



Cabinet approves New Central Sector Scheme - "Pradhan Mantri Kisan Sampada Yojana"

Posted On: 23 AUG 2017 4:16PM by PIB Delhi

The Cabinet Committee on Economic Affairs, chaired by the Prime Minister Shri Narendra Modi, has approved the renaming of the new Central Sector Scheme - SAMPADA (Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters) as "Pradhan Mantri Kisan Sampada Yojana (PMKSY) " for the period of 2016-20 coterminous with the 14th Finance Commission cycle. Earlier, CCEA in its meeting held in May, 2017 approved the new Central Sector Scheme - SAMPADA (Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters) with same allocation and period .

Objective:

The objective of PMKSY is to supplement agriculture, modernize processing and decrease Agri-Waste.

Financial Allocation:

PMKSY with an allocation of Rs. 6,000 crore is expected to leverage investment of Rs. 31,400 crore, handling of 334 lakh MT agro-produce valuing Rs. 1,04,125 crore, benefit 20 lakh farmers and generate 5,30,500 direct/ indirect employment in the country by the year 2019-20.

Impact:

- The implementation of PMKSY will result in creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet.
- It will provide a big boost to the growth of food processing sector in the country.
- It will help in providing better prices to farmers and is a big step towards doubling of farmers' income.
- It will create huge employment opportunities especially in the rural areas.
- It will also help in reducing wastage of agricultural produce, increasing the processing level, availability of safe and convenient processed foods at affordable price to consumers and enhancing the export of the processed foods.

Measures to give a boost to Food Processing Sector:

Food Processing Sector has emerged as an important segment of the Indian economy in terms of its contribution to GDP, employment and investment. During 2015-16, the sector constituted as much as 9.1 and 8.6 per cent of GVA in Manufacturing and Agriculture sector respectively.

The manifesto of NDA Government stresses upon incentivizing the setting up of food processing industry for providing better income for the farmers and creating jobs.

Government has taken various other measures to boost food processing sector as follows:

(a) To provide impetus to investment in food processing and retail sector, govt. has allowed 100% FDI in trading including through e-commerce, in respect of food products manufactured and / or produced in India. This will benefit farmers immensely and will create back - end infrastructure and significant employment opportunities.

(b) The govt. has also set up a Special Fund of Rs. 2000 crore in NABARD to make available affordable credit at concessional rate of interest to designated food parks and agro processing units in the designated food parks.

(c) Food and agro-based processing units and cold chain infrastructure have been brought under the ambit of Priority Sector Lending (PSL) to provide additional credit for food processing activities and infrastructure thereby, boosting food processing, reducing wastage, create employment and increasing farmers' income.

Background:

PMKSY is an umbrella scheme incorporating ongoing schemes of the Ministry like Mega Food Parks, Integrated Cold Chain and Value Addition Infrastructure, Food Safety and Quality Assurance Infrastructure, etc. and also new schemes like Infrastructure for Agro-processing Clusters, Creation of Backward and Forward Linkages, Creation / Expansion of Food Processing & Preservation Capacities.

