



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

(2025-2026)

EIGHTEENTH LOKSABHA

MINISTRY OF FOOD PROCESSING INDUSTRIES

'DEMANDS FOR GRANTS (2025-26)'

[Action Taken by the Government on the Observations/Recommendations contained in the Twelfth Report (Eighteenth Lok Sabha) of the Standing Committee on Agriculture, Animal Husbandry and Food Processing (2024-25) on Demands for Grants (2025-26)]

THIRTY EIGHTH REPORT



**LOKSABHASECRETARIAT
NEW DELHI**

MARCH, 2026/CHAITRA, 1948 (SAKA)

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Presented to Lok Sabha on 27.03.2026
Laid on the Table of Rajya Sabha on 27.03.2026



LOKSABHASECRETARIAT
NEW DELHI

MARCH, 2026/CHAITRA, 1948 (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. Rambilaben Becharbhai Bara
23. Shri Masthan Rao Yadav Beedha*
24. Dr. Anil Sukhdeorao Bonde
25. Shri Banshilal Gurjar
26. Shri S. Kalyanasundaram
27. Shri Nitin Laxmanrao Jadhav Patil
28. Shri Madan Rathore
29. Shri Ramji Lal Suman
30. Shri P. P. Suneer
31. Shri Randeep Singh Surjewala

Shri Krishan Lal Panwar, Member resigned from Rajya Sabha on 14.10.2024.

**Shri Masthan Rao Yadav Beedha, Member, Rajya Sabha has been nominated to the Standing Committee on Agriculture, Animal Husbandry and Food Processing w.e.f on 8th August 2025, vide Lok Sabha Bulletin Part-II, Para No. 3117 dated 13.08.2025.*

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9. Shri Ramji Lal Suman
10. Shri P. P. Suneer
11. Shri Randeep Singh Surjewala

SECRETARIAT

1. Shri Dhiraj Kumar - Joint Secretary
2. Shri Maheshwar - Director
3. Smt. Paromita Kumar - Assistant Executive Officer

INTRODUCTION

I, the Chairperson, Standing Committee on Agriculture, Animal Husbandry and Food Processing (2025-26), having been authorized by the Committee to submit the Report on their behalf, present this Thirty Eighth Report on Action taken by the Government on the Observations/Recommendations contained in the Twelfth Report (Eighteenth Lok Sabha) of the Standing Committee on Agriculture, Animal Husbandry and Food Processing (2024-25) on 'Demands for Grants (2025-26)' pertaining to the Ministry of Food Processing Industries.

2. The Twelfth Report (Eighteenth Lok Sabha) of the Standing Committee on Agriculture, Animal Husbandry and Food Processing (2024-25) on Demands for Grants (2025-26) pertaining to the Ministry of Food Processing Industries was presented to Lok Sabha and laid on the Table of Rajya Sabha on 19.03.2025. The Action Taken Notes on the Report were received on 21.08.2025.

3. The Report was considered and adopted by the Committee at their Sitting held on 23.03.2025.

4. An Analysis of the action taken by the Government on the Observations/Recommendations contained in the Twelfth Report (Eighteenth Lok Sabha) of the Committee on Demands for Grants (2025-26) is given in **Appendix**.

NEW DELHI;

24 March, 2025

03 Chaitra, 1948 (Saka)

CHARANJIT SINGH CHANNI

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

CHAPTER I REPORT

This Report of the Standing Committee on Agriculture, Animal Husbandry and Food Processing deals with the Action Taken by the Government on the Observations/Recommendations contained in the Twelfth Report (Eighteenth Lok Sabha) of the Standing Committee on Agriculture, Animal Husbandry and Food Processing (2024-25) on 'Demands for Grants (2025-26)' pertaining to the Ministry of Food Processing Industries which was presented to the Lok Sabha and Laid on the Table of Rajya Sabha on 19.03.2025.

1.2 The Ministry of Food Processing Industries has furnished Action Taken Replies in respect of all the 12 Observations/Recommendations contained in the Report. These have been categorized as under:

•	Observations/Recommendations that have been accepted by the Government: Recommendation Nos. 1,4,5,6,7,8,10,11 & 12	Total 09 Chapter-II
•	Observations/Recommendations in respect of which the Committee do not desire to pursue in view of the Government's Reply Recommendation No. NIL	Total NIL Chapter-III
•	Observations/Recommendations in respect of which Action Taken Replies of the Government have not been accepted by the Committee: Recommendation Nos. 2, 3 & 9	Total 03 Chapter-IV
•	Observations/Recommendations in respect of which final replies of the Government are still awaited: Recommendation No. NIL	Total-NIL Chapter-V

1.3 The Committee desire that utmost importance would be given by the Ministry to implement the observations/recommendations accepted by the Government. In cases, where it is not possible for the Ministry to implement the Recommendations in letter and spirit for any reason, the matter may be reported to the Committee with the reasons for non-implementation. The Committee desire that further Action-Taken Notes on the Observations/Recommendations contained in Chapter - I of this Report be furnished to them at an early date.

1.4 The Committee will now deal with the action taken by the Government on some of the Recommendations in the succeeding paragraphs.

A. Budgetary Allocation

(Recommendation No. 1)

1.5 The Committee had observed/recommended as follows: —

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.

1.6 In its Action taken reply, the Ministry has stated: -

“In order to promote and ensure overall development of the Food Processing Sector, the Ministry of Food Processing Industries (MoFPI) has been incentivizing setting up/expansion of related infrastructure through its central sector Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) Scheme, Production Linked Incentive Scheme for Food Processing Industry

(PLISFPI) and centrally sponsored PM Formalization of Micro Food Processing Enterprises (PMFME) scheme across the country.

The Ministry extends financial support to prospective entrepreneurs for setting up of different kinds of food processing industries across the country. These schemes aim towards creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet which includes storage, transportation, value addition, etc., thereby helping in providing better returns to farmers and creating huge employment opportunities, reducing wastage of agricultural produce and increasing the processing level.

These schemes are demand driven and the Ministry invites project proposals from interested individuals/entities by floating an Expression of Interest (EoI). In order to give wide publicity about the opportunity available under MoFPI schemes, Notices about issue of EoIs are also published in National/Regional/Local newspapers all across the country.

The Ministry has sanctioned 1604 projects including 41 Mega Food Parks, 394 Cold Chain projects, 71 Agro-Processing Clusters, 526 Food Processing Units, 61 Creation of Backward & Forward Linkages Projects & 44 Operation Green Projects under the corresponding component schemes of PMKSY till 31st March, 2025.

A total of 1,37,2288 micro food processing enterprises have been approved for assistance under PMFME and 3,33,181 members of Self-Help Groups supported for seed capital amounting of Rs. 1123.58 cr. in rural and urban areas of the country till 31st March, 2025.

In order to minimize post-harvest losses, the Ministry, through its schemes, is providing grants-in-aid for establishing food processing infrastructure with efficient supply chain across the country and thereby reducing gap between production, processing capacity & post-harvest losses. The approved projects under component schemes of PMKSY would create processing & preservation capacity of 416.16 LMT per year, creation of direct/ indirect employment opportunities of about 7.30 Lakhs and completed projects have already resulted in creation of processing & preservation capacity of 249.36 LMT per year & created direct/ indirect employment opportunities of about 4.27 Lakhs. The Ministry is making continuous efforts to reduce the wastage / loss of food material produced in the country by supporting creation of robust infrastructure facilities in food processing sector.

Progress made in the contribution of the food processing sector to the economy

- The gross value addition of the food processing sector has increased from Rs 1.34 lakh crore in 2014-15 to Rs 1.92 lakh crore in 2022-23 (As per 1st Revised Estimates)
- The food processing sector grew by 5.35% in the last 8 years as compared to 5.22% in the overall manufacturing sector.
- The sector has attracted FDI of over US\$ 6.79 billion from 2014-15 to 2023-24.
- The share of processed food exports in agri-exports to increase from 13.7 % in 2014-15 to 23.4% in 2023-24.

- It is the largest employer of registered manufacturing sector with a share of 12.41% in total employment.”

1.7 The Committee note the sustained efforts of the Ministry of Food Processing Industries in promoting the growth and development of the Food Processing Sector and also the Ministry’s commendable achievements in terms of gross value addition, sectoral growth rate, FDI inflows over the past decade, and the increasing share of processed food exports in overall agricultural exports. The Ministry in its action taken reply has furnished initiatives taken to incentivize the setting up/expansion of infrastructure through Pradhan Mantri Kisan Sampada Yojana (PMKSY), the financial support extended to micro food processing enterprises under the PMFME Scheme and steps taken to reduce the post-harvest losses through targeted interventions.

However, the Committee observe that as per the reply furnished by the Ministry, only about 60 per cent of the targeted preservation capacity of 416.16 LMT per annum has been achieved. Further, 4.27 lakh direct and indirect employment opportunities have been created, constituting only 60 per cent of the targeted employment generation of 7.30 lakh.

In view of these shortfalls, the Committee are of the opinion that while the Ministry’s initiatives are noteworthy, more concrete and sustained efforts are required to bridge the existing gaps in target achievement and to ensure optimum utilization of the enhanced budgetary allocations.

B. Under-utilization of allocated funds

(Recommendation No. 2)

1.8 The Committee had observed/recommended as follows: —

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.

1.9 In its Action taken reply, the Ministry has stated: -

“During FY 2024-25, the Ministry was able to utilize Rs 2015.21Cr against RE of Rs 2530 Cr under schemes of MoFPI, which comes to about 80.60% of RE. The main reasons of non-utilization of funds are delay in getting sufficient number of proposals from NER/SC/ST under PMKSY; revised procedure of flow of funds for PMFME and delay in getting claims under PLIS scheme.

MoFPI provides mostly credit linked financial assistance (capital subsidy) in the form of grants-in-aid to entrepreneurs selected on the basis of Expression of Interest (EoI) issued from time to time through its central sector Umbrella 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. These schemes are not any region or state specific but demand driven and is implemented across the country.

With an aim to encourage wider participation of stakeholders, the guidelines of the schemes were revised keeping in mind the ease of doing business and the following measures were taken into account:

- Approval Process simplified by a single Technical Committee and Project Approval Committee
- List of eligible and ineligible components incorporated
- Eligibility criteria clearly defined
- Document submission during online application and for release of instalments simplified
- Timelines for completion of project increased
- Condonation for delay in completion of the project simplified.

- 'Penalty' word removed from guidelines (Decriminalization)
- Need for documents at frequent intervals done away with

The following measures are planned to utilize the enhanced allocation during FY 2025-26 :

- (i) Under PMKSY, the Ministry invited EoI during 2024-25 and will also invite EoI during 2025-26. Many of the projects are under at implementation stage, which are liability of MoFPI. These projects are likely to be completed/ operationalized during 2025-26. Also, there is a gestation period for release of 1st/ 2nd/ 3rd instalment of grants in aid to promoter.
- (ii) Under PMFME Scheme, the number of applications sanctioned by the banks has been increased during last year. So, there is a liability on the part of Ministry.
- (iii) In PLISFPI, release is based on the audited balance sheet of the approved projects, which is available only after December of the Current Financial Year. Hence, expenditure will increase."

1.10 The Committee note that as per the reply furnished by the Ministry of Food Processing industries, the actual utilisation of funds against the Revised Estimates (RE) allocations during Financial Year 2024-25 has been reported as 80.60%. However, the Committee observe a discrepancy in this calculation, as the actual utilisation works out to only 79.65% of the RE allocations. While this level of utilisation marks an improvement over previous years and is higher than the figure reported up to February 2025, the Committee observe that a significant portion of the expenditure has taken place during the last quarter thereby indicating rush funding. The Ministry should, therefore, avoid rush spending towards the end of the year and prudently plan its expenditure across all quarters to ensure efficient and balanced fund utilisation. The Committee expect a more proactive approach from the Ministry so that the recurring issue of under-utilisation of funds, which has been highlighted in their earlier recommendations is addressed and fund utilization is managed in an efficient manner.

The reasons as given in the Ministry's reply are due to delays in the receipt of proposals from NER/SC/ST categories, revised procedure of flow of

funds for Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME), and delay in getting claims under Production Linked Incentive Scheme (PLIS). These reflect persistent structural bottlenecks that require targeted corrective measures. The Committee emphasise that unless these systemic issues are effectively addressed, the risk of continued under-utilisation will persist in future years.

The Committee, therefore, while reiterating their earlier concerns, urge again to the Ministry to have a thorough revision of the budgetary estimation process so as to achieve full utilisation of the allocated funds and devise strategies to ensure timely receipt of adequate proposals from NER/SC/ST categories under Pradhan Mantri Kisan Sampada Yojana (PMKSY) as this is a very important Scheme of the Government.

C. NER, TSP and SCSP components

(Recommendation No. 3)

1.11 The Committee had observed/recommended as follows: —

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 utilization in future.

1.12 In its Action taken reply, the Ministry has stated: -

“During FY 2024-25, the Ministry was able to utilize Rs 154.40 Cr against RE of Rs 183 Cr in NER heads, Rs 115.66 Cr against RE of Rs 151.89 Cr in SC head and Rs 40.56 Cr against RE of Rs 78.70 Cr in ST head under schemes of MoFPI. The main reasons of non-utilization of funds are delay in getting sufficient number of proposals from NER/SC/ST under PMKSY; revised procedure of flow of funds for PMFME. The Ministry has already initiated measures like relaxation in guidelines to the applicants under these categories, regular monitoring, virtual and physical meetings with promoters and investors, assistance in obtaining statutory approvals from State governments etc.

With regard to delay in the implementation of the projects, the following feedback has been received from the promoters under PMKSY Schemes:

Sr. No.	Indicative reasons for delay in application for Grants in aid belonging to NER/SC/ST category	
1	Change in term loan lending bank or delay in disbursement of term loan by bank	<ul style="list-style-type: none"> • Few of the promoters/PIAs opt for change in term loan lending bank due to better terms and conditions being offered. Hence, procedural delay in this regard and getting necessary approvals leads to delay in overall project implementation timeframe. • Sometimes, due to documentation delay, term loan disbursement by lending bank also takes time, thereby impacting the overall schedule.
2	Delay in receipt of machinery on site due to imports/logistics issues	<ul style="list-style-type: none"> • Few of the plant and machinery components are imported by PIAs from foreign countries in line with their proposed product and quality requirements. These imports, and subsequent installation at site, gets delayed due to multiple factors such as contract negotiations with vendors, import clearances, foreign exchange rate fluctuations etc.
3	Delay in receiving FSSAI license/ PCB clearance/changes in capacity	<ul style="list-style-type: none"> • FSSAI, CTO and CTE approvals/amendments lead to delay due to overall procedural formalities and timelines. Site visits by department personnel, subsequent updation in online mode etc are few of the factors which contribute to such delays.

4	Delay due to floods/heavy rainfall/landslide	<ul style="list-style-type: none"> Many project site(s), especially in the NER are in areas which are prone to heavy rainfall and flooding. As a result of the same, civil works progress gets halted during months of peak rainfall, due to which subsequent stages also suffer a delay such as machinery procurement and installation. Hence, PIAs have to wait for the rainy period to pass prior to commencement of construction activities.
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The main issues faced by the applicants under PMFME scheme are non-sanctioning of loan by banks, collateral guarantee, CIBIL score etc. To resolve the issues, the following actions are being taken under PMFME scheme to facilitate the applicants:

- (i) The Ministry has been sharing Bank wise data of applications sponsored to the Banks and pending for sanction/disbursement with the Dept. of Financial Services (Govt. of India) on fortnightly basis.
- (ii) Periodical DO Letters are sent to the Secretary, DFS for advising Banks to increase sanctions. Last such letter was sent on 26.12.2024 from the Secretary, FPI to the Secretary, DFS.
- (iii) SNAs and SLBCs review meetings are organised every quarter to discuss the issues related to generation of applications and timely sanction/disbursement. Reasons for delay in sanction/disbursement and reasons of rejection are particularly discussed for redressal. The SNAs are advised to increase number of sponsoring to the Banks
- (iv) Periodical DO letters are written to the SNAs/SLBCs and Bank Head Offices to apprise about progress, reasons of higher rejection etc. so as to improve the sanctions. Appreciation Letters to better performing States/Banks and performance letters to others are also being sent periodically. Last such letters were sent in February and April, 2025.
- (v) Periodical VCs are being organised with the field level Bankers (Regional/Zonal Offices) for improving sanctions as also with LDMs/DRPs to increase generation and sanctions.
- (vi) Exclusive SLBC meeting on PMFME was organised in 28 States including North Eastern States (Physical) in 2024-25.
- (vii) The Corporate Offices of 12 Public Sector, 5 Private Sector and 2 large Regional Rural Banks were visited for improving sanctions and disbursements by reducing rejections.
- (viii) Top Bankers – DGMs/GMs, In-charge of the Dept. in Banks’ Head Offices - review meetings are convened every quarter to discuss the issues related to generation of applications and timely sanction/disbursement. The reasons for delay in sanction/disbursement and reasons of rejection are particularly discussed for redressal.”

1.13 The Committee note that, while there has been significant improvement in utilization of funds under NER and SCSP heads, the utilization under TSP continues to remain low. In its Action Taken Replies, the Ministry has furnished

the feedbacks received from the promoters under PMKSY Scheme, which only reflects indicative reasons for the delays in project implementation under the head NER/SC/ST. The Committee expect that the Ministry should put in place concrete measures to resolve these issues and the Ministry should evolve a roadmap for addressing the persistent shortfall under TSP so as to ensure more equitable and effective utilization of funds under NER, SCSP and TSP components in future and would like to be apprised of the results of these interventions.

D. Pradhan Mantri Kisan Sampada Yojana (PMKSY)

(Recommendation No. 4)

1.14 The Committee had observed/recommended as follows: —

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.

1.15 In its Action taken reply, the Ministry has stated: -

“Budget allocated under BE & RE 2024-25 is after realistic assessment of the projects expected to be completed during the financial year. The expenditure stood at Rs. 325.05 crore (51.59%) as on 24.01.2025 on the basis of which the Committee has made assessment. However, as against the PMKSY RE of Rs. 629.8 crore for 2024-25, Rs. 540.02 crore (85.74 % of RE) was utilized by the component schemes till 31.03.2025.

PMKSY component scheme-wise expenditure details may be seen as under:

Sub-Scheme of PMKSY	BE -2024-2025	RE-2024-2025	AE 2024-25 as per Division (as on 31.03.2025)	Percentage (%) [i.r.t RE]
Mega Food Park (discontinued w.e.f 01.04.2021)	24.8	32.55	10.01	30.75
Creation of Infrastructure for Agro- processing Clusters	38.90	47.00	43.44	92.42
Integrated Cold Chain & Value Addition Infrastructure	179.8	118.8	113.52	95.55
Creation/Expansion of Food Processing & Preservation Capacities	271.60	218.29	217.46	99.61
Creation of Backward and Forward Linkages (discontinued w.e.f 01.04.2021)	6.20	0.20	0.02	7.15

Food Safety & Quality Assurance Infrastructure- FTL	30.00	48.40	43.69	90.24
Human Resource and Institutions (R&D)	4.10	3.15	0.18	5.71
Operation Greens	173.40	161.41	111.70	69.20
Total	728.80	629.80	540.02	85.74

The Ministry is making incessant efforts for utilization of the funds keeping in mind the considerable increase in budgetary provision in the F.Y. 2025-26 as mentioned below:

- (i) The Ministry and the Project Management Agencies (PMAs) engaged under component schemes of PMKSY interact frequently with the Project Implementing Agencies (PIAs) of approved projects and are assisting them in timely submission of documents and implementation of the projects.
- (ii) Regular review meetings, virtual verification and physical site inspection of projects are conducted by the Ministry and PMAs for timely completion of the projects.
- (iii) The Ministry on the request of PIAs, if required, also takes up the matter with the concerned State/UTs Government and their agencies for timely implementation.

In order to generate proposals under PMKSY, EOI of component schemes is floated from time to time on the basis of availability of funds. Further, it is submitted that special EOI for SC/ST/NER category is also floated by the Ministry as and when required to generate more proposals under this category.

Also, revision of component scheme guidelines of PMKSY is undertaken by the Ministry from time to time to make the guidelines simpler and easier to implement.

In view of these efforts, the budget allocated under the scheme for 2025-26 would be utilized.”

1.16 The Committee note with satisfaction that the Ministry has achieved a significantly improved level of utilization under PMKSY during 2024–25, with Rs.540.02 crore (85.74% of RE) spent up to 31.03.2025. They also appreciate the proactive measures undertaken by the Ministry to ensure optimal utilization of the enhanced budgetary allocations.

However, the Committee observe that the reply of the Ministry does not include any measures regarding the streamlining of statutory clearances, which continues to be a major bottleneck in the timely implementation of projects.

The Committee are of the view that while the issuance of special EOs is a welcome step to attract more proposals, the Ministry should ensure that the number of EOs issued corresponds with the actual number of project proposals generated and sanctioned under these categories. The Committee desire that the Ministry keep a close tab on this correlation so that the initiative results in tangible outcomes and contributes meaningfully to better utilization of the allocated funds. The Committee believe that to achieve this the Ministry should intensify its efforts for streamlining the process for obtaining statutory clearances and closely monitor the operational challenges faced by applicants to ensure timely implementation of approved projects.

E. Scheme for creation of backward and forward linkages

(Recommendation No. 7)

1.17 The Committee had observed/recommended as follows: —

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.

1.18 In its Action taken reply, the Ministry has stated: -

Under Scheme for the Creation of Backward and Forward Linkages (CBFL) of Pradhan Mantri Kisan Sampada Yojana (PMKSY), an actual expenditure of Rs. 0.02 crore has been incurred for making payments of professional fees to Programme Management Agencies (PMAs), which accounts to 10.17% of the RE of Rs. 0.20 crore during the FY 2024-25. The

underutilization of funds in RE was due to non-availability of sufficient eligible proposals under the Object Head- Professional Services of the CBFL scheme.

Under CBFL scheme, 61 projects have been approved. Out of these, 53 projects have been completed and made operational since inception of the scheme.

Grants-in-aid/ subsidy of Rs. 12.37 crore has been released so far for implementing eight ongoing projects, which are under different stages of implementation. Further, Programme Management Agencies (PMAs) engaged by this Ministry under CBFL scheme are regularly interacting with the Project Implementing Agencies (PIAs) of ongoing projects and assist them in implementation of the projects. The Ministry is also making incessant efforts for achieving the physical and financial targets by conducting periodical review meetings, virtual verifications and physical site inspections on regular basis. The funds released under CBFL scheme are subjected to audit from time to time.

1.19 The Committee note the reply of the Ministry regarding the implementation of the Scheme for Creation of Backward and Forward Linkages (CBFL) and observe that out of 61 projects approved under the Scheme, 53 projects have been completed and made operational. For the remaining 8 projects, Grants-in-aid amounting to Rs. 12.37 crore have been released so far, and these projects are at different stages of implementation. The Committee have taken note of the various steps taken by the Ministry to ensure the completion of the pending projects, however, they observe that despite these efforts there has been considerable delay in their completion. The Committee urge the Ministry to adopt a time-bound approach to complete all the pending projects and ensure the full utilization of funds allocated towards these projects.

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

(Recommendation No. 9)

1.20 The Committee had observed/recommended as follows: —

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.

1.21 In its Action taken reply, the Ministry has stated: -

Expenditure under PLI scheme:

Figures in ₹ Crore			
FY	RE	Actual	% of RE
2021-22	10.00	9.27	92.70 %
2022-23	801.00	489.83	61.15 %
2023-24	1150.00	590.50	51.35 %
2024-25	700.00	450.49	64.36 %

The following steps were taken for simplifying claim submissions:

- a. Documentation required for claim submissions was reviewed for claims for FY 2023-24 and requirements simplified. The documents required for submission of claim were rationalized.
- b. The online portal was reviewed so that maximum details of the Applicant appear in auto-fill mode.
- c. Assistance in the form of dedicated IT help-desk is given to the Applicants for ease of filing claims online.
- d. Video step-by-step guide and tutorial is also available to the Applicants after it logs into the portal for understanding the claim submission.

The applicants are urged to provide GST reconciliation as soon as possible. However, the claims without GST reconciliation are also accepted and processed.

Weekly meeting on every Tuesday, 3 PM to 4 PM is scheduled with all the beneficiaries of the Scheme from September 2024 onwards in Video

Conferencing mode. The meeting is attended by the Ministry and PMA officials and any issues/ difficulties faced by the Applicants are noted for timely resolution.

Workshops in VC mode were also held in September 2024 and November 2024 for providing demonstration on online claim submissions and feedback was also taken from the Applicant to simplify procedures.

The PLI Scheme for FPI specify that the entire manufacturing process, including primary processing, of the food products eligible for coverage under the scheme must occur India, with the exception of additives, flavours and edible oils. This approach aims to benefit farmers by procurement of domestically grown agricultural products for the manufacturing process thereby increasing their income.”

1.22 The Committee acknowledge the Ministry’s efforts to simplify the process of submission of claims under the Production Linked Incentive Scheme for Food Processing Industries (PLISFPI), which, inter alia, include the rationalisation of required documentation, review of the online portal, establishment of a dedicated helpdesk, and availability of step-by-step video guides to facilitate applicants under the Scheme. However, the Committee observe that despite these measures, only 64.36 per cent of the Revised Estimate (RE) allocation of ₹700 crore has been utilised. Though there has been an improvement in fund utilisation from the mid-year figure of 1.81 per cent, the Committee express concern that the remaining 35.64 per cent of the allocated funds continues to remain unutilised, indicating that the persistent barriers highlighted in their earlier recommendations have yet to be fully addressed. While the Reply furnished by the Ministry of Food Processing Industries states that procedural obstacles have been mitigated to some extent, it does not address the critical aspects raised earlier which inter alia includes, initiation of pilot projects, and establishment of a robust feedback mechanism for ongoing refinement of the Scheme. The Committee further note that the reply does not indicate any measures taken to replicate the successful partnership models of sourcing local tomato paste for other fruits and vegetables, an initiative which in their view, could substantially enhance job creation and benefit local farmers.

In light of the foregoing, the Committee reiterate their expectation that the Ministry should take decisive action to ensure sustained improvement in fund utilization and institute an effective feedback mechanism to enable continuous refinement of the Scheme, and also ensure that its benefits reach food processing industries, especially small and medium enterprises.

CHAPTER II
OBSERVATIONS/RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY THE
GOVERNMENT

1. Budgetary Allocation

(Recommendation No. 1)

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.

Reply of the Government:

In order to promote and ensure overall development of the Food Processing Sector, the Ministry of Food Processing Industries (MoFPI) has been incentivizing setting up/expansion of related infrastructure through its central sector Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) Scheme, Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) and centrally sponsored PM Formalization of Micro Food Processing Enterprises (PMFME) scheme across the country.

The Ministry extends financial support to prospective entrepreneurs for setting up of different kinds of food processing industries across the country. These schemes aim towards creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet which includes storage, transportation, value addition, etc., thereby helping in providing better returns to farmers and creating huge employment opportunities, reducing wastage of agricultural produce and increasing the processing level.

These schemes are demand driven and the Ministry invites project proposals from interested individuals/entities by floating an Expression of Interest (EoI). In order to give

wide publicity about the opportunity available under MoFPI schemes, Notices about issue of EoIs are also published in National/Regional/Local newspapers all across the country.

The Ministry has sanctioned 1604 projects including 41 Mega Food Parks, 394 Cold Chain projects, 71 Agro-Processing Clusters, 526 Food Processing Units, 61 Creation of Backward & Forward Linkages Projects & 44 Operation Green Projects under the corresponding component schemes of PMKSY till 31st March, 2025.

A total of 1,37,2288 micro food processing enterprises have been approved for assistance under PMFME and 3,33,181 members of Self-Help Groups supported for seed capital amounting of Rs. 1123.58 cr. in rural and urban areas of the country till 31st March, 2025.

In order to minimize post-harvest losses, the Ministry, through its schemes, is providing grants-in-aid for establishing food processing infrastructure with efficient supply chain across the country and thereby reducing gap between production, processing capacity & post-harvest losses. The approved projects under component schemes of PMKSY would create processing & preservation capacity of 416.16 LMT per year, creation of direct/ indirect employment opportunities of about 7.30 Lakhs and completed projects have already resulted in creation of processing & preservation capacity of 249.36 LMT per year & created direct/ indirect employment opportunities of about 4.27 Lakhs. The Ministry is making continuous efforts to reduce the wastage / loss of food material produced in the country by supporting creation of robust infrastructure facilities in food processing sector.

Progress made in the contribution of the food processing sector to the economy

- The gross value addition of the food processing sector has increased from Rs 1.34 lakh crore in 2014-15 to Rs 1.92 lakh crore in 2022-23 (As per 1st Revised Estimates)
- The food processing sector grew by 5.35% in the last 8 years as compared to 5.22% in the overall manufacturing sector.
- The sector has attracted FDI of over US\$ 6.79 billion from 2014-15 to 2023-24.
- The share of processed food exports in agri-exports to increase from 13.7 % in 2014-15 to 23.4% in 2023-24.
- It is the largest employer of registered manufacturing sector with a share of 12.41% in total employment.

[Ministry of food processing industries No. H-11012/1/2023-Parl. dated 21.08.2025]

Comments of the Committee

For comments of the Committee please refer to Para No. 1.7 of this Report.

2. Pradhan Mantri Kisan Sampada Yojana (PMKSY)

(Recommendation No. 4)

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 (EoIs) 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.

Reply of the Government:

Budget allocated under BE & RE 2024-25 is after realistic assessment of the projects expected to be completed during the financial year. The expenditure stood at Rs. 325.05 crore (51.59%) as on 24.01.2025 on the basis of which the Committee has made assessment. However, as against the PMKSY RE of Rs. 629.8 crore for 2024-25, Rs. 540.02 crore (85.74 % of RE) was utilized by the component schemes till 31.03.2025.

PMKSY component scheme-wise expenditure details may be seen as under:

Sub-Scheme of PMKSY	BE -2024-2025	RE-2024-2025	AE 2024-25 as per Division (as on 31.03.2025)	Percentage (%) [i.r.t RE]
Mega Food Park (discontinued w.e.f 01.04.2021)	24.8	32.55	10.01	30.75
Creation of Infrastructure for Agro- processing Clusters	38.90	47.00	43.44	92.42
Integrated Cold Chain & Value Addition Infrastructure	179.8	118.8	113.52	95.55
Creation/Expansion of Food Processing & Preservation Capacities	271.60	218.29	217.46	99.61
Creation of Backward and Forward Linkages (discontinued w.e.f 01.04.2021)	6.20	0.20	0.02	7.15
Food Safety & Quality Assurance Infrastructure- FTL	30.00	48.40	43.69	90.24
Human Resource and Institutions (R&D)	4.10	3.15	0.18	5.71
Operation Greens	173.40	161.41	111.70	69.20
Total	728.80	629.80	540.02	85.74

The Ministry is making incessant efforts for utilization of the funds keeping in mind the considerable increase in budgetary provision in the F.Y. 2025-26 as mentioned below:

(i) The Ministry and the Project Management Agencies (PMAs) engaged under component schemes of PMKSY interact frequently with the Project Implementing Agencies (PIAs) of approved projects and are assisting them in timely submission of documents and implementation of the projects.

(ii) Regular review meetings, virtual verification and physical site inspection of projects are conducted by the Ministry and PMAs for timely completion of the projects.

(iii) The Ministry on the request of PIAs, if required, also takes up the matter with the concerned State/UTs Government and their agencies for timely implementation.

In order to generate proposals under PMKSY, EOI of component schemes is floated from time to time on the basis of availability of funds. Further, it is submitted that special EOI for SC/ST/NER category is also floated by the Ministry as and when required to generate more proposals under this category.

Also, revision of component scheme guidelines of PMKSY is undertaken by the Ministry from time to time to make the guidelines simpler and easier to implement.

In view of these efforts, the budget allocated under the scheme for 2025-26 would be utilized.

[Ministry of food processing industries No. H-11012/1/2023-Parl. dated 21.08.2025]

Comments of the Committee

For comments of the Committee please refer to Para No. 1.16 of this Report.

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

(Recommendation No. 5)

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.

Reply of the Government:

The implementation schedule for the projects prescribed in the scheme guidelines of the Scheme for Creation of Infrastructure for Agro Processing Cluster (APC), which is 24 months for general category project, and 30 months for SC/ST, NER & ITDP Area projects from the date of issue of approval letter. In exceptional circumstances, for the reasons beyond the control of the promoter(s), the implementation period may be extended with approval of Project Approval Committee (PAC).

Delay in implementation of projects are due to various reasons like not receiving of various statutory clearances/approvals by the State Government / other concerned Govt authorities such as Consent to Establish (CTE), Consent to Operate (CTO), building/lay out plans, change of land use (CLU), FSSAI license, meeting of pre-disbursement conditions of lending banks for term loan disbursement etc.

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

- (i). The Ministry and the Projects Management Agencies (PMAs) engaged under APC are interacting regularly with the Project Implementing Agencies (PIAs) of approved projects and are assisting them in timely implementation of the projects.
- (ii). Regular review meetings, virtual verification and physical site inspection of APC projects are conducted by the Ministry and PMAs for smooth and timely completion of the projects.
- (iii) Ministry, on the request of PIAs, also takes up the matter with the concerned States/UTs Government and their agencies for smooth and timely implementation.
- (iv) Weather plays major hindrance for the projects especially in NER/difficult areas.
- (v) Budget allocated under BE & RE 2024-25 is after realistic assessment of the projects to be completed during the financial year.
- (vi) Division had requested for Rs. 44.76 crores in RE 2024-25. The Budgetary Estimate of 38.90 crore was however enhanced to Rs. 47.00 crore at RE stage.
- (vii) Against Rs. 47.00 crore allocated under RE 2024-25, Rs. 43.44 crore has been utilized (92.43% of RE) as on 31.03.2025.
- (viii) Further, proposals for Rs. 1.72 crore concurred by IFD, placed for condonation of delay, could not get approved before the end of FY 2024-25 (i.e. 31.03.2025), which has subsequently been approved in April, 2025. Further, Rs. 1.84 crores could not be utilized due to non-receipt of eligible proposals from Programme Implementation Agencies (PIAs).

[Ministry of food processing industries No. H-11012/1/2023-Parl. dated 21.08.2025]

4. Scheme for Integrated Cold Chain and Value Added

(Recommendation No. 6)

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.

Reply of the Government:

Budget allocated under BE & RE, 2024-25 is after realistic assessment of the projects expected to be completed during the Financial Year. The expenditure stood at Rs. 71.24 crore (59.96%) as on 24.01.2025 based on which the Committee has made assessment. However, as against the '**Scheme for Integrated Cold Chain and Value Addition Infrastructure**' RE of Rs. 118.8 crore for 2024-25, Rs. 113.52 crore (95.55 % of RE) was utilized by the Cold Chain schemes till 31.03.2025. The details may be seen as under:

Sub-Scheme of PMKSY	BE - 2024-2025	RE- 2024-2025	AE 2024-25 as per Division (as on 31.03.2025)	Percentage (%) [i.r.t RE]
Integrated Cold Chain & Value Addition Infrastructure	179.8	118.8	113.52	95.55

To ensure the optimum utilization of funds during the period of the fiscal year, the Cold Chain division had taken several steps:

- Timely Release of Funds
- Accelerating Completion of Ongoing Projects:
- Improved Monitoring and Project Tracking by the MoFPI as well as Project Management Agency (PMA)
- Regular Review of the progress of projects against targets
- Periodical review of the projects through SAMPADA Portal.

[Ministry of food processing industries No. H-11012/1/2023-Parl. dated 21.08.2025]

5. Scheme for creation of backward and forward linkages

(Recommendation No. 7)

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.

Reply of the Government:

Under Scheme for the Creation of Backward and Forward Linkages (CBFL) of Pradhan Mantri Kisan Sampada Yojana (PMKSY), an actual expenditure of Rs. 0.02 crore has been incurred for making payments of professional fees to Programme Management Agencies (PMAs), which accounts to 10.17% of the RE of Rs. 0.20 crore during the FY 2024-25. The underutilization of funds in RE was due to non-availability of sufficient eligible proposals under the Object Head- Professional Services of the CBFL scheme.

Under CBFL scheme, 61 projects have been approved. Out of these, 53 projects have been completed and made operational since inception of the scheme.

Grants-in-aid/subsidy of Rs. 12.37 crore has been released so far for implementing eight ongoing projects, which are under different stages of implementation. Further, Programme Management Agencies (PMAs) engaged by this Ministry under CBFL scheme are regularly interacting with the Project Implementing Agencies (PIAs) of ongoing projects and assist them in implementation of the projects. The Ministry is also making incessant efforts for achieving the physical and financial targets by conducting periodical review meetings, virtual verifications and physical site inspections on regular basis. The funds released under CBFL scheme are subjected to

audit from time to time.

[Ministry of food processing industries No. H-11012/1/2023-Parl. dated 21.08.2025]

Comments of the Committee

For comments of the Committee please refer to Para No. 1.19 of this Report.

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

(Recommendation No. 8)

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.

Reply of the Government:

Upward revision of estimates to Rs 48.40 crores at RE Stage was sought as it was expected that many of the ongoing projects will be completed by 31.03.2025, in line with the RE, an amount of Rs.43.69 crores was released which is Rs 13.69 crores more than BE. The details of BE, RE and Actual Expenditure till 31.03.2025 is as under:

(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	43.69*	90.26%
2025-26	55.91	--		

as on 31.03.2025

*The total RE could not be released as the proposal for release of funds under the SC category was not received within the FY 2024-25 from the PIA.

As per the outcome budget, out of target of 15 projects, in the financial year 2024-25, 10 FTL projects were completed and out of total 205 sanctioned projects, 169 projects have been completed as per following details:

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	169	720.35	330.00	324.20	6253	444.40

[Ministry of food processing industries No. H-11012/1/2023-Parl. dated 21.08.2025]

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

(Recommendation No. 10)

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.

Reply of the Government:

The Ministry is making out all efforts to ensure that the expenditure as per the Revised estimate is made within the stipulated timeline. Regular review meetings and follow-ups are being conducted with the States/ UT Government for expediting the utilization of the funds as per the allocation made. Further, MoFPI is regularly taking up the issue of credit to micro food processing enterprises in the meetings of State Level Banking Committee (SLBC) meetings.

To raise awareness about the PMFME Scheme at the grassroots level and effectively address regional diversity, the Ministry of Food Processing Industries (MoFPI), has undertaken various initiatives. These efforts include nationwide radio campaigns in regional languages, broadcasted across the country. The State Governments have also been requested to organise district-level awareness exhibitions/workshops / campaigns to engage key stakeholders such as potential micro-food processing enterprises, bank representatives, district officials, and district resource persons etc to create awareness about the PMFME scheme.

The MoFPI is working in convergence with State Rural Livelihoods Mission (SRLM) under the Ministry of Rural Development (MoRD) and State Urban Livelihood Mission (SULM) under the Ministry of Housing & Urban Affairs (MoHUA) for extending the scheme benefits to Self-Help Groups through seed capital Support under the scheme.

Further, to enhance the outreach of the scheme to support cooperatives in the country, the MoFPI is working in collaboration with the Ministry of Cooperation (MoC) and the National Cooperative Development Corporation (NCDC). This convergence aims to raise awareness about the scheme's provisions, mobilize potential beneficiaries, and facilitate access to credit lending for cooperatives.

[Ministry of food processing industries No. H-11012/1/2023-Parl. dated 21.08.2025]

8. NIFTEM

(Recommendation No. 11)

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.

Reply of the Government:

- i. Both NIFTEMs are undergoing infrastructure expansion with financial assistance from the Ministry. The expansion project at NIFTEM-K is nearing completion, while NIFTEM-T's infrastructure project has recently received approval from the Ministry. These infrastructure expansion projects will undoubtedly enhance the student intake at both institutes. Additionally, the Ministry continues to support both institutions through annual grants under various GIA Heads, including salaries, creation of capital assets, general expenses, and scholarships, in order to ensure that existing infrastructure facilities are enhanced to meet the increased demand and maintain the highest standards of education and research excellence.
- ii. As far as establishment of a new NIFTEM in Bihar is concerned, it is informed that the Ministry is actively engaged in consultations with the Government of Bihar to finalize a suitable land for the institute. A response has been received from the State Government in this regard, and as part of the due diligence process, officers from the Ministry are expected to visit the proposed location shortly to assess its feasibility. The Ministry remains committed to the timely and effective implementation of this initiative and will continue to coordinate closely with all stakeholders.

[Ministry of food processing industries No. H-11012/1/2023-Parl. dated 21.08.2025]

9. Food Processing Industry

(Recommendation No. 12)

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.

Point-wise Reply of the Government is given as under:

(i) The Ministry should focus on capacity building and training of the manpower required for the Sector:

“The Capacity Building component of the Pradhan Mantri Formalisation of Micro food processing Enterprises (PMFME) Scheme provisions providing 24 Hours/ 3 Days, Food Processing Enterprise Development Programme (EDP) Training for all applicants of individual and Group category (SHGs/ FPOs/ Cooperatives) recommended for availing credit linked grant by District Level Committee (DLC) and 8 hours/1day training for SHG beneficiaries of Seed Capital under PMFME scheme. Training curriculum includes food safety and hygiene practices, entrepreneurship development, Detailed Project Reports (DPRs) preparation, value addition scope and certifications relevant for food sector. To ensure effective training delivery, two National Institutes of Food Technology, Entrepreneurship and Management (NIFTEM) located in Kundli and Thanjavur, play a pivotal role in training Master Trainers (MTs). These Master Trainers subsequently train District Level Trainers (DLTs) and District Resource Persons (DRPs) with the support of State Level Technical Institutes (SLTIs) recommended by the State Nodal Agency (SNA). So far, upto 23rd April 2025, 1,04,644 beneficiaries have been trained along with 672 Master Trainers (MTs), 1,187 District Level Trainers (DLTs), and 2,505 District Resource Persons (DRPs).”

(ii) There should be wide publicity of the Ministry's Schemes to ensure that a larger population can benefit from them.

“To raise awareness about the PMFME Scheme at the grassroots level and effectively address regional diversity, the Ministry of Food Processing Industries (MoFPI), Government of India, has undertaken various initiatives. These efforts

include nationwide radio campaigns in regional languages, broadcasted across national, community, and private radio stations to ensure widespread coverage. Additionally, national print advertisement campaigns in regional languages have been launched, targeting publications from small to large-scale. The Ministry, in collaboration with State Governments, has also been organizing district-level awareness workshops to engage key stakeholders such as potential micro-food processing enterprises, bank representatives, district officials, and resource persons, ensuring they are well-informed about the PMFME Scheme. Moving forward, the Ministry plans to expand its efforts with continued pan-India campaigns, district-level workshops, exhibitions, and events, all aimed at maximizing reach and boosting participation in the PMFME Scheme at the regional level.

Under the PMKSY scheme project proposals are invited from time to time across the country including remote or underdeveloped areas by floating Expression of Interests (EoIs) on the Ministry's website. Wider publicity is given to the component schemes under PMKSY by circulation through Press Information Bureau (PIB) and publishing in leading national and regional newspapers. Publicity is also done through various social media handles of the Ministry. In addition, under the scheme of Promotional Activities of MoFPI, the Ministry has provided financial assistance to various eligible organizations for organizing 60 events such as seminar, workshop, conference, exhibitions etc. across the country during the year 2024 to create awareness among stakeholders including small farmers and Farmers Producers Organization (FPO) on various schemes of the Ministry.

The selections made under PLI Scheme for FPI was a one-time process. Wide publicity was given when the Scheme was launched and proposals were invited in the year 2021 and 2022.”

(iii) There is urgent need for the simplification of procedures for subsidy applications under all Food Processing Industries (FPI) Schemes.

For PMFME, MIS Portal has been designed for easy process for submission of applications. The portal is online for submission of all the applications and no physical documentation is required under the scheme. The Detailed Project Report is inbuilt in the system and is generated automatically upon filling and submission of all the details along with documents, by the applicants.

The Scheme also engages District Resource Persons (DRPs) at the district or regional level to provide hand-holding support to micro food processing

enterprises which includes assisting micro enterprises in preparing Detailed Project Reports (DPRs), securing bank loans, providing training, upgradation of the units, obtaining necessary regulatory approvals, ensuring hygiene standards etc.

Revision of component scheme guidelines of PMKSY is undertaken by the Ministry from time to time to make the guidelines simpler and easier to implement.

(iv) Surveys and research should be conducted to identify suitable areas and mechanisms for setting up food processing units.

The Ministry has commissioned various studies from time to time to determine the level of processing and post-harvest losses of various agri-produce in the country. Presently, the following studies are being conducted by the Economic Division of the MoFPI, for food processing:

- i. Study on Assessment of Level of Food Processing in India.*
- ii. Study on Assessment of Infrastructure and Logistics Requirement for Food Processing Sector in India*
- iii. Study on Assessment of Demand Supply Gaps of Plants & Machinery for Food Processing Sector in India*
- iv. Study on Assessment of Credit Facilities for food Processing Sector in India*
- v. Study on Assessment of Export Potential of Seafood Products in Emerging Global Economy*

On the basis of the outcomes of these studies, the division will suggest appropriate policy interventions to concerned scheme divisions in consultation with the other divisions of the Ministry.

(v) Efforts should be made to actively promote food processing units based on millets.

Under the PMFME Scheme, millet and its products have been identified as One District One Product (ODOP) in 21 districts across 11 states. As of 23rd April 2025, 3726 loans sanctioned for individual millet processing units across 23 states/UTs. The Ministry has developed 30 training materials and approved 17 incubation centers in 10 states, of which 3 have been commissioned. A unique initiative, the "Millet Mahotsav," was organized in 30 districts to promote millet-based enterprises through exhibitions, buyer-seller meets, technical sessions, and live demos, attracting wide participation from stakeholders and footfalls of around 2,000 per event.

To encourage the use of Millets in food products and promote its value addition, proposals were invited in June 2022 for availing incentives for Millet based products under PLI Scheme. Currently 29 companies are covered under

the said scheme. Incentive amount of ₹26.57 Crore has been disbursed in 20 cases under this Scheme so far.

The Ministry does not set up any food processing industries or units of its own. However, MoFPI under PMKSY scheme provides support in the form of grant in aid/subsidy to the investors for setting up of food processing units, including units based on millets in the country. The scheme is a demand driven scheme. The willing entrepreneurs who want to set up millet-based units, may apply for seeking financial assistance for setting up of food processing units online through SAMPADA portal, as per applicable guidelines.

In order to promote food processing units based on millets, the MoFPI provides financial assistance to various eligible organizations for organizing events such as seminars, workshops, conferences, exhibitions etc. across the country to promote and create awareness among stakeholders including small farmers and Farmers Producers Organization (FPO).

(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.

The MOFPI is implementing a central sector umbrella scheme Pradhan Mantri Kisan Sampada Yojana (PMKSY). Under component schemes of PMKSY, the Ministry provides financial assistance upto ₹15 crore, @ 35% of eligible project cost for projects in general area & @50% of eligible project cost for projects in Difficult Areas as well as for projects of SC/ST, FPOs & SHG, for setting up food processing industries. With creation of Food Processing Infrastructure, the demand for Farm produce which is raw material for Food Processing increases leading to better prices to farmers and increasing farm gate profitability benefitting 3353705 number of farmers.

Under the PMKSY component scheme of Research & Development, as per the scheme guidelines, preference is given to the following R&D project proposals:

(a) Projects that are beneficial for SMEs and farmers, use outcome/ findings of previous R&D projects and are intended towards its commercialization.

(b) Projects relating to development of innovative food packaging material from waste material of food industry material of food industry.

(c) Projects relating to Millet based innovative products

The PMFME Scheme does not support the farmers directly. The scheme focuses on the formalisation of the micro food processing enterprises with the provision to support Individual, Proprietorship, partnerships, SHGs, FPOs, Cooperatives and NGOs. The scheme aims to enhance the competitiveness of existing individual micro-enterprises in the unorganized segment of the food processing industry and promote formalization of the sector. The scheme provides support of credit-linked grant of 35% of the eligible project cost, seed capital of up to Rs. 40,000, capacity building for beneficiaries, and handholding support for the formalization of units. Formalization of units is facilitated through Udyam Aadhaar registration, FSSAI registration, GST registration as per the applicability by handholding support by District Resource Person (DRPs).

Additionally, it extends marketing and branding assistance to groups of FPOs, Co-operatives, SHGs, and regional or state-level Special Purpose Vehicles (SPVs) of micro food processing enterprises.

The PLI Scheme for FPI specify that the entire manufacturing process, including primary processing, of the food products eligible for coverage under the scheme must occur in India, with the exception of additives, flavours and edible oils. This approach aims to benefit farmers by procurement of domestically grown agricultural products for the manufacturing process thereby increasing their income.

(vii) A study should be conducted to identify district-specific products under the 'One District One Product' sub-scheme of the PMFME Scheme.

The PMFME Scheme primarily adopts 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. It provides the framework for value chain development and alignment of support infrastructure. The ODOP are identified by States / UTs based on the agriculture production, raw material availability, presence of micro-food processing enterprises, SHGs/FPOs/Cooperative/micro-enterprises engaged in processing of ODOP, perishability of the product etc. The products have been identified from agricultural, horticultural, animal, poultry, milk, fisheries and aquaculture, marine sectors etc. for 726 districts across 35 States/ UTs with 137 unique products except West Bengal.

(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.

Under the PMFME Scheme, One District One Product GIS Map has been designed to represent ODOP of 726 districts across 35 States/ UTs, also including indicators for tribal, SC, ST, and aspirational districts, and incubation centres approved by the Ministry, facilitating targeted interventions and support.

The scheme of Operation Green under PMKSY aims at increase in food processing capacities and value addition in value chain by creating firm linkages with identified production clusters. Under Operation Greens scheme Ministry is providing financial assistance for **10 fruits & 11 vegetables crops** and Shrimps for value chain development in the identified production clusters across the country. A List of Eligible Production Clusters for Guidelines dated 08.06.2022 for the Scheme of “Operation Greens-Long Term Interventions” under “Pradhan Mantri Kisan Sampada Yojana” is attached at **Annexure**.

Production clusters for Fruits & Vegetables crops have been selected based on the horticultural production data provided by the Ministry of Agriculture and Farmers Welfare, in consultation with the horticulture departments of the respective states. The details of these production clusters are attached at **Annexure**.

In addition, with regard to vegetable production, data made available by National Horticulture Board under the Ministry of Agriculture & FW production is used for identification of production clusters and basis for setting up of relevant food processing industries.

[Ministry of food processing industries No. H-11012/1/2023-Parl. dated 21.08.2025]

CHAPTER – III

**OBSERVATIONS/RECOMMENDATIONS WHICH THE COMMITTEE DO NOT
DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES**

-NIL-

CHAPTER IV

OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

1. Under-utilization of allocated funds

(Recommendation No. 2)

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.

Reply of the Government:

During FY 2024-25, the Ministry was able to utilize Rs 2015.21Cr against RE of Rs 2530 Cr under schemes of MoFPI, which comes to about 80.60% of RE. The main reasons of non-utilization of funds are delay in getting sufficient number of proposals from NER/SC/ST under PMKSY; revised procedure of flow of funds for PMFME and delay in getting claims under PLIS scheme.

MoFPI provides mostly credit linked financial assistance (capital subsidy) in the form of grants-in-aid to entrepreneurs selected on the basis of Expression of Interest (EoI) issued from time to time through its central sector Umbrella 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. These schemes are not any region or state specific but demand driven and is implemented across the country.

With an aim to encourage wider participation of stakeholders, the guidelines of the schemes were revised keeping in mind the ease of doing business and the following measures were taken into account:

- Approval Process simplified by a single Technical Committee and Project Approval Committee
- List of eligible and ineligible components incorporated
- Eligibility criteria clearly defined
- Document submission during online application and for release of instalments simplified
- Timelines for completion of project increased
- Condonation for delay in completion of the project simplified.
- 'Penalty' word removed from guidelines (Decriminalization)
- Need for documents at frequent intervals done away with

The following measures are planned to utilize the enhanced allocation during FY 2025-26 :

- (i) Under PMKSY, the Ministry invited EoI during 2024-25 and will also invite EoI during 2025-26. Many of the projects are under at implementation stage, which are liability of MoFPI. These projects are likely to be completed/operationalized during 2025-26. Also, there is a gestation period for release of 1st/ 2nd/ 3rd instalment of grants in aid to promoter.
- (ii) Under PMFME Scheme, the number of applications sanctioned by the banks has been increased during last year. So, there is a liability on the part of Ministry.
- (iii) In PLISFPI, release is based on the audited balance sheet of the approved projects, which is available only after December of the Current Financial Year. Hence, expenditure will increase.

[Ministry of food processing industries No. H-11012/1/2023-Parl. dated 21.08.2025]

Comments of the Committee

For comments of the Committee please refer to Para No. 1.10 of this Report.

2. NER, TSP and SCSP components

(Recommendation No. 3)

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.

Reply of the Government:

During FY 2024-25, the Ministry was able to utilize Rs 154.40 Cr against RE of Rs 183 Cr in NER heads, Rs 115.66 Cr against RE of Rs 151.89 Cr in SC head and Rs 40.56 Cr against RE of Rs 78.70 Cr in ST head under schemes of MoFPI. The main reasons of non-utilization of funds are delay in getting sufficient number of proposals from NER/SC/ST under PMKSY; revised procedure of flow of funds for PMFME. The Ministry has already initiated measures like relaxation in guidelines to the applicants under these categories, regular monitoring, virtual and physical meetings with promoters and investors, assistance in obtaining statutory approvals from State governments etc.

With regard to delay in the implementation of the projects, the following feedback has been received from the promoters under PMKSY Schemes:

Sr. No.	Indicative reasons for delay in application for Grants in aid belonging to NER/SC/ST category	
1	Change in term loan lending bank or delay in disbursement of term loan by bank	<ul style="list-style-type: none"> • Few of the promoters/PIAs opt for change in term loan lending bank due to better terms and conditions being offered. Hence, procedural delay in this regard and getting necessary approvals leads to delay in overall project implementation timeframe. • Sometimes, due to documentation delay, term loan disbursement by lending bank also takes time, thereby impacting the overall schedule.
2	Delay in receipt of machinery on site due to imports/logistics issues	<ul style="list-style-type: none"> • Few of the plant and machinery components are imported by PIAs from foreign countries in line with their proposed product and quality requirements. These imports, and subsequent installation at site, gets delayed due to multiple factors such as contract negotiations with vendors, import clearances, foreign exchange rate fluctuations etc.

3	Delay in receiving FSSAI license/PCB clearance/changes in capacity	<ul style="list-style-type: none"> FSSAI, CTO and CTE approvals/amendments lead to delay due to overall procedural formalities and timelines. Site visits by department personnel, subsequent updation in online mode etc are few of the factors which contribute to such delays.
4	Delay due to floods/heavy rainfall/landslide	<ul style="list-style-type: none"> Many project site(s), especially in the NER are in areas which are prone to heavy rainfall and flooding. As a result of the same, civil works progress gets halted during months of peak rainfall, due to which subsequent stages also suffer a delay such as machinery procurement and installation. Hence, PIAs have to wait for the rainy period to pass prior to commencement of construction activities.

The main issues faced by the applicants under PMFME scheme are non-sanctioning of loan by banks, collateral guarantee, CIBIL score etc. To resolve the issues, the following actions are being taken under PMFME scheme to facilitate the applicants:

- (i) The Ministry has been sharing Bank wise data of applications sponsored to the Banks and pending for sanction/disbursement with the Dept. of Financial Services (Govt. of India) on fortnightly basis.
- (ii) Periodical DO Letters are sent to the Secretary, DFS for advising Banks to increase sanctions. Last such letter was sent on 26.12.2024 from the Secretary, FPI to the Secretary, DFS.
- (iii) SNAs and SLBCs review meetings are organised every quarter to discuss the issues related to generation of applications and timely sanction/disbursement. Reasons for delay in sanction/disbursement and reasons of rejection are particularly discussed for redressal. The SNAs are advised to increase number of sponsoring to the Banks
- (iv) Periodical DO letters are written to the SNAs/SLBCs and Bank Head Offices to apprise about progress, reasons of higher rejection etc. so as to improve the sanctions. Appreciation Letters to better performing States/Banks and performance letters to others are also being sent periodically. Last such letters were sent in February and April, 2025.
- (v) Periodical VCs are being organised with the field level Bankers (Regional/Zonal Offices) for improving sanctions as also with LDMs/DRPs to increase generation and sanctions.
- (vi) Exclusive SLBC meeting on PMFME was organised in 28 States including North Eastern States (Physical) in 2024-25.
- (vii) The Corporate Offices of 12 Public Sector, 5 Private Sector and 2 large Regional Rural Banks were visited for improving sanctions and disbursements by reducing rejections.
- (viii) Top Bankers – DGMs/GMs, In-charge of the Dept. in Banks' Head Offices - review meetings are convened every quarter to discuss the issues related to generation of applications and timely sanction/disbursement. The reasons for delay in sanction/disbursement and reasons of rejection are particularly discussed for redressal.

[Ministry of food processing industries No. H-11012/1/2023-Parl. dated 21.08.2025]

Comments of the Committee

For comments of the Committee please refer to Para No. 1.13 of this Report.

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

(Recommendation No. 9)

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.

Reply of the Government:

Expenditure under PLI scheme:

Figures in ₹ Crore			
FY	RE	Actual	% of RE
2021-22	10.00	9.27	92.70 %
2022-23	801.00	489.83	61.15 %
2023-24	1150.00	590.50	51.35 %
2024-25	700.00	450.49	64.36 %

The following steps were taken for simplifying claim submissions:

- a. Documentation required for claim submissions was reviewed for claims for FY 2023-24 and requirements simplified. The documents required for submission of claim were rationalized.
- b. The online portal was reviewed so that maximum details of the Applicant appear in auto-fill mode.
- c. Assistance in the form of dedicated IT help-desk is given to the Applicants for ease of filing claims online.

- d. Video step-by-step guide and tutorial is also available to the Applicants after it logs into the portal for understanding the claim submission

The applicants are urged to provide GST reconciliation as soon as possible. However, the claims without GST reconciliation are also accepted and processed.

Weekly meeting on every Tuesday, 3 PM to 4 PM is scheduled with all the beneficiaries of the Scheme from September 2024 onwards in Video Conferencing mode. The meeting is attended by the Ministry and PMA officials and any issues/ difficulties faced by the Applicants are noted for timely resolution.

Workshops in VC mode were also held in September 2024 and November 2024 for providing demonstration on online claim submissions and feedback was also taken from the Applicant to simplify procedures.

The PLI Scheme for FPI specify that the entire manufacturing process, including primary processing, of the food products eligible for coverage under the scheme must occur India, with the exception of additives, flavours and edible oils. This approach aims to benefit farmers by procurement of domestically grown agricultural products for the manufacturing process thereby increasing their income.

[Ministry of food processing industries No. H-11012/1/2023-Parl. dated 21.08.2025]

Comments of the Committee

For comments of the Committee please refer to *Para No. 1.22* of this Report.

CHAPTER V
OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES
OF THE GOVERNMENT ARE STILL AWAITED

-NIL-

NEW DELHI;

24 March, 2026

03 Chaitra, 1948 (Saka)

CHARANJIT SINGH CHANNI

Chairperson

**Standing Committee on Agriculture,
Animal Husbandry and Food Processing**

Annexure

List of Eligible Production Clusters for Guidelines dated 08.06.2022 for the Scheme of “Operation Greens-Long Term Interventions” under “PRADHAN MANTRI KISAN SAMPADA YOJANA”

A. List of Clusters for Fruits

1. Production Clusters for Mango

Sl. No.	State	Major Production Cluster
1.	Andhra Pradesh	Cluster-1-Chittor, Anantapuram, Kadapa Cluster-2- Krishna
2.	Uttar Pradesh	Cluster-1- Lucknow, Unnao, Sitapur Cluster-2- Saharanpur, Bijnor, meerut, Amroha, Bulandshahar
3.	Gujarat	Cluster-1- Navsari, Valsad Cluster-2- Junagadh, Rajkot
4.	Maharashtra	Cluster-1- Ratnagiri, Sindhudurg, Raigad

2. Production Cluster for Banana

Sl. No.	State	Major Production Cluster
1.	Andhra Pradesh	Cluster-1- Kadapa, Anantapur Cluster-2- East Godawari, West Godawari, Visakhapatnam, Vizianagaram
2.	Gujarat	Cluster-1- Bharuch, Anand, Narmada, Surat, Chhotaudepur, Vadodara
3.	Maharashtra	Cluster-1- Jalgaon
4.	Tamil Nadu	Cluster-1- Erode, Coimbatore Cluster-2- Tuticorin, Theni, Madurai
5.	Uttar Pradesh	Cluster-1- Gorakhpur, Kushi Nagar, Maharajganj Cluster-2- Fatehpur, Kaushambi

3. Production Clusters for Apple

Sl. No.	State	Major Production Cluster
1.	Jammu and Kashmir	Cluster-1- Baramulla, Shopian, Kupwara, Anantnag, Kulgam, Badgam, Pulwama
2.	Himachal Pradesh	Cluster-1- Shimla, Kullu, Kinnaur

4. Production Clusters for Pineapple

Sl. No.	State	Major Production Cluster
1.	West Bengal	Cluster-1- Darjeeling, Uttar Dinajpur, Jalpaiguri
2.	Assam	Cluster-1- Dima Hasao, East/West-karbi Anglong, Kamrup
3.	Tripura	Cluster-1- Dhalai, North Tripura
4.	Meghalaya	Cluster-1- Ri Bhoj Cluster-2- East Garo Hills, West Garo Hills

5. Production Clusters for Kinnow/Mandarin

Sl. No.	State	Major Production Cluster
1.	Madhya Pradesh	Cluster-1- Agar malwa, Shajapur, Rajgarh
2.	Punjab	Cluster-1- Fazilka, Muktsar, Bhatinda
3.	Maharashtra	Cluster-1- Amravati, Nagpur, Akola
4.	Rajasthan	Cluster-1- Jhalawar

6. Production Clusters for Grapes

Sl. No.	State	Major Production Cluster
1.	Maharashtra	Cluster-1- Nashik, Pune Cluster-2- Sangli, Solapur

7. Production Clusters for Amla

Sl. No.	State	Major Production Cluster
1.	Uttar Pradesh	Cluster-1- Pratapgarh, Pratyagraj, Chitrakoot, Banda
2.	Madhya Pradesh	Cluster-1- Katni, Chhindwara, Rewa, Sidhi, Shahdol
3.	Tamil Nadu	Cluster-1- Tirunelveli, Dindigul, Theni

8. Production Clusters for Pomegranate

Sl. No.	State	Major Production Cluster
1.	Maharashtra	Cluster-1- Nashik, Ahmednagar, Pune Cluster-2- Solapur, Sangli
2.	Gujarat	Cluster-1- Kachchh, Nanas Kantha

9. Production Clusters for Guava

Sl. No.	State	Major Production Cluster
1.	Uttar Pradesh	Cluster-1- Budaun, Kasganj, Aligarh, Farrukhabad, Etah
2.	Madhya Pradesh	Cluster-1- Khargone, Indore, Dhar Cluster-2- Sehore, Vidisha, Bhopal Cluster-3- Sheopur, Morena, Gwalior
3.	Bihar	Cluster-1- Balanda, Muzaffarpur, Patna

10. Production Clusters for Litchi

Sl. No.	State	Major Production Cluster
1.	Bihar	Cluster-1- Muzaffarpur, Purbi Champaran, Vaishali, Sitamarhi, Pashchim Champaran

B. List of Clusters for Vegetables

1. Production Clusters for Tomato:

Sl. No.	State	Production Cluster Area
1.	Andhra Pradesh	Chittoor, Anantpur
2.	Madhya Pradesh	Shivpuri
3.	Karnataka	Kolar, chikkaballapur
4.	Odisha	Mayurbhanj, keonjhar
5.	Gujarat	Sabarkantha, Anand, Kheda
6.	Telanagana	Ranga Reddy, Adilabad, Vikarabad
7.	West Bengal	Coochbehar, North 24 Parganas, Nadia, Murshidabad, Alipurduar

2. Production Clusters for Onion:

Sl. No.	State	Production Cluster Area
1.	Maharashtra	Nasik, Ahmednagar, Jalgaon, Pune, Satara, Solapur
2.	Madhya Pradesh	Dewas, Indore, Ujjain, khandwa
3.	Karnataka	Gadag, Dharwad
4.	Gurajar	Bhavnagar, Amreli
5.	Bihar	Nalanda

3. Production Clusters for Potato:

Sl. No.	State	Production Cluster Area
1.	Uttar Pradesh	Agra, Firozabad, Hathras, Aligarh, Rarrukhabad, kanauj, Meerut, Hapur, Bulandshahar, Badaun, Sambal, Muradabad
2.	West Bengal	Hooghly, Pruba Bardhaman, Paschim Medinipur, Bankura
3.	Bihar	Nalanda, Patna, Vaishali
4.	Gujarat	Banaskantha, Sabarkantha
5.	Madhya Pradesh	Indore, Ujjain, Dewas, Shajapur, Chindwada
6.	Punjab	Jalandhar, Hoshiarpur, Ludhiana, Kapurthala

4. Production Clusters for Beans:

Sl. No.	State	Production Cluster for Studies
1.	Gujarat	Cluster-1- Anand, Kheda, banas Kantha, Mahesana, Ahmedabad, Vaodara
2.	Andhra Pradesh	Cluster-1- Kurnool, Chittoor, Prakasam, Kadapa, Guntur, Anantpur
3.	Jharkhand	Cluster-1- Ranchi, Gumla, Khunti, Simdega, Lohardaga
4.	Tami Nadu	Cluster-1- Krishnagiri, Vellore, Dharmapuri, Erode, The Nilgiris, Salem. Cluster-2- Dindigul
5.	Uttar Pradesh	Cluster-1- Lucknow, Hardoi, Shahjahanpur, Unnao, Kanpur Nagar, Gonda, Sitapur
6.	West Bengal	Cluster-1- 24 Parganas North, Murshidabad, Nadia, Hooghly, 24 Parganas South, Birbhum
7.	Bihar	Cluster-1- Munger. Cluster-2- Vaishali, Patna, Nalanda
8.	Madhya Pradesh	Cluster-1- Indore, Barwani, Ratlam, Sehore

5. Production Clusters for Gourd Family:

Sl. No.	State	Production Cluster for Studies
1.	Uttar Pradesh	Cluster-1-
2.	Bihar	Cluster-1-
3.	Madhya Pradesh	Cluster-1-
4.	West Bengal	Cluster-1-
5.	Haryana	Cluster-1-
6.	Chhattisgarh	Cluster-1-
7.	Assam	Cluster-1-

6. Production Clusters for Carrot:

Sl. No.	State	Production Cluster for Studies
1.	Haryana	Cluster-1- Sonipat, Panipat, Rohtak, Karnal, Jind, Hisar, Fatehadbad, Sirsa
2.	Punjab	Cluster-1- Hoshiarpur, Jalandhar, Kapurthala, Amritsar Cluster-2- Ludhiana, Sangrur
3.	West Bengal	Cluster-1- 24 Parganas North, 24 Paraganas South, Hooghly, Purba Bardhaman, Medinipur East
4.	Uttar Pradesh	Cluster-1- Bulandshahr, Aligarh, Agra, Meerut, Mainpuri
5.	Madhya Pradesh	Cluster-1- Katni, Satna Cluster-2- Indore, Ujjain, Mandsaur
6.	Bihar	Cluster-1- Muzaffarpur, East Champaran, Patna
7.	Tamil Nadu	Districts- Dindigul, Krishnagiri, The Nilgiris
8.	Assam	Cluster-1- Bongaigaon, Dhubri, Chirang, barpeta, Udaigiri, Baksa, Nalbari

7. Production Clusters for Cauliflower:

Sl. No.	State	Production Cluster for Studies
1.	West Bengal	Cluster-1- Murshidabad, Nadia, Bankura, 24 Parganas North, Maldah, Medinipur West, Hooghly, Purba Bardhaman
2.	Madhya Pradesh	Cluster-1- Chhindwara, Rewa, Sagar, Katni, Jabalpur, Sidhi, Shahdol, Anuppur Cluster-2- Indore, Dewas
3.	Bihar	Cluster-1- Vaishali, Nalanda, Samastipur
4.	Haryana	Cluster-1- Sonipat, Panipat, Karnal, Yamunanagar, Ambala, Jind, Hisar, Fatehabad, Sirsa
5.	Gujarat	Cluster-1- Sabarkantha, Vasodara, Kheda, Banaskantha, Ahmadabad
6.	Chhattisgarh	Cluster-1- Kondegaon, Durg, Raipur, Bemetara, Balod
7.	Assam	Cluster-1- Barpeta, Kamrup Metro, Nalbari, Kamrup
8.	Uttar Pradesh	Cluster-1- Agra Cluster-2- Unnao, Lucknow
9.	Punjab	Cluster-1- Hoshiarpur, Gurdaspur, Kapurthala Cluster-2- Sangrur, Fatehgarh Sahib

8. Production Clusters for Okra:

Sl. No.	State	Production Cluster for Studies
1.	Gujarat	Cluster-1- Surat, Tapi, Navsari
2.	West Bengal	Cluster-1- Nadia, 24 Parganas South, 24 Paraganas North, Bankura, Murshidabad, Medinipur East, Hooghly
3.	Bihar	Cluster-1- Patna, Muzaffarpur, Vaishali, Nalanda, Samastipur

4.	Madhya Pradesh	Cluster-1- Barwani, Alirajpur, Ratlam, Dewas Cluster-2- Chhindwara, Jabalpur, Sagar
5.	Chhattisgarh	Cluster-1- Kondagaon Cluster-2- Raipur, Durg, Mahasmand
6.	Uttar Pradesh	Districts-Agra, Meerut, Lucknow, Unnao, Mainpuri, Gonda, Hapur
7.	Odisha	Cluster-1- Baleswar, Kandujhar, Bhadrak Cluster-2- Ganjam, Boudh, Nayagarh, Khordha, Puri
8.	Andhra Pradesh	Cluster-1- Kurnool, Anantapur, Chittoor, Kadapa
9.	Assam	Districts- Dhubri, Sivasagar, Nagaon, Cachar, Darrang

9. Production Clusters for Green Peas:

Sl. No.	State	Production Cluster for Studies
1.	Uttar Pradesh	Cluster-1- Jalaun, Lalitpur, Jhansi, Mahoba, Hamirpur, Lucknow Cluster-2- Azamgarh
2.	Madhya Pradesh	Cluster-1-Jabalpur, Chhindwara, Narsinghpur, Sehoni. Cluster-2- Ujjain, Ratlam, Dewas. Other Districts-Rewa, Sidhi, Tikarngarh
3.	Punjab	Cluster-1- Amritsar, Tarn Taran. Cluster-2- Hoshiarpur
4.	Jharkhand	Cluster-1- Koderma Cluster-2- Gumla, Ranchi, Lohardaga, Khunti, Simdega

10. Production Clusters for Okra:

Sl. No.	State	Production Cluster for Studies
1.	Madhya Pradesh	Cluster-1- Tikamgarh, Sagar, Chhattarpur, Vidhisha Cluster-2- Annupur, Rewa, Katni, Singrauli. Other Districts- Dhar, Chhindwara
2.	Karnataka	Cluster-1- Mysore, Hassan, Kodagu. Cluster-2- Shimoga, Haveri.
3.	Assam	Cluster-1- Dima Hasao, K. Anglong, Golaghat, Sonitpur, Udaiguri
4.	West Bengal	Cluster-1- Darjeeling, Kalimpong, Uttar Dinajpore, Alipurduar, Coochbehar, Jalpaiguri
5.	Orissa	Cluster-1- Koraput, Kandhamal
6.	Gujarat	Cluster-1- Dahod, Mahisagar, panchmahai, Chota Udepur
7.	Maharashtra	Cluster-1- Aurangabad, Jalna Cluster-2- Satara, Sangli, Pune
8.	Sikkim	Cluster-1- South District, East District, West district, North District
9.	Manipur	Cluster-1- Churachandpur, Bishnupur, Thoubal
10.	Meghalaya	Cluster-1- East Garo Hills, West Garo Hills, Ri Bhoi, South West Garo Hills, East Khasi Hills, West Jaintia Hills, North Garo Hills
11.	Mizoram	Aizawl, Kolasib, Lawngtlai, Lunglei, Mamit, Saiha, Serchhip, Champhai, Hnahthial, Khawzawl, Saitual
12.	Nagaland	Cluster-1- Peren, Zunheboto, Kohima, Mon, Longleng, Wokha, Dimapur, Phek, Mokokchung, Tuensang

10. Production Clusters for Garlic:

Sl. No.	State	Production Cluster for Studies
1.	Madhya Pradesh	Cluster-1- Ujjain, Ratlam, Nimach, Mandsaur, Indore, Dhar, Dewas, Agar Malwa, Sagar, Rajgarh
2.	Rajasthan	Cluster-1- Baran, Kota, Pratapgarh, Jalawar, Other Districts- Jodhpur
3.	Uttar Pradesh	Cluster-1- Mainpuri, Etah, Firozabad, Etawah, Kanshi Ram Nagar, Aoraiyya

4.	Assam	Cluster-1- Dhubri, Kamrup (R), Baksa, Chirang, Morigaon, Barpeta, kamrup (M), Bongaigaon, Nagaon
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C. List of Clusters for studies awarded for Shimp

Sl. No.	State	Production Cluster for Studies
1.	Andhra Pradesh	Cluster-1- East Godavari, West Godavari, Krishna

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

The Committee sat on Monday, the 23rd March, 2026 from 1035 hrs. to 1118 hrs. in Committee Room No. 2, First Floor, Block-A, Extension to Parliament House Annexe (EPHA), New Delhi.

Present

Shri Charanjit Singh Channi – Chairperson

Members

Lok Sabha

1. Shri Rajkumar Chahar
2. Shri Kuldeep Indora
3. Shri Sukanta Kumar Panigrahi
4. Shri Dushyant Singh
5. Shri Sudhakar Singh

RAJYA SABHA

1. Smt. Ramilaben Becharbhai Bara
2. Dr. Anil Sukhdeorao Bonde
3. Shri H. D. Devegowda
4. Shri Madan Rathore

Secretariat

- | | | | |
|----|----------------------|---|------------------|
| 1. | Shri Dhiraj Kumar | – | Joint Secretary |
| 2. | Shri Maheshwar | – | Director |
| 3. | Shri Prem Ranjan | - | Deputy Secretary |
| 4. | Shri Fauzi Badruddin | - | 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 of the following Draft Subject Reports and Draft Action Taken Reports:

*(i) xxxx xxxx xxxx xxxx xxxx xxxx

*(ii) xxxx xxxx xxxx xxxx xxxx xxxx

*(iii) xxxx xxxx xxxx xxxx xxxx xxxx

*(iv) xxxx xxxx xxxx xxxx xxxx xxxx

*(v) xxxx xxxx xxxx xxxx xxxx xxxx

(vi) Action-taken Report on the Action taken by the Government on the Observations/ Recommendations contained in the 12th Report of the Committee on the Demands for Grants (2025-26) of the Ministry of Food Processing Industries, presented during 18th Lok Sabha.

3*. xxxxx xxxxx xxxxx xxxxx xxxxx.

4. The Committee adopted the Draft Action-taken Reports mentioned at para 2 (iii) to (vi) without any modifications.

5*. xxxxx xxxxx xxxxx xxxxx xxxxx.

6. The Committee also authorized the Chairperson to finalize the Reports in the light of modifications suggested and present the Reports to Parliament.

The Committee then adjourned.

APPENDIX-II

ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE OBSERVATIONS / RECOMMENDATIONS CONTAINED IN THE TWELFTH REPORT (EIGHTEENTH LOK SABHA) OF THE STANDING COMMITTEE ON AGRICULTURE, ANIMAL HUSBANDRY AND FOODPROCESSING (2025-26).

(Vide Para 4 of Introduction of the Report)

(i)	Total Number of Recommendations		12
(ii)	Observations/Recommendations which have been accepted By the Government Para Nos. 1,4,5,6,7,8,10,11 & 12.	Total	09
		Percentage	75%
(iii)	Observations/Recommendations which the Committee do not desire to pursue in view of the Government's replies Para No. NIL	Total	00
		Percentage	0.00%
(iv)	Observations/Recommendations in respect of which Replies of the Government have not been accepted by the Committee Para Nos. 2, 3 & 9	Total	03
		Percentage	25%
(v)	Observations/Recommendations in respect of which final replies of the Government are still awaited Para No. NIL	Total	00
		Percentage	0.00%

