

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA

UNSTARRED QUESTION NO. 583
ANSWER ON 06TH FEBRUARY, 2024

SHARE OF FOOD PROCESSING SECTOR IN GDP

583. SHRI JAGDAMBIKA PAL:

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

- (a) the current share of the food processing sector in the nation's Gross Domestic Product (GDP) and how it has evolved over the last three years;
- (b) the details of investments made in the food processing sector during the last three years;
- (c) the Seed Capital Assistance for Self-Help Groups (SHGs) scheme, including the progress made, the amount provided as seed capital and its impact on supporting small-scale food processing activities;
- (d) whether the Government proposes to prioritize the allocation of seed capital, especially concerning SHGs which are engaged in the One District One Product (ODOP) product; and
- (e) if so, the criteria considered in selecting SHGs for such assistance?

ANSWER

THE MINISTER OF STATE FOOD PROCESSING INDUSTRIES
(KM SHOBHA KARANDLAJE)

(a): The Gross Value Added (GVA) for food processing sector of the country over the last four years has evolved as under:

	2018-19	2019-20	2020-21	2021-22
Gross Value Added(GVA) (Rs. Lakh crore)	2.36	1.96	1.95	2.08

(b): MoFPI has approved projects worth Rs.12817.68 crores under different sub-schemes of the Pradhan Mantri Kisan Sampada Yojna (PMKSY) and Rs.6778.57 crores under the Prime Minister Formalisation of Micro Food Processing Enterprises Scheme (PMFME) during the last three years till date. Investment of Rs.7696.58 crores under the Production Linked Incentive Scheme (PLIS) has also been made during the same period.

(c): Under the component of Seed Capital of the PMFME Scheme, assistance up to Rs.40000/- per Self Help Groups (SHGs) members is provided for SHG units engaged in food processing activity for working capital and purchase of small tools. This support helps SHG units to gain better price realization in the market with improved packaging, quality manufacturing and formalization of units. Seed Capital is provided as grant to SHG Federation which is further given as a loan to the members of SHGs to be repaid to the SHG.

Moreover, Rs. 771.12 crore has so far been released for 2,36,704 SHGs members. For Rural SHGs, an amount of Rs. 620.30 crore has been released to SRLM for 1,94,053 SHGs members. For Urban SHGs, an amount of Rs. 150.81 crore released to SULM for 42,651 SHGs members.

(d) &(e): SHG units already engaged in food processing activities are selected and eligible seed capital benefit is extended based on the sales/ turnover of the respective unit, as per the defined guidelines of Seed Capital component under PMFME Scheme. MoFPI has also converged with the Ministry of Rural Development and the Ministry of Housing & Urban Affairs for mobilizing and identifying of beneficiaries for Seed Capital benefit and further facilitating the utilization of fund by SHG units. No specific prioritization is, however, available for SHGs engaged in processing of One District One Product (ODOP).
