submit the documents for final release of funds in this Financial Year. The funds are likely to be fully utilized by the end of the FY 2024-25. The Committee further note that out of 15 food testing labs targeted for 2024-25, six are complete and the remaining projects are expected to be completed by the end of the fiscal year. The Committee, would like to be apprised of the updated status of the utilisation of the funds in the remaining period of the financial year and also the setting up of the remaining nine laboratories are completed expeditiously.

9. Production Linked Incentive Scheme for Food Processing Industries (PLISFPI)

The Committee observe a growing trend of acute underutilization of funds under the Production Linked Incentive Scheme for Food Processing Industries (PLISFPI). The actual utilization, which was as high as 92.70% of the Revised Estimates (RE) in 2021-22, has witnessed continuous decline to 61.15% , 51.34 % and 1.81% in 22-23, 23-24 and 24-25 respectively as percent of reduced REs.

The reasons for underutilization of funds include late claim submissions, difficulties in meeting eligibility criteria, and delays in GST sales reconciliation. The Committee are of the view that afore mentioned

issues hampering the utilisation of funds are not in surmountable and accordingly urge the Ministry to simplify claim submissions, revisit eligibility criteria, resolve GST reconciliation delays, and other issues. The Committee also believe that pilot projects and a feedback mechanism can immensely help in refinement of the scheme, fostering effective implementation and ensuring benefits to reach food processing industries, especially small and medium enterprises.

The Committee appreciate the Ministry's initiative to encourage companies like Nestle and HUL to source tomato paste locally, benefiting Indian suppliers and strengthening the domestic supply chain. The Committee desire the Ministry to explore extending this model to other fruits and vegetables which will further support job creation and benefit local farmers.

10. Pradhan Mantri Formalization of Micro Food Processing Enterprises Scheme (PMFME)

The Committee appreciate the Ministry for excellent rate of utilisation of funds under the PMFME scheme 2022-23. The actual utilization of funds under the Scheme stood at 94.84% and 92.36% of the Revised Estimates (RE) for the years 2022-23 and 2023-24, respectively. For the year, 2024-25 also, the actual utilization stood at 83.41% of the RE (as on 14.02.2025). As mentioned in their replies, the Ministry is confident that the remaining funds will be utilised in the current financial year itself. The Committee also note that there is substantial increase of 227% in the Budgetary Estimate (BE) for 2025-26 compared to the BE of the previous year. Though the budgetary utilization of the Scheme has been satisfactory so far, the Committee, desire that the Ministry should take proactive steps to ensure the increased

allocation is fully and evenly utilized in the current fiscal year. The Committee emphasize that the Ministry must make every possible effort to ensure that the benefits of this Scheme reach small farmers, who often face barriers in accessing Government Schemes. The Committee, therefore, recommend that the Ministry should undertake extensive publicity campaigns tailored to suit regional contexts, leveraging vernacular languages to maximize outreach and comprehension. The Ministry may also explore more collaboration with local self-help groups and cooperatives can further amplify the Scheme's reach and impact.

11. NIFTEM

The Committee are pleased to note that in Budget Speech 2025-26, it has been stated that a National Institute of Food Technology, Entrepreneurship and Management will be established in Bihar. The institute will provide a strong fillip to food processing activities in the entire Eastern region. This will result in enhanced income for the farmers through value addition to their produce, and skilling, entrepreneurship and employment opportunities for the youth. The Committee, in their Report on Demand for Grants (2024-25) had recommended that the Ministry should take necessary measures to increase student intake in both institutes to address the growing demand from students and the food processing industries. The Committee, while appreciating the initiative to set up NIFTEM in Bihar, they hope that the institute will be brought in to existence at the earliest.

12. Food Processing Industry

The Committee observe that the Food Processing Industries (FPI) has emerged as an important segment of the Indian economy in terms of its

contribution to GDP, employment and exports. During the last 8 years ending 2022-23, Food Processing (FP) sector has been growing at an Average Annual Growth Rate (AAGR) of around 5.35 per cent. Gross Value Added (GVA) in FP sector has increased from 1.30 lakh crore in 2013-14 to 1.92 lakh crore in 2022-23 (as per first revised estimates). The FPI sector is further expected to grow at compound annual growth rate (CAGR) of around 6-7% in next 10 years. However, the Committee find that inadequate infrastructure and processing facilities, supply chain issues, etc. are some of the challenges in achieving steady and high growth rates. The Committee also feel that the following measure can immensely help in the desired growth of the Food Processing Sector in the country:

- (i) The Ministry should focus on capacity building and training of the manpower required for the Sector.
- (ii) There should be wide publicity of the Ministry's Schemes to ensure that a larger population can benefit from them.
- (iii) There is urgent need for the simplification of procedures for subsidy applications under all Food Processing Industries (FPI) Schemes.
- (iv) Surveys and research should be conducted to identify suitable areas and mechanisms for setting up food processing units.
- (v) Efforts should be made to actively promote food processing units based on millets.
- (vi) Innovative methods should be adopted to increase farmers' incomes, including the introduction of new industries, machinery, and research tailored to the needs of small farmers.
- (vii) A study should be conducted to identify district-specific products under the 'One District One Product' sub-scheme of the PMFME Scheme.
- (viii) The Food Map of India should be used to identify the top three fruits and vegetables in each state for promoting food processing in those regions.

New Delhi
18 March, 2025,
27 Phalgun, 1946 (Saka)

CHARANJIT SINGH CHANNI
Chairperson,
Standing Committee on Agriculture,
Animal Husbandry and Food Processing

Annexure I**Annual Plan of the Schemes administered by Ministry of Food Processing industries for FY 2025-26**

S. No.	Name of the Scheme/ Programme	No of Projects to be sanctioned	No of Projects to be completed	Other major activities planned as pa part of scheme during the year
PRADHAN MANTRI KISAN SAMPADA YOJANA (PMKSY)- CENTRAL SECTOR SCHEME				
1.	Scheme for Mega Food Parks	-	1	MFP scheme has been discontinued w.e.f. 01.04.2021.
2.	Scheme for Creation of Infrastructure for Agro Processing Clusters	0	4	-
3.	Scheme for Integrated Cold Chain and Value Addition Infrastructure	20*	21	-
4.	Scheme of Creation/Expansion of Food Processing and Preservation Capacities	50	70	-
5.	Scheme for Creation of Backward and Forward Linkages	-	-	Scheme discontinued w.e.f. 01.04.2021
6.	Scheme for Food Safety and Quality Assurance Infrastructure - Food Testing Labs	10	15	-
7.	Operation Greens	Nil (Budget Outlay for 15 th	11	Periodical

		FC Cycle completely exhausted		review/monitoring of progress of implementation of on-going projects approved under the scheme.
Centrally Sponsored PM Formalization of Micro Food Processing Enterprises Scheme (PM FME)				
8.	PM FME Scheme	70,000	54,000	SHG members to be supported with Seed capital
Production Linked Scheme for FPI Scheme (PLISFPI Scheme)				
9.	PLIS Scheme	PLISFPI is a sales based scheme. There are 171 active applications from 133 companies, which are having 213 location/ project (in Category I) throughout the country. However, the disbursement under scheme is based on companies performance rather than location wise.	The investment period under Category I (i.e. for 46 companies) have been completed. There is no investment criteria in Category-II, Category-III and Millet segment.	-

* Subject to availability of fund.

Annexure- II

FY 2021-22

Sr. No.	Name of Programme		Supplementary Demand and Reappropriation Order No. with date	Amount (In Crore)		
	From	To			Remarks	
1	(A)Operation Greens (GIA General) (B)Mega Food Parks (Professional Services)	(A)Operation Greens (Subsidies) (B)PLIS	Ministry of Finance Notification F. No. 4(25)-B(SD)/2021 dt.19/08/2021 RO(14) dated 02/09/2021	Rs. 62.00	In Ist SDG 2021-22, transferred to subsidies head of the same scheme to make urgent payment to Indian Railways toward transportation subsidies to beneficiaries for transportation through Kisan Rail and transferred to PLIS to start the new scheme.	
2.	3rd and final batch of SDG approved vide Ministry of Finance Notification F.No. 4(1)-B(SD)/2022 dt.23/03/2022 details of Re-appropriation Order No. (31); (32) & (38) as below :					
MH	From Scheme	To Scheme	Object Heads	Amount In crore	Re-appropriation order No.	Remarks
2408	CEFPPC	MFP	Prof. Services 103.19.01.28	0.18	RO(31) dated 23/02/2022	Amount as approved in RE 2021-22 by Ministry of Finance
	FTL	APC	Prof. Services 103.19.02.28	0.20	-do-	
	BFL	HRI	Prof. Services 103.19.07.28	0.75	-do-	
	PMFME	OG	Prof. Services 103.19.09.28	1.00	-do-	
	HRI	PLIS	Prof. Services 103.23.01.28	0.50	-do-	
3451	Esstt.	PMFME	Adv & Publicity 103.22.10.26	17.00	-do-	
			Minor Work 103.22.10.27	0.60	-do-	
		Establishment	Office Expenses 090.38.01.13	0.55	-do-	
			Rent Rate & Taxes 090.38.01.14	0.70	-do-	
			Other Administrative Expenses 090.38.01.20	0.03	-do-	
			Minor work 090.38.01.27	0.25	-do-	
			Office Expenses (IT) 090.38.99.13	0.34	-do-	
	Total(B) (2408+3451)			22.10		
From (Revenue/Voted)				To (Revenue/Voted)		
MH	From Scheme	To Scheme	Object Heads	Amount In crore	Re-appropriation order No.	Remarks
2408	PM FME	CEFPPC	GIA(Gen) 103.19.04.31	58.00	RO(38) dated 24/03/2022	
	HRI	APC	GIA(Genl) 103.19.02.31	12.03	-do-	

	BFL	Cold Chain	GIA(Gen) 103.19.03.31	49.54	-do-	Amount as approved in RE 2021-22 by Ministry of Finance
	OG	BFL	GIA(SCSP) 789.01.04.31	3.19	-do-	
			GIA(TSP) 796.01.04.31	4.20	-do-	
2408	Cold Chain	OG	Subsidies 103.19.09.33	5.20	-do-	
	PM FME		GIA(SCSP)789.01.07.31	3.81	-do-	
		MFP	GIA (Genl) 103.19.01.31	0.59	-do-	
	HRI	OIV	Cont. Int'l. 798.04.00.32	0.02	-do-	
2408	NIFTEM	NIFTEM	GIA (Capital Assets) 103.18.01.35	2.50	-do-	
2408	IIFPT	CEFPPC	GIA(SCSP) 789.01.03.31	3.00	-do-	
		FTL	GIA(Gen) 103.19.06.31	2.60	-do-	
3601	PMFME	APC	GIA(TSP) 789.01.01.31	4.17	-do-	
2408	PMFME	PMFME	GIA (Genl) 101.76.10.31	10.23	RO(32) dated 15/03/2022	
		PMFME	GIA (Genl) 101.62.10.31	3.43	-do-	
2552	Cold chain	MFP	GIA(NER) 313.11.01.31	6.00	RO(38) dated 24/03/2022	
	BFL	CEFPPC	GIA (NER) 313.11.04.31	20.00	-do-	
	HRI					
	PM FME					
2408	PM FME					
				188.51		

FY- 2022-23

Head	Head From	Head to	Amount In crore	Re-appropriation order no. with date	Remarks
2408	Operation Greens (103.19.01.31)	APC Professional (103.19.01.28)	0.10	RO (12) dated 16.12.2022	Re-appropriation made as per Divisions requirement of funds under approved RE 2022-23.
		HRI OAE (103.19.07.20)	2.85		
		HRI Adv. & Pub. (103.19.07.26)	3.50		
		HRI Professional (103.19.07.28)	3.14		
		Total (2408)	9.59		

2408	Operation Greens (103.19.01.31)	APC GIA(TSP) 796.01.01.31	6.00	RO (13) dated 05.01.2023	Re-appropriation made as per Divisions requirement of funds under approved RE 2022-23
		GIA(NER) 313.11.02.31	6.90		
		BFL GIA(SCSP) 789.01.04.31	0.73		
		GIA(TSP) 796.01.04.31	2.85		
		Total (2408)	16.48		
2408	Operation Greens (103.19.01.31)	Establishment charges			
		Office Expenses (090.38.01.13)	1.53	RO (14) dated 17.01.2023	Re-appropriation made as per Divisions requirement of funds under approved RE 2022-23
		Rent Rate & Taxes (090.38.01.14)	2.45		
		Office Admn. Expenses (090.38.01.20)	0.39		
		Minor Work (090.38.01.27)	0.30		
		TOTAL	4.67		
		GRAND TOTAL	30.74		

Sr. No.	Name of Programme		Supplementary Demand and Re-appropriation Order No. with date	Amount (In Crore)	
	From	To			Remarks
1	(A)Operation Greens (GIA General)	(A)NIFTEM (Kundli)	Ministry of Finance Notification F.No. 4(1)-B(SD)/2023 dt.29/03/2023 RO(29) dated 30/03/2023	Rs. 15.06	In IInd & Final Batch of SDG 2022-23, Transferred for completion of the on-going construction project undertaken by NIFTEM- Kundli through CPWD by 31/03/2023.

FY 2023-24

From (Revenue/Voted)				To (Revenue/Voted)		
MH	From Scheme	To Scheme	Object Heads	Amount In crore	Re-appropriation order No.	Remarks
2408	OG	MFP	Subsidies 103.19.01.33	3.68	RO(17) dated 01/01/2024	Amount as approved in RE
		APC	Subsidies 103.19.02.33	29.12	-do-	
		BFL	Subsidies 103.19.05.33	4.00	-do-	
		FTL	Subsidies 103.19.06.33	10.00	-do-	
		HRI	Subsidies 103.19.07.33	0.50	-do-	
		OG	Subsidies 103.19.09.33	118.97	-do-	

	CC	CC	Subsidies 103.19.03.33	170.00	-do-	2023-24 by Ministry of Finance
	CEFPPC	CEFPPC	Subsidies 103.19.04.33	145.00	-do-	
		CC	Subsidies 789.01.02.33	10.00	-do-	
		CEFPPC	Subsidies 789.01.03.33	12.00	-do-	
		BFL	Subsidies 789.01.04.33	0.63	-do-	
		OG	Subsidies 789.01.07.33	5.30	-do-	
		APC	Subsidies 796.01.01.33	5.00	-do-	
		CEFPPC	Subsidies 796.01.03.33	2.50	-do-	
		CC	Subsidies 796.01.02.33	5.00	-do-	
	PLIS	PLIS	Subsidies 103.23.01.33	1143.27	-do-	
	FTL	NIFTEM (K)	GIA-Gen 103.18.01.31	1.76	-do-	
			GIA (Capital Assets) 103.18.01.35	18.99	-do-	
		NIFTEM (T)	GIA-Gen 103.20.01.31	2.00	-do-	
			GIA (Capital Assets) 103.20.01.35	2.50	-do-	
2552	MFP	MFP	Subsidies 313.11.02.33	11.00	-do-	
	APC	APC	Subsidies 313.11.03.33	10.00	-do-	
	CC	CC	Subsidies 313.11.04.33	23.78	-do-	
	CEFPPC	CEFPPC	Subsidies 313.11.05.33	2.00	-do-	
	OG	OG	Subsidies 313.11.09.33	4.00	-do-	
		HRI	GIA Gen 313.11.07.31	0.18	-do-	
					-do-	
3451	Secretariat	Capital Outlay	Machinery & Equipment 5475.00.001.01.05.52	0.15	-do-	
			Furniture & Fixture 5475.00.001.01.05.74	0.10	-do-	
			Other Fixed Assets 5475.00.001.01.05.77	0.05	-do-	
			Total	1741.48		

Sr. No.	Name of Programme		Supplementary Demand and Re-appropriation Order No. with date	Amount (In Crore)	Remarks
	From	To			
1	Mega Food Park	PM FME	Ministry of Finance Notification F.No.4(25)-B(SD)/2023 RO(26) dated 22/02/2024	Rs. 15.90	In IInd & Final Batch of SDG 2023-24, Additional funds requirement is to clear the pending proposals received. The funds are in proportionate to the RE 2023-24 ceilings.

Annexure III

The re-appropriation of funds during FY 2023-24 and current FY 2024-25 is as below:

FY 2023-24						
From (Revenue/Voted)				To (Revenue/Voted)		
MH	From Scheme	To Scheme	Object Heads	Amount In crore	Re-appropriation order No.	Remarks
2408	PM FME	PM FME	GIA – General 3601.06.101.76.10.31	314.00	RO (02) Dated 09.05.2023	Funds shifting in all the object heads is required with the change in the release of funds procedure w.e.f. 01/04/2023.
			GIA – General 789.65.10.31	36.89		
			GIA – General 796.68.10.31	19.11		
			Total	370.00		
2408	FTL	NIFTEM (K)	Scholarship 18.01.34	0.99	RO(21) Dated 24.01.2024	
		NIFTEM (T)	Scholarship 20.01.34	0.75		
		OIV	798.04.00.32	0.02		
			Total	1.76		
2408	PLIS	PM FME	GIA – General 3601.06.101.76.10.31	135.70	RO(19) dated 24.01.2024	
			GIA – General 789.65.10.31	12.99		
			GIA – General 796.68.10.31	6.72		
			GIA – General 3602.06.101.62.10.31	2.17		
			GIA – General 789.61.10.31	0.21		
			GIA – General 796.54.10.31	0.12		
			Total	157.91		
2408	APC	MFP	GIA General 103.19.01.31	2.46	RO(33) Dated 26.03.2024	
			Subsidies 103.19.01.33	2.04		
		CEFPPC		0.40		
				9.5140		

FY 2024-25

From (Revenue/Capital Voted)		To (Revenue/Capital Voted)				
MH	From Scheme	To Scheme	Object Heads	Amount In crore	Re-appropriation order No.	Remarks
2408	CC	PM FME	GIA – General 3601.06.101.76.10.31	99.00	RO (12), RO (13) and RO (14) Dated 10.10.2023	Additional funds are required to incur expenditure on activities in World Food India, 2024 in the PMFME Scheme.
2408	CEFPPC		GIA – General 789.65.10.31			
			GIA – General 796.68.10.31			
			Total	99.00		
3451	Essta. OE	OIV	Contribution- 2408.01.798.04.00.32	0.01		
			Total	0.01	RO (23) dated 18/11/2025	
2408	PLIS	PM FME	GIA – General 789.65.10.31	15.63	RO (31) Dated 04/02/2025	Additional funds are required to incur expenditure for the approved viable proposals at RE stage.
			GIA – General 796.68.10.31	7.64		
			GIA – General 3602.06.101.62.10.31	25.30		
			GIA – General 789.61.10.31	2.80		
			GIA – General 796.54.10.31	1.90		
			NER-General - 2552.00.313.13.10.31	30.00		
			Grants for creation of Capital Asset- 2408.01.103.18.01.35	2.55		
			Total	85.82		
2408	PLIS	NIFTEM-T (Expansion)	Grants for creation of Capital Asset -2408.01.103.20.02.35	42.33	RO (33) dated 17/01/2025	In 1 st SDG
3451	Essta. OE	ICT (Capital)	5475.00.001.01.05.71	0.45		
		Furniture & Fixtures (Capital)	5475.00.001.01.05.74	0.56		
			Total	43.34		

2408	PLIS	MFP	GIA General 103.19.01.31	3.95	RO (35) Dated 04/02/2025	Additional funds are required to incur expenditure for the approved viable proposals at RE stage.
			Subsidies 103.19.01.33	5.50		
		APC	Subsidies 103.19.02.33	11.10		
		FTL	Subsidies 103.19.06.33	19.00		
		OG	Subsidies 796.01.07.33	7.10		
			Total	46.65		
2408	PLIS	CEFPPC	Subsidies-789.01.03.33	3.79	RO (36) Dated 04/02/2025	
			Total	3.79		

Annexure IV

Statement No. 1

SCHEMEWISE OUTLAY AND EXPENDITURE DURING BUDGET ESTIMATES FOR 2021-22 to 2025-26 OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES

(₹ In Crore)

		2021-22					2022-23					2023-24					2024-25					2025-26	
SI No	Name of the Scheme	PROPOSED ALLOCATION	BE	RE	AE	Shortfall Excess, if any, with reasons	PROPOSED ALLOCATION	BE	RE	AE	Shortfall Excess, if any, with reasons	PROPOSED ALLOCATION	BE	RE	AE	Shortfall Excess, if any, with reasons	PROPOSED ALLOCATION	BE	RE	AE as on (17.01.25)	Shortfall Excess, if any, with reasons	PROPOSED ALLOCATION	BE
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24
A	CENTRAL SECTOR SCHEME																						
1	Pradhan Mantri Kisan Sampada Yojana																						
1	Scheme for Mega Food Parks	80.00	47.60	54.37	52.59		66.80	55.80	24.80	22.14		55.80	54.80	17.88	20.64		66.80	24.80	32.55	8.32		85.69	80.40
2	Scheme for Infrastructure for Agro-processing Clusters	70.00	37.50	53.90	49.08		54.50	48.45	56.55	46.82		81.00	81.30	63.52	39.35		54.50	38.90	47.00	16.86		56.30	55.90
3	Committed Liabilities for Infrastructure related	13.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00		0.00	0.00	0.00	0.00		0.00	0.00

[illegible]

9	Scheme for Operation Greens	112.00	73.40	74.50	68.15		188.58	184.56	74.49	71.05		216.75	213.59	155.35	156.21		188.58	173.40	161.41	66.23		173.30	177.36
10	Swacchta Action Plan(SAP)	0.20	0.20	0.10	0.02		0.20	0.20	0.20	0.18		0.20	0.20	0.20	0.07		0.20	0.20	0.20	0.00		0.20	0.20
II	Production Linked Incentives Scheme	0.00	10.00	10.00	9.27		1022.00	1022.00	801.00	489.83		1530.00	1530.00	1150.00	590.50		1022.00	1444.02	700.00	12.67		1200.00	1200.00
B	Centrally Sponsored Scheme																						
III	Prime Minister Formalization of Micro Food Processing Enterprises (PMFME) Scheme	2300.00	500.00	399.00	326.46		1372.61	900.00	290.00	274.76		750.00	639.05	800.00	778.84		1372.61	879.50	1200.00	682.42		2600.00	2000.00
	TOTAL SCHEME	3345.85	1200.00	1200.00	1049.22		3400.62	2822.00	1764.00	1326.51		3203.94	3092.29	2695.00	2035.55		3400.62	3052.52	2530.00	1016.81		4703.38	4103.38
	Non Scheme	144.22	108.66	104.12	98.17		164.30	119.99	137.59	128.62		270.03	195.36	216.95	163.97		164.30	237.48	266.79	136.56		346.66	260.84
	Grand Total (Scheme+ Non Scheme)	3490.07	1308.66	1304.12	1147.39		3564.92	2941.99	1901.59	1455.13		3473.97	3287.65	2911.95	2199.52		3564.92	3290.00	2796.79	1153.37		5050.04	4364.22

Annexure V**STATEMENT No. 2**

SCHEME-WISE DETAILS OF ACHIEVEMENT OF PHYSICAL TARGETS DURING THE LAST FIVE FINANCIAL YEARS IN RESPECT OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES

		Unit	2021-22			2022-23			2023-24	
Sl. No.	Name of the Scheme / Project Programme		Target	Achievement	Short-fall, if any, with reasons	Target	Achievement	Short-fall, if any, with reasons	Target	Achievement
1.	2.	3.	4.	5.	6.	7.	8.	9.	10.	11.
A.	CENTRAL SECTOR SCHEME									
	NATIONAL MISSION ON FOOD PROCSSING (SAMPADA)/ PRADHAN MANTRI KISAN SAMPADA YOJANA (PMKSY)									
1.	Scheme for Mega Food Parks	Number of operational projects.	4	-	2 parks are almost ready for operation. However, implementation has been affected due to pandemic and time taken in mobilisation of funds/possession	4	1	3 (One project has been operationalized, however, allotment of land has been cancelled by BIADA, hence not counted under operationalised	2	1

					of land, want of statutory clearances etc .			list. Further, Implementation of projects is delayed due to time taken in mobilisation of funds/possession of land, want of statutory clearances etc.		
2.	Scheme for Creation of Infrastructure for Agro Processing Clusters	Nos. of projects completed	8	7	Delay in the part of implementing agencies	8	2	Delay in the part of implementing agencies	12	0
3.	Scheme for Integrated Cold Chain and Value Addition Infrastructure	Number of operational projects	44	30	**	47	31	**	40	30
4.	Scheme of Creation/Expansion of Food Processing and Preservation Capacities	Nos. of projects completed	80	77	Delay in the part of implementing agencies	80	70	Delay in the part of implementing agencies	80	45
5.	Scheme for Creation of Backward and Forward Linkages	Number of operational projects.	25	29		15	5	***	Scheme has been discontinued w.e.f. 01.04.2021	-
6.	Scheme for Food Safety and Quality Assurance Infrastructure - Food Testing Labs	Nos	18	4	(Pandemic has slowed down the execution of project)	10	12	-	5	10

7.	Operation Greens	Number of operational projects.	5	-	(Pandemic has slowed down the execution of project. Also there were implementation issues)	3	2	1 (Due to delay in installation of imported machinery)	3	1
8.	PM Formalization of Micro Food Processing Enterprises Scheme (PM FME Scheme)	Number of existing Individual Micro Food Processing Enterprises assisted with credit linked subsidy during the FY	29,000	3043	Due to Corona Pandemic, there was delay in setting up of implementation mechanism in States / UTs and also mobilization of applications.	25,000	28,944	-	22,000	54594
9.	Production Linked Scheme for FPI Scheme (PLIS Scheme)	Investment	3704	4165	NA	7722	6514.11	Applicants were given one more year due to some miscellaneous hurdled faced by them.	7722	7697
		Production	91913	86358	Low Demand due to COVID 19 Pandemic	199690	20707.38		306337	246926

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*Cumulative of 2021-22 and 2022-23. The stipulated timelines for completion of projects approved under MFP is 30 months. One project, namely BIADA, could not be operationalize due to court case.

** Cumulative of 2021-22, 2022-23 and 2023-24.

@ Target reduced due to withdrawals of applicants from scheme.

^ As on 31.12.2024

% this data is captured from sales figure.

& There was no cabinet projection for the scheme; the targets have been finalized based on threshold sales by factoring in the minimum CAGR in individual segments over baseline sales.

Annexure VI

Statement showing Allocation and Expenditure under NER in Ministry / Department of Food

S.	Central Sector/	BE	RE	Exprd. NER	% of Expenditure	BE	RE	Exprd. NER	% of Expenditure	BE	RE	Exprd. NER	% of Expenditure	BE	RE	Exprd. NER	% of Expenditure
No	Centrally Sponsored Scheme	2021-22	2021-22	2021-2022	against NER w.r.t. R.E	2022-23	2022-23	2022-2023	against NER w.r.t. R.E	2023-24	2023-24	2023-2024	against NER w.r.t. R.E	2024-25	2024-25	2024-2025	against NER w.r.t. R.E
		(NER)				(NER)				(NER)				NER			
1	Pradhan Mantri Kisan Sampada Yojana (PMKSY)	70.00	79.00	54.30	68.73	90.00	67.30	37.86	56.26	92.32	23.72	16.65	70.19	75.00	63.00	39.59	62.84
2	PM Formalisation of Micro Food Processing Enterprises (PM FME) Scheme	50.00	42.12	39.07	92.76	90.00	29.00	17.70	61.03	64.10	80.00	61.97	77.46	90.00	120.00	37.21	31.01
	Total	120.00	121.12	93.37	77.09	180.00	96.30	55.56	57.69	156.42	103.72	78.62	75.80	165.00	183.00	76.80	41.97
3	Production Linked Incentive Scheme for Food Processing Industry (PLIS)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
	TOTAL	120.00	121.12	93.37	77.09	180.00	96.30	55.56	57.69	156.42	103.72	78.62	75.80	165.00	183.00	76.80	41.97

Statement showing Allocation and Expenditure under Tribal Sub-Plan in Ministry / Department of Food Processing Industries

S. No	Central Sector/Centrally Sponsored Scheme	BE 2021-22	RE 2021-22	BE (TS P) 2021-22	RE (TS P) 2021-22	Exprd. As on 31/03/2022	% of Expenditure against TSP w.r.t. RE	BE 2022-23	RE 2022-23	BE (TS P) 2022-23	RE (TS P) 2022-23	Exprd. As on 31/03/2023	% of Expenditure against TSP w.r.t. RE	BE 2023-24	RE 2023-24	BE (TS P) 2023-24	RE (TS P) 2023-24	Exprd. As on 31/03/2024	% of Expenditure against TSP w.r.t. RE	BE (TS P) 2024-25	RE (TS P) 2024-25	Exprd. As on 11/02/2025	% of Expenditure against TSP w.r.t. RE
1	Pradhan Mantri Kisan Sampada Yojana (PMKSY)	700.00	791.00	30.10	33.97	17.36	51.10	900.00	673.00	38.70	28.94	1.36	4.70	923.24	745.00	39.70	32.04	6.96	21.72	31.35	27.10	11.47	42.32
2	PM Formalisation of Micro Food Processing Enterprises (PM FME) Scheme	500.00	399.00	21.50	17.16	11.25	65.56	900.00	290.00	38.90	12.48	11.92	95.51	639.05	800.00	27.56	34.40	33.66	97.85	37.80	51.60	19.75	38.28
	Total	1200.00	1190.00	51.60	51.13	28.61	55.96	1800.00	963.00	77.60	41.42	13.28	32.06	1562.29	1545.00	67.26	66.44	40.62	61.14	69.15	78.70	31.22	39.67
3	Production Linked Incentive Scheme for Food Processing Industry (PLIS)	0.00	10.00	N.A	N.A	N.A	N.A	1022.00	801.00	N.A	N.A	N.A	N.A	1530.00	1150.00	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

Statement showing Allocation and Expenditure under Special Component Plan for Scheduled Castes in Ministry of Food Processing Industries

Central Sector/Centrally Sponsored Scheme	BE 2021 -22	RE 2021 -22	BE (SC SP) 2021-22	RE (SC SP) 2021-22	Exprd. As on 31/03/2022	% of Expenditure against SCSP w.r.t. RE	BE 2022 .23	RE 2022-23	BE(SC SP) 2022-23	RE (SC SP) 2022-23	Exprd. As on 31/03/2023	% of Expenditure against SCSP w.r.t. RE	BE 2023 -24	RE 2023 -24	BE (SCS P) 2023-24	RE (SCS P) 2023-24	Exprd. As on 31/03/2024	% of Expenditure against SCSP w.r.t. RE	BE (SCS P) 2024-25	RE (SCS P) 2024-25	Exprd. As on 11/02/2025	% of Expenditure against SCSP w.r.t. RE
Pradhan Mantri Kisan Sampada Yojana (PMKSY)	700.00	791.00	58.10	65.57	31.74	48.41	900.00	673.00	74.70	55.86	20.30	36.34	923.24	745.00	76.63	61.83	50.22	81.22	60.50	52.29	27.71	52.99
PM Formalisation of Micro Food Processing Enterprises (PM FME) Scheme	500.00	399.00	41.50	33.12	20.10	60.69	900.00	290.00	74.70	24.06	22.49	93.47	639.05	800.00	53.20	66.40	66.31	99.86	72.95	99.60	60.60	60.84
Total	1200.00	1190.00	99.60	98.69	51.84	52.53	1800.00	963.00	149.40	79.92	42.79	53.54	1562.29	1545.00	129.83	128.23	116.53	90.88	133.45	151.89	88.31	58.14
Production Linked Incentive Scheme for Food Processing Industry (PLIS)	0.00	10.00	N.A	N.A	N.A	N.A	1022.00	801.00	N.A	N.A	N.A	N.A	1530.00	1150.00	N.A	N.A	N.A	N.A	N.A	N.A	N.A	N.A

Annexure VII

State-wise status of cold chain projects under the scheme for Integrated Cold Chain and Value Addition Infrastructure as on 31.01.2025				
S. No	State	2022-23 to 2024-25		
		Approved	Ongoing	Completed/Operational
1	Andaman & Nicobar	0	0	0
2	Andhra Pradesh	6	5	1
3	Arunachal Pradesh	1	1	0
4	Assam	0	0	0
5	Bihar	0	0	0
6	Chandigarh	0	0	0
7	Chhattisgarh	0	0	0
8	D&N Haveli and D&D	0	0	0
9	Delhi	0	0	0
10	Goa	0	0	0
11	Gujarat	4	4	0
12	Haryana	5	5	0
13	Himachal Pradesh	0	0	0
14	Jammu & Kashmir	0	0	0
15	Jharkhand	0	0	0
16	Karnataka	2	2	0
17	Kerala	4	4	0
18	Ladakh	0	0	0
19	Lakshadweep	0	0	0
20	Madhya Pradesh	1	1	0
21	Maharashtra	16	15	1
22	Manipur	0	0	0
23	Meghalaya	0	0	0
24	Mizoram	0	0	0
25	Nagaland	0	0	0
26	Orissa	4	4	0
27	Puduchery	0	0	0
28	Punjab	3	2	1
29	Rajasthan	1	1	0
30	Sikkim	0	0	0
31	Tamil Nadu	7	7	0
32	Telangana	5	5	0
33	Tripura	0	0	0
34	Uttar Pradesh	7	5	2
35	Uttarakhand	1	1	0
36	West Bengal	3	3	0
Total	70	65	5	Total

ANNEXURE VIII**Details of State/UTs wise expenditure incurred on PMFME Scheme****(Rs in Crore)**

STATE/UT	FY 2020-21	FY 2021-22	FY 2022-23	FY 2023-24	FY 2024-25	Total
	NER-STATES					
Arunachal Pradesh	0.15	7.34	0.03	11.09	-	18.62
Assam	16.71	15.96	18.12	43.88	29.00	123.66
Manipur	3.14	9.09	-	-	-	12.23
Meghalaya	2.69	3.04	0.39	1.00	2.50	9.62
Mizoram	7.73	2.94	-	-	-	10.67
Nagaland	6.64	5.90	0.41	3.97	3.75	20.67
Sikkim	5.12	1.51	1.75	0.91	3.75	13.04
Tripura	3.11	10.35	0.15	1.13	3.75	18.49
	OTHER STATES					
Andhra Pradesh	34.98	25.12	25.12	46.25	5.00	129.93
Bihar	9.05	13.59	13.59	88.65	100.00	212.89
Chhattisgarh	7.04	8.88	8.88	7.69	10.00	35.04
Goa	0.41	3.14	3.14	2.08	2.50	9.94
Gujarat	16.55	8.53	8.53	7.02	15.00	49.08
Haryana	3.23	3.98	3.98	11.25	25.00	48.93
Himachal Pradesh	5.19	7.64	7.64	57.12	4.00	87.70
Jharkhand	2.69	1.74	1.74	9.79	20.00	34.22
Karnataka	32.47	21.48	21.48	27.76	60.00	172.77
Kerala	10.13	3.46	3.46	29.52	30.00	77.10
Madhya Pradesh	20.62	9.93	9.93	44.97	45.00	130.49
Maharashtra	27.58	26.60	26.60	120.00	150.00	401.05
Odisha	30.37	29.93	29.93	15.46	10.00	88.72
Punjab	5.76	9.36	9.36	30.65	80.00	142.08
Rajasthan	14.51	13.44	13.44	16.98	8.50	58.22
Tamil Nadu	12.95	3.23	3.23	72.00	100.00	212.19
Telangana	33.16	16.88	16.88	15.40	60.00	127.75

Uttarakhand	6.03	2.26	2.26	8.24	11.00	29.97
Uttar Pradesh	36.29	24.08	24.08	79.55	150.00	310.98
West Bengal		-	-	6.28	-	6.28
	UTS WITH LEGISLATURE					
Delhi	0.50	0.32	1.15	0.50	1.75	4.21
Jammu & Kashmir	8.19	1.50	2.16	2.68	9.25	23.77
Puducherry	1.16	0.79	0.68	2.46	1.00	6.10
	UTS WITHOUT LEGISLATURE					
A & N Islands	1.82	1.92	0.34	0.38	-	4.47
Ladakh	0.45	0.93	2.32	0.36	3.00	7.06
Chandigarh	0.40	1.06	0.44	0.31	-	2.21
D & N Haveli & D n D	0.40	0.89	0.14	-	-	1.43
Lakshadweep	0.40	0.61	-	-	-	1.01
Grand Total	367.61	297.44	268.52	765.30	943.75	2,642.61

Salient features and status of implementation of the "PM Formalisation of Micro food processing Enterprises (PMFME) Scheme"

As part of Aatmanirbhar Bharat Abhiyan, Ministry of Food Processing Industries (MoFPI) has launched an all India centrally sponsored "PM Formalisation of Micro food processing Enterprises (PMFME) Scheme" for providing financial, technical and business support for upgradation of existing micro food processing enterprises. The scheme was approved by the Union Cabinet on 20th May, 2020 and Guidelines for the scheme was issued on 19th June, 2020. It is to be implemented for a period of five years from 2020-21 to 2024-25 with an outlay of Rs. 10,000 cr. for providing credit linked subsidy to 2,00,000(two lakh) micro food processing units across the country. The scheme has been extended upto FY 2025-26.

2. Objectives: The objectives of the scheme are as under:

- i) Increased access to credit by existing micro food processing entrepreneurs, FPOs, Self Help Groups and Co-operatives;
- ii) Integration with organized supply chain by strengthening branding & marketing;
- iii) Support for transition of existing 2,00,000 enterprises into formal framework;
- iv) Increased access to common services like common processing facility, laboratories, storage, packaging, marketing and incubation services;
- v) Strengthening of institutions, research and training in the food processing sector; and
- vi) Increased access for the enterprises, to professional and technical support

3. The scheme aims to:

- i) Enhance the competitiveness of existing individual micro-enterprises in the unorganized segment of the food processing industry and promote formalization of the sector; and
- ii) Support Farmer Producer Organizations (FPOs), Self Help Groups (SHGs) and Producers Cooperatives along their entire value chain.

4. One District One Product Approach:

The Scheme also supports One District One Product (ODOP) approach to reap the benefit of scale in terms of procurement of inputs, availing common services and marketing of products. ODOP for the scheme will provide the framework for value chain development and alignment of support infrastructure.

The ODOP product selected are either a perishable agri-produce, cereal-based product or a food product widely produced, Minor Forest Produce or traditional food products in a district and their allied sectors.

The PMFME Scheme provides support to new and existing individual micro units for capital investment. The scheme also envisages strengthening backward and forward linkages, provision of common facilities, incubation centres, training, R&D, marketing & branding, provision of which would preferably be for ODOP products.

5. Provisions of financial assistance under the Scheme:

(i) Support for setting up / upgradation of Micro Food Processing Enterprises:

- (a) Support for setting up of new micro food processing enterprises and also for upgradation of existing micro food processing enterprises would be provided under the scheme.
- (b) Organizations such as Individual entrepreneurs/ Proprietorship Firms/ Partnership Firms/ Farmer Producer Organizations (FPOs)/ NGOs/ Cooperatives/ SHGs/ Pvt. Ltd. Companies, who have established or propose to establish micro food processing unit, would be eligible for financial assistance under the Scheme.
- (c) Credit-linked capital subsidy @35% of the eligible project cost, maximum ceiling Rs.10 lakhs per unit. Eligible project cost comprises cost of plant and machinery and technical civil work, but excludes cost of land/rental or lease work shed. However, technical civil work should not be more than 30% of the eligible project cost.
- (d) Beneficiary contribution - minimum of 10% of the project cost, balance loan from Bank.
- (e) Applicant/Enterprise is eligible for bank loan under the Scheme, even if he has availed bank loan in other Subsidy Linked Schemes of Government. Applicant is also eligible for Interest Subvention and Top Up convergence with other relevant Government Sponsored Schemes. Lending Banks may consider sanctioning need based working capital limit to the beneficiaries, as admissible. However, no subsidy would be provided on the working capital.
- (f) The submission and further approvals for individual applications are made through the Online MIS portal.

(ii) Support for setting up of common infrastructure Facilities:

- (a) Organisations such as Farmer Producer Organisations (FPOs)/Farmer Producer companies (FPCs)/Cooperatives/Self Help groups (SHGs) and its Federation/Govt. agencies, who have established or propose to establish food processing line along with common infrastructure/value chain/incubation centres would be eligible for financial assistance support under this component of the Scheme.
- (b) Credit-linked capital subsidy @35% of the eligible project cost, maximum ceiling Rs. 3 Crore per unit. Eligible project cost comprises cost of plant and machinery and technical civil work, but excludes cost of land/rental or lease work shed. However, technical civil work should not be more than 30% of the eligible project cost.

- (c) There will be no pre condition of minimum turnover and experience of the applicant organization.
- (d) The applicant organization's contribution should be minimum of 10% of the project cost with balance required funds being loan from Bank. Before applying on the portal, the applicant organization is also required to submit in-principal approval from the lending bank for the loan envisaged in the means of finance of the project.
- (e) Assistance of Rs. 50,000/- per case would be provided to the applicant organisation for preparation of Detailed project report.
- (f) The submission and further approvals for common infrastructure applications are made through the Online MIS portal.

(iii) Support to SHGs:

- (a) Seed capital @ Rs. 40,000/- per member of SHG for working capital and purchase of small tools subject to max. Rs. 4 lakhs per SHG federation.
- (b) Seed capital to be given as grant to the SHG Federations for loan to the members of SHGs.
- (c) The SHG members can also avail credit linked subsidy benefits, if eligible.

(iv) Branding and Marketing Support:

- (a) Grant up to 50% for Branding and Marketing support to groups of FPOs/ SHGs/ Cooperatives or an SPV of micro food processing enterprises. It is to be provided for multiple ODOP products of the state in case of private entities and state entities can include non-ODOP products in the basket of products, and may also include products that have acquired a GI tag at the State or regional level.
- (b) Developing a common brand and packaging including standardization and common packaging for branding.
- (c) Marketing tie-up with national and regional retail chains and state level institutions; and Quality control to ensure product quality meets required standards.
- (d) Support to the said activity under provisions of marketing and branding could also bring competitive price realisation according to the targeted market and customer base.

(v) Capacity Building

Capacity development under the Scheme encompasses a whole range of activities designed to empower institutions, individuals and groups. Training is one of the important set of activities undertaken under this component. Under the Scheme, it is envisaged to provide training to Trainers (Master Trainers, District Level Trainers), District Resource Persons, individual existing and new food processing entrepreneurs, members of various groups (SHGs/ FPOs/ Cooperatives) engaged in food processing activities through Food Processing Entrepreneurship Development Program. District Resource Persons (DRPs) are being appointed by SNAs to provide handholding support to the beneficiaries such as filing of application, preparation of DPR, handhold support for formalization and operationalization.

6. Physical Progress:

(i) Setting up the Institutional Architecture

A National Project Management Unit (NPMU) has been established to assist the Ministry in implementation of the scheme. All 36 States/ UTs have appointed State Nodal Agency (SNA) for implementing the Scheme. States/UTs have also established their State Project Management Unit (SPMU). State Level Approval Committee (SLAC) & District Level Committees (DLC) have been constituted in all the participating 36 States/

UTs. All the 36 States/ UTs have nominated 43 State Level Technical Institutions (SLTIs).

- (ii) **One District One Products (ODOPs) for 726 districts from 35 States/UTs** have been approved.
- (iii) **Credit Linked Subsidy for Micro Food Processing Units-** Loans for 1,19,573 micro food processing enterprises have been sanctioned for Credit Linked Subsidy out of which 95115 loans have been disbursed as on 20.01.2025.
- (iv) **Seed capital amount** of Rs. 1042.06 crores sanctioned for 3,13,218 Self Help Group (SHG) members.
- (v) 76 Incubation Centres has been approved with an outlay of Rs. 206.95 crores for establishment of Incubation Centre which are established in ODOP processing lines and allied product lines. 10 Incubation centres completed/inaugurated.
- (vi) Overall **17 brands have been launched** under the scheme. 17 State proposals for marketing & branding have been approved.
- (vii) **Training and Capacity Building** – 95,274 beneficiaries are trained on ODOP and Entrepreneurship Development Programme (EDP).
- (viii) **779 training modules** on ODOP by NIFTEMs which include 199 Presentations, 192 Videos, 190 DPRs and 198 Course Content/Handbooks. All the modules are available in the PMFME website for public view.
- (ix) MoFPI has signed Memorandum of Understanding (MoU) / Joint Letters with Indian Council for Agriculture Research (ICAR), Department of Animal Husbandry and Dairying (DAHD), Food Safety and Standards Authority of India (FSSAI), Ministry of Rural Development (MoRD), Ministry of Housing and Urban Affairs (MoHUA), Ministry of Tribal Affairs, National Cooperative Development Corporation (NCDC), National Scheduled Tribes Finance and Development Corporation (NSTFDC) and National Schedule Castes Finance Development Corporation (NSFDC), Standard Operating Procedure signed with Ministry of Agriculture & Farmers Welfare for convergence of Agriculture Infrastructure Fund (AIF) Scheme with PMFME.

**STANDING COMMITTEE ON AGRICULTURE, ANIMAL HUSBANDRY AND FOOD
PROCESSING BRANCH**

**MINUTES OF THE TWENTY FIRST SITTING OF THE COMMITTEE ON
AGRICULTURE, ANIMAL HUSBANDRY AND FOOD PROCESSING (2024-25)**

The Committee sat on Friday, the 28th February, 2025 from 1620 hours to 1745 hours in Committee Room 2, Extension to Parliament House Annexe (EPHA), New Delhi.

Shri Charanjit Singh Channi – Hon'ble Chairperson

MEMBERS

LOK SABHA

2. Shri Patel Umeshbhai Babubhai
3. Smt. Harsimrat Kaur Badal
4. Shri Rajkumar Chahar
5. Smt. Anita Nagarshingh Chouhan
6. Shri Sukanta Kumar Panigrahi
7. Smt. Krishna Devi Shivshankar Patel
8. Shri Dharambir Singh
9. Shri Sudhakar Singh
10. Shri Kodikunnil Suresh

RAJYA SABHA

11. Smt. Ramilaben Becharbhai Bara
12. Shri Nitin Laxamnarao Jadhav Patil
13. Shri Madan Rathore
14. Shri Ramji Lal Suman
15. Shri Randeep Singh Surjewala

SECRETARIAT

- | | | | |
|----|--------------------------|---|------------------|
| 1. | Shri Srinivasulu Gunda | - | Joint Secretary |
| 2. | Shri Khakhai Zou | - | Director |
| 3. | Shri Anil Kumar Sanwaria | - | Deputy Secretary |

List of Witnesses

Ministry of Food Processing Industries (MoFPI)

Sl. No.	Name	Designation
1.	Dr. Subrata Gupta,	Secretary
2.	Shri Minhaj Alam,	Addl. Secretary
3.	Shri Asit Gopal,	AS&FA
4.	Shri Shyam Singh Negi,	Sr. Economic Advisor
5.	Shri Preet Pal Singh,	Joint Secretary
6.	Shri Ranjit Singh,	Joint Secretary
7.	Shri D. Praveen,	Joint Secretary
8.	Smt. Chandan Mishra Dwivedi,	CCA
9.	Shri Vikram Kesharee Pradhan,	Director (Parliament)

3. At the outset the Chairperson welcomed the Members to the Sitting of the Committee convened for taking oral evidence of the representatives of the Ministry of Food Processing Industries in connection with the examination of the Demands for Grants (2025-26)-Demand No. 45. Thereafter, the representatives of the Ministry of Food Processing Industries were called in. After welcoming the representatives of the Ministry, the Chairperson apprised them about the confidentiality of the Proceedings of the Sitting.

4. After introduction, a Power-Point Presentation was made by the representatives of the Ministry of Food Processing Industries which *inter alia* included topics such as, Focus of the Ministry, Schemes implemented by MoFPI and their details, Human Resources and Institutions, Institutes under MoFPI: NIFTEM, Kundli and NIFTEM, Thanjavur, Budget and Expenditure of last Five Years, etc. The Committee were also briefed about the Budgetary Provisions of the Ministry for 2025-26.

5. The Committee raised several issues/points which are briefly mentioned below and sought clarification(s)/information from the representatives of the Ministry, as briefly mentioned below:

- (i) Budgetary Provisions of the Ministry and their past performance;
- (ii) Physical and Financial targets and achievements of Central Sector and Centrally Sponsored Schemes of the Ministry;
- (iii) Issue of under-utilization of allocated funds to the Ministry and measures required for optimum and effective utilization of the fund;
- (iv) Need to improve the utilization of funds under various components of PMKSY Scheme such as Operation Greens, Integrated Cold Chain and Value Addition, Creation of Infrastructure for Agro Processing Clusters, Food Safety and Quality Assurance Infrastructure, Creation of Backward and Forward Linkages and Human Resource and Institutions;

- (v) Need to improve fund utilization in PLIS FPI Scheme, components of assistance in the scheme, especially in capacity building;
- (vi) Need to ensure that benefits of PMFME Scheme should benefit small farmers;
- (vii) Need to give wide publicity about the Schemes of the Ministry so that the benefits of the Schemes can be availed by the large section of the people;
- (viii) Need to simplify the procedures for subsidy applications under all the Schemes of Food Processing Industries (FPI);
- (ix) Need to conduct survey and research regarding identification of areas and mechanisms for setting up food processing units;
- (x) Need for promotion of food processing units for millets;
- (xi) Need to adopt innovative methods to increase farmer incomes such as introduction of new industries, new machinery, and research to cater to the specific needs of small farmers;
- (xii) Need to conduct study regarding identification of products specific to each district under 'One District One Product', sub scheme of PMFME Scheme;
- (xiii) Need to follow Food Map of India for listing top three fruits and vegetables in each States for promotion of food processing in those regions.

6. The representatives of the Ministry of Food Processing Industries responded to some of the queries raised by the Members. The Chairperson, thereafter, thanked the witnesses for sharing valuable information with the Committee on the subject and directed them to furnish the requisite information on points / items, which were not readily available with them, to the Committee Secretariat by 10th March, 2025, positively.

The Committee then adjourned.

(A copy of the verbatim proceedings of the Sitting has been kept separately.)

**MINUTES OF THE TWENTY-THIRD SITTING OF THE STANDING COMMITTEE ON
AGRICULTURE, ANIMAL HUSBANDRY AND FOOD PROCESSING (2024-25)**

The Committee sat on Monday, 18th March, 2025 from 1000 hours to 1105 hours in
Committee Room No. 2, Extension to Parliament House Annexe, New Delhi.

PRESENT

Shri Charanjit Singh Channi – Hon'ble Chairperson

Members

Lok Sabha

2. Shri Patel Umeshbhai Babubhai
3. Shri Rajkumar Chahar
4. Smt. Anita Nagarsingh Chouhan
5. Shri Kuldeep Indora
6. Md. Abu Taher Khan
7. Shri Rahul Singh Lodhi
8. Shri Sukanta Kumar Panigrahi
9. Smt. Krishna Devi Shivshankar Patel
10. Shri Naresh Chandra Uttam Patel
11. Shri Dharambir Singh
12. Shri Dushyant Singh
13. Shri Sudhakar Singh
14. Shri Kodikunnil Suresh
15. Smt. Geniben Nagaji Thakor
16. Shri Bhausahab Rajaram Wakchaure

Rajya Sabha

17. Smt. Ramilaben Becharbhai Bara
18. Dr. Anil Sukhdeorao Bonde
19. Shri Banshilal Gurjar
20. Shri S. Kalyanasundaram
21. Shri Nitin Laxmanrao Jadhav Patil
22. Shri Madan Rathore
23. Shri P. P. Suneer
24. Shri Randeep Singh Surjewala

SECRETARIAT

- | | | | |
|----|--------------------------|---|------------------|
| 1. | Shri Srinivasulu Gunda | – | Joint Secretary |
| 2. | Shri Khakhai Zou | – | Director |
| 3. | Shri Anil Kumar Sanwaria | – | Deputy Secretary |

2. At the outset, the Chairperson welcomed the Members to the Sitting of the Committee. Thereafter, the Committee took up for consideration and adoption the following Reports:

- | | | | | | |
|-------|---|------|------|------|--------|
| (i) | xxxx | xxxx | xxxx | xxxx | xxxx;; |
| (ii) | xxxx | xxxx | xxxx | xxxx | xxxx; |
| (iii) | Draft Report on Demands for Grants (2025-26) pertaining to the Ministry of Food Processing Industries; and; | | | | |
| (iv) | xxxx | xxxx | xxxx | xxxx | xxxx |

3. After some deliberations, the Committee adopted the Draft Report at Sl. No. (ii) with some modifications as shown at Annexure. The Draft Reports at Sl. No. (i), (iii) and (iv) were adopted without any modifications and the Committee authorized the Chairperson to finalize and present these Reports to Parliament.

The Committee then adjourned.