Government Initiatives

- The Animal Husbandry Infrastructure Development Fund (AHIDF) promotes private investment in animal husbandry infrastructure through a total outlay of Rs. 29,610.25 crore (approximately US$ 3.5 billion) and provides a 3% interest subvention. As of December 2025, 428 projects had been approved, with loans sanctioned amounting to Rs. 10,320 crore (US$ 1.19 billion) and interest subvention of Rs. 429.49 crore (US$ 49.67 million) released.
- The Production Linked Incentive Scheme for Food Processing Industries (PLISFPI) has approved 169 applications as of February 2026, resulting in investments exceeding Rs. 9,207 crore (US$ 1.04 billion). The scheme has created around 35 lakh MT per annum of processing capacity and generated about 3.39 lakh direct and indirect jobs, while exports of PLI-supported products has increased with a CAGR of 13.23% as on 2024-25 with reference to 2019- 20.
- The Union Budget FY26 allocated Rs. 2,000 crore (US$ 226.31 million) to the PM Formalisation of Micro Food Processing Enterprises (PMFME) scheme, strengthening micro food processing units and rural value chains.
- The Ministry of Food Processing Industries (MoFPI) has been allocated Rs. 4,064 crore (US$ 459.86 million) in the Union Budget 2026–27, reflecting continued government focus on strengthening the food processing ecosystem.
- The Production Linked Incentive Scheme for Food Processing Industries (PLISFPI), with a Rs. 10,900 crore (US$ 1.23 billion) outlay, has attracted Rs. 9,200+ crore (US$ 1.04 billion) investments, created ~35 lakh MT capacity, and generated ~3.3 lakh jobs, boosting global competitiveness of Indian food brands.
- India is boosting turmeric exports via the SPICED scheme, which includes quality certification, value-addition support, post-harvest upgrades, and domestic & international market linkage programs under the newly formed National Turmeric Board.
- Under the Pradhan Mantri Kisan SAMPADA Yojana (PMKSY), a total of around 1,607–1,618 food processing and preservation projects have been approved as of late 2025/early 2026, of which about 1,185–1,196 projects have been completed and operationalised, benefiting over 36–51 lakh farmers across India.
- APEDA has launched the Bharat's Hub for Agritech, Resilience, Advancement and Incubation for Export Enablement (BHARATI) initiative to empower 100 agri-food and agri-tech startups, foster innovation, improve export readiness and help India achieve Rs. 4,28,450 crore (US$ 50 billion) in agri-food exports of its scheduled products by 2030.
- The Government of India (GOI) introduced the Pradhan Mantri Kisan SAMPADA Yojana (PMKSY), administered by the Ministry of Food Processing Industries (MoFPI). The scheme aims to establish modern infrastructure and streamline supply chain management from farm to retail, fostering growth in the food processing sector. It aims to enhance farmer returns, double farmers' incomes, generate employment opportunities in rural areas, reduce agricultural wastage, increase processing levels, and boost processed food exports.
- The Agro Processing Cluster Scheme under PMKSY is aimed at developing modern infrastructure and common facilities to facilitate the establishment of food processing units based on a cluster approach. This involves connecting groups of producers/farmers with processors and markets through a well-equipped supply chain. Each agro-processing cluster includes Basic Enabling Infrastructure (such as roads, water supply, power supply, drainage, ETP) and Core Infrastructure/Common facilities (including warehouses, cold storages, IQF, tetra pack, sorting, grading) along with at least 5 food processing units requiring a minimum investment of Rs. 25 crore (-US$ 3 million). The units are established simultaneously with the creation of common infrastructure, requiring at least 10 acres of land arranged either through purchase or lease for a minimum of 50 years.
- The "Integrated Cold Chain and Value Addition Infrastructure" Scheme under PMKSY was launched to establish uninterrupted cold chain facilities from farm to consumer, including pre-cooling, storage, and distribution. It encompasses various temperature-controlled storage, packing, and transportation facilities for diverse products like horticulture, dairy, and meat.

- Milk production is growing at Compound Annual Growth Rate (CAGR) of 5.41% over the past 11 years from 146.31 million tonnes during 2014-15 to 247.87 million tonnes during 2024-25.
- The Mega Food Park (MFP) Scheme was launched under PMKSY to integrate agricultural production with the market by bringing together farmers, processors, and retailers. The scheme follows a cluster approach, establishing modern food processing units within well-defined agri/horticultural zones. Each park includes supply chain infrastructure like collection centres, processing units, and cold chains, along with developed plots for entrepreneurs. Under the MFP scheme 41 projects were approved, of which 24 are operational as of December 2023.
- MoFPI initiated the PM Formalisation of Micro food processing Enterprises Scheme (PMFME) nationwide to aid micro food processing enterprises with financial, technical, and business assistance for upgrading operations.
- The One District One Product (ODOP) scheme under PMFME was launched to reap the benefit of scale in terms of procurement of inputs, availing common services and marketing of products. It aims to provide the framework for value chain development and alignment of support infrastructure. ODOP approved for 713 districts in 35 States/UTs with 137 unique products.
- The Branding and Marketing support scheme provides 50% financial grant to groups of FPOs, Self Help Groups (SHGs), cooperatives to promote their existing or proposed brands to market their processed food products under the scheme.
- Food processing units qualify for complete profit exemption in the first five years and 25 percent (30 percent in case of companies) for next 5 years. 100% deduction permitted on capital expenditure for cold chain or warehouse.
- Loans to food and agro-based processing units and cold chain have been classified under agriculture activities for Priority Sector Lending (PSL).
- Government allows 100% FDI in the food processing sector under the automatic route, facilitating a straightforward and efficient investment process.