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HARYANA GOVERNMENT

INDUSTRIES & COMMERCE DEPARTMENT

Notification

The 29th May, 2026

No. 02/02/2026-1IB-II.— In supersession of the Haryana Agri-Business and Food Processing Policy, 2018, the Governor of Haryana is pleased to notify the **'Haryana Agri-Business & Food Processing Policy 2026'** attached as Annexure- A', which will be effective from date of notification for a period of five years.

The policy has been concurred by the Finance Department vide their U.O. No. 01/65/2020-3FD-III/2026/6841, dated 1st April, 2026 and approved by the Council of Ministers in its meeting held on 18 May, 2026.

AMIT KUMAR AGRAWAL,
Commissioner & Secretary to Government Haryana,
Industries & Commerce Department.

Chandigarh:
The 29th May, 2026

Haryana Agri-Business and Food Processing Policy 2026

Directorate of Micro, Small & Medium Enterprises, Government of Haryana

LIST OF ABBREVIATIONS

CA	Controlled Atmosphere
CoE	Centre of Excellence
DoCP	Date of Commencement of Commercial Production/Operations
DSIR	Department of Scientific and Industrial Research
ECE	Eligible Capital Expenditure
EOU	Export Oriented Unit
EV	Electric Vehicle
FCI	Fixed Capital Investment
FDI	Foreign Direct Investment
FPC	Farmer Producer Company
FPO	Farmer Producer Organization
FSSAI	Food Safety and Standards Authority of India
FY	Financial Year
GoH	Government of Haryana
GoI	Government of India
GSVA	Gross State Value Added
GVA	Gross Value Added
HEEP	Haryana Enterprises and Employment Policy
HSIIDC	Haryana State Industrial and Infrastructure Development Corporation Limited
ICT	Information and Communication Technology
IQF	Individually Quick Freezing
LLP	Limited Liability Partnership
MA	Modified Atmosphere
MoFPI	Ministry of Food Processing Industries
MSME	Micro, Small and Medium Enterprises
MSMED	Micro, Small and Medium Enterprises Development
NABL	National Accreditation Board for Testing and Calibration Laboratories
NIFTEM	National Institute of Food Technology Entrepreneurship and Management
PLI	Production-Linked Incentive
PLISFPI	Production-Linked Incentive Scheme for Food Processing Industry
PMFME	Pradhan Mantri Formalisation of Micro Food Processing Enterprises
PMKSY	Pradhan Mantri Kisan SAMPADA Yojana
PMU	Project Management Unit
PPC	Primary Processing and Packing Centre
PR	Public Relations

R&D	Research and Development
RLA	Regular Letter of Allotment
SC	Scheduled Cast
USD	United States Dollar

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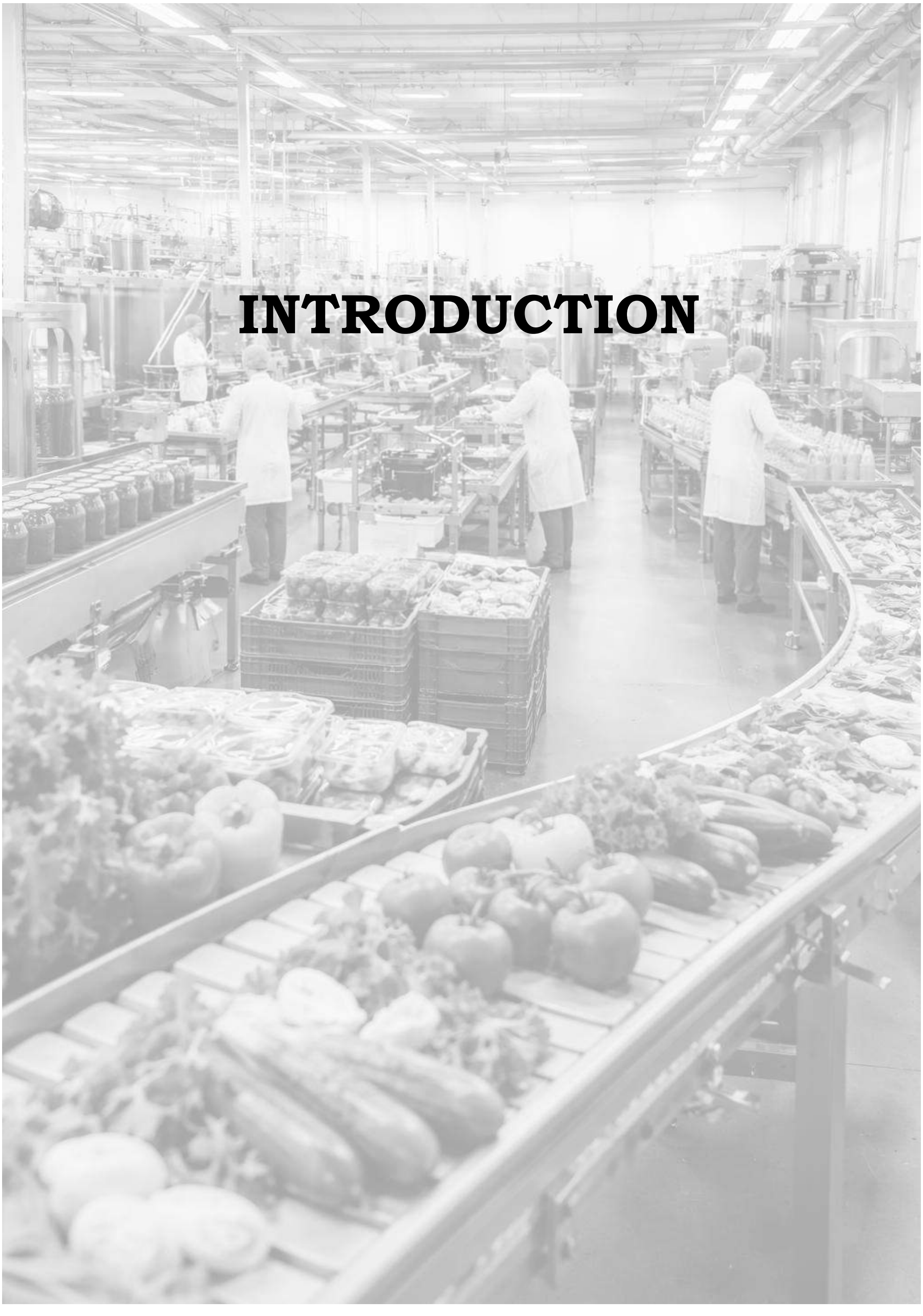
INTRODUCTION



1. INTRODUCTION

1.1 Indian Food Processing Sector

India's strong agricultural base provides significant opportunities for value addition through food processing. The sector has emerged as a key growth engine, supported by rising incomes, urbanisation and evolving dietary preferences. In 2024, the sector was valued at USD 355 billion (Rs. 30.5 lakh Crore) and is expected to reach around USD 535 billion by FY 2026-27.[1] This trend reflects both strong domestic demand and increasing global interest in Indian processed foods.

The sector's growth is also reflected in its rising gross value added, which increased from Rs. 1.34 lakh crore in 2014–15 to about Rs. 2.24 lakh crore in 2023–24. Its global footprint has expanded significantly, with processed food exports nearing USD 49 billion in FY 2024–25. During the period from April 2014 to March 2025, the sector attracted cumulative foreign direct investment of approximately USD 7.3 billion.[2]. Building on this strong growth trajectory, there is considerable scope to further expand processing capacity across agricultural segments, particularly fruits and vegetables.

Recognising this potential, the Government of India has introduced a comprehensive policy framework to strengthen the food processing value chain, from farm-gate infrastructure to global market positioning. Three flagship schemes anchor this framework.

The **Pradhan Mantri Kisan Sampada Yojana (PMKSY)**, with a total outlay of Rs. 6520 Crore for FY 2021-26 (including a Rs. 1,920 Crore top-up approved by the Union Cabinet)[3], supports the development of Mega Food Parks, integrated cold chains, and agri-processing clusters. Out of 1,618 approved projects, 1,185 are operational, attracting Rs. 21,900 Crore in investments, benefiting nearly 51 lakh farmers, and creating an estimated 7.22 lakh jobs.

Complementing this, the **Production Linked Incentive Scheme for Food Processing Industry (PLISFPI)** aims to scale up food processing capacity. The **PM Formalisation of Micro Food Processing Enterprises (PMFME)** scheme provides credit-linked support to micro and small processors, helping integrate informal units into the formal food processing ecosystem. On the institutional front, the **National Institute of Food Technology Entrepreneurship and Management (NIFTEM)** under the Ministry of Food Processing Industries (MoFPI) plays a critical role in strengthening the sector's

[1] *Source: indiafood.icfa.org.in*
[2] *Source: investindia.gov.in*
[3] *Source: pib.gov.in*

innovation and human capital through training, incubation, and industry collaboration.

To further boost India's global competitiveness, the Ministry has undertaken regulatory reforms, including streamlined land and FDI policies. It has also elevated India's international presence through flagship events like World Food India, AAHAR, and the International Food & Hospitality Fair, which position India as a preferred investment destination and promote '**Made in India**' food products worldwide.

1.2 Haryana's Agri and Food Processing Sector

Haryana has long been one of India's leading agricultural states, contributing nearly 15% of the country's central food-grain reserves. About 80% of the State's land is under cultivation, supporting a diverse range of major crops, including wheat, rice, maize, sugarcane, oilseeds, and pulses, along with several high-value crops. The state is also a leading producer of basmati rice, accounting for more than 60% of India's basmati exports, and consistently ranks among the top producers of pearl millet, rapeseed, and mustard. This robust agricultural foundation provides substantial opportunities for the growth and expansion of food processing industries in the State.

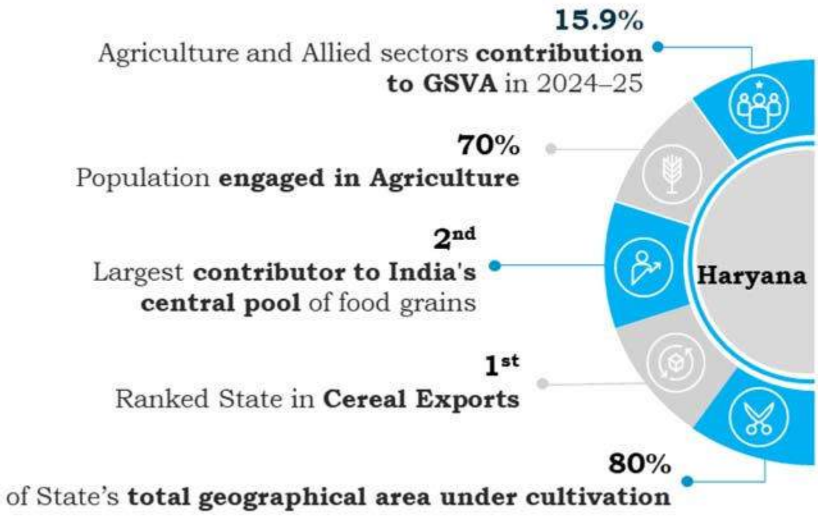


Figure 1: Haryana's Agri Production Statistics

Districts such as Karnal, Kurukshetra, Kaithal, Sonipat, Gurugram, Nuh, and Ambala have emerged as key centres of investment in the food processing MSME sector.

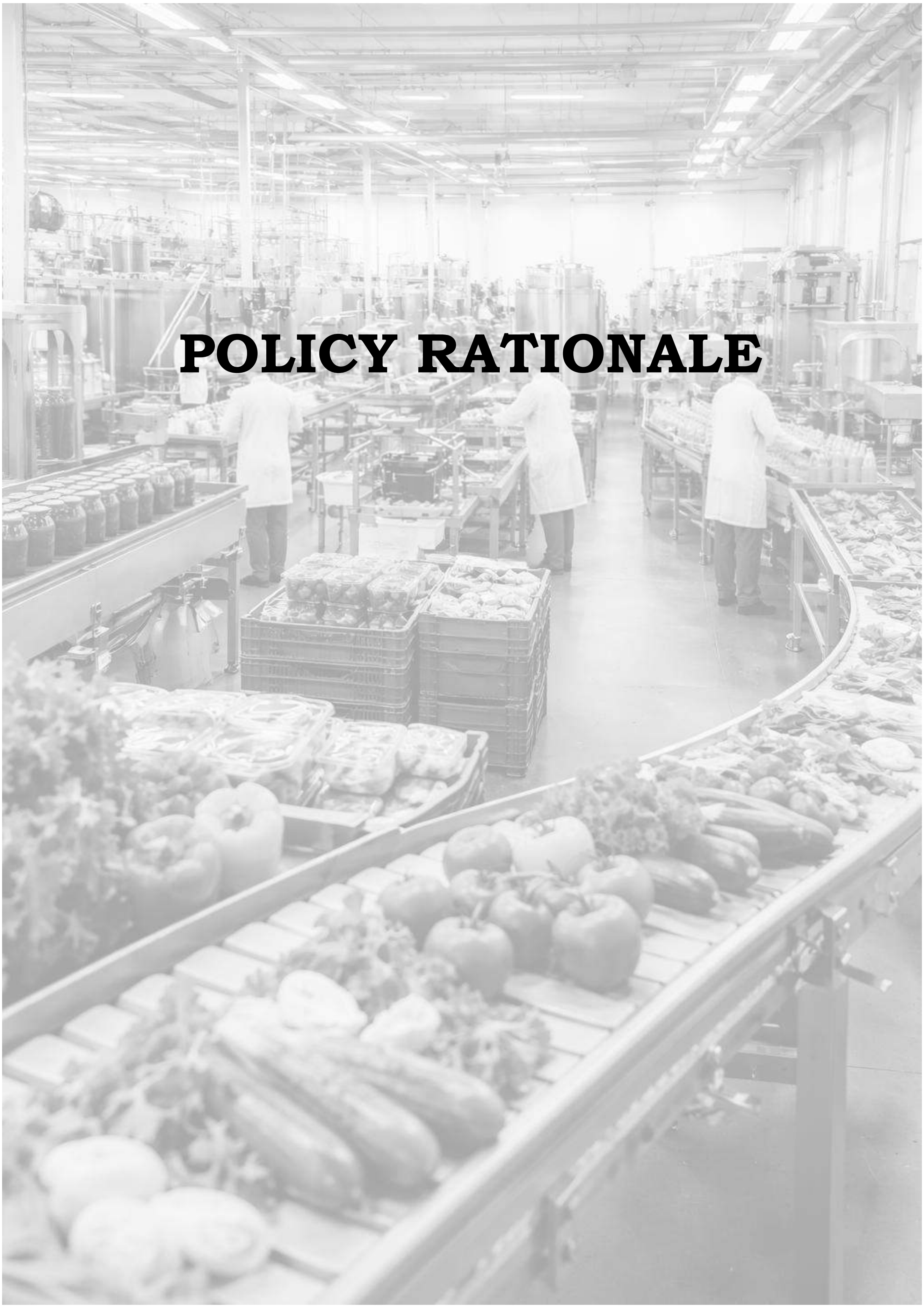
To support industry development, the State has established Mega Food Parks at Barhi and Rai in Sonipat district, at Saha in Ambala district, and at Rohtak, each equipped with modern common infrastructure facilities. Additionally, Mini Food Parks have been set up in Karnal and Hisar, further strengthening the State's food processing infrastructure.

In alignment with the Government of India's vision, Haryana launched **Agri-Business and Food Processing Policy in 2018** to catalyse investment and employment in the food processing sector. Since its introduction, the State successfully attracted Rs. 562.00 crore in private investment, facilitated Rs. 1,250 Crore of investment, and extended Rs. 312 Crore in grant-in-aid from the State Government. The policy provided capital subsidies to strengthen food processing infrastructure, including processing units, food parks, cold chains and collection centres.

Looking ahead, Haryana intends to expand its investment pipeline while supporting the establishment of new enterprises and the upgradation of existing units, with a particular emphasis on emerging segments such as nutraceuticals and nutrition-focused products. It also aims to deepen value addition, diversify the basket of processed foods, and enhance the competitiveness of its food processing value chains.

With a strong agricultural foundation, Haryana is well positioned to expand value addition across segments such as fruits, vegetables, dairy and fisheries. Enhancing processing capacity in these areas can unlock greater investment, improve supply chain efficiencies and create new market opportunities.

The evolving national policy environment presents a timely opportunity to strengthen Haryana's food processing ecosystem. The Government of India has increased budgetary support for the Ministry of Food Processing Industries and extended key programmes under the 15th Finance Commission cycle, including enhanced support for the PMKSY and related schemes. These initiatives provide a strong framework for states to promote agri-clusters, encourage food processing start-ups and expand export-oriented value addition.



POLICY RATIONALE

2. POLICY RATIONALE

2.1 Need for Haryana Agri-Business and Food Processing Policy 2026

Haryana's strong agricultural base and its significant contribution to the State's economy highlight the need for a modern, integrated, and market-responsive food-processing ecosystem. As one of the country's leading producers of cereals, basmati rice, horticultural crops and dairy, the State possesses substantial opportunities to expand value addition through food processing, particularly across perishables such as fruits, vegetables and dairy. Strengthening processing capacity in these segments can help reduce post-harvest losses, enhance farmer incomes and create new avenues for investment and employment.

The Haryana Agri-Business and Food Processing Policy, 2018 laid an important foundation for the sector by attracting private investment and supporting 95 projects, including processing units, cold-chain infrastructure, and mini food parks. With the policy term concluding in December 2024, there is a need for a renewed and forward-looking framework that reflects evolving market dynamics, emerging technologies, and evolving consumer demand.

A next-generation policy, aligned with national initiatives such as PMKSY, Operation Greens, and the PMFME will help unlock Haryana's full potential as a leading hub for food processing in India. The updated policy aims to strengthen value chains, promote innovation and entrepreneurship, enhance processing capacity across key commodities, and support enterprises in leveraging the State's strong agricultural base.

In recent years, the sector has experienced rapid transformation driven by rising demand for processed foods, growing interest in millets, nutraceuticals, and advancements in areas such as smart packaging, food waste utilisation, and cold-chain technologies. To remain competitive and capture these emerging opportunities, Haryana must continue to promote modern processing infrastructure, strengthen supply chains, and enhance quality and safety standards.

Extensive consultations with industry stakeholders, food processors, and institutions like NIFTEM have highlighted the need for a comprehensive, investment-friendly policy. In view of these recommendations, the State Government is pleased to unveil the new, comprehensive "**Haryana Agri-Business and Food Processing Policy 2026**" to further accelerate the development of the sector.

The proposed policy introduces an enhanced incentive framework to support the entire food processing ecosystem, including mini food parks, food-waste recycling units, and smart packaging initiatives. These incentives aim to reduce the capital burden on enterprises, promote the adoption of modern technologies, strengthen farm-to-market linkages, and foster inclusive entrepreneurship, with additional support for women, SC, Divyang, and other priority groups.

Overall, the policy aims to unlock Haryana's full potential in agri-business and food processing by promoting value addition, reducing wastage, creating rural employment, and increasing export competitiveness, thereby establishing the State as a leading destination for food processing investments over the next five years.

2.2 Vision

The Haryana Agri-Business and Food Processing Policy 2026 envisions positioning Haryana as a leading state in the food processing industry, with a focus on emerging and high-growth sectors. Its goal is to support sustainable increase in farmer's income and boost the rural economy by strengthening the farm-to-market connection.

2.3 Objectives

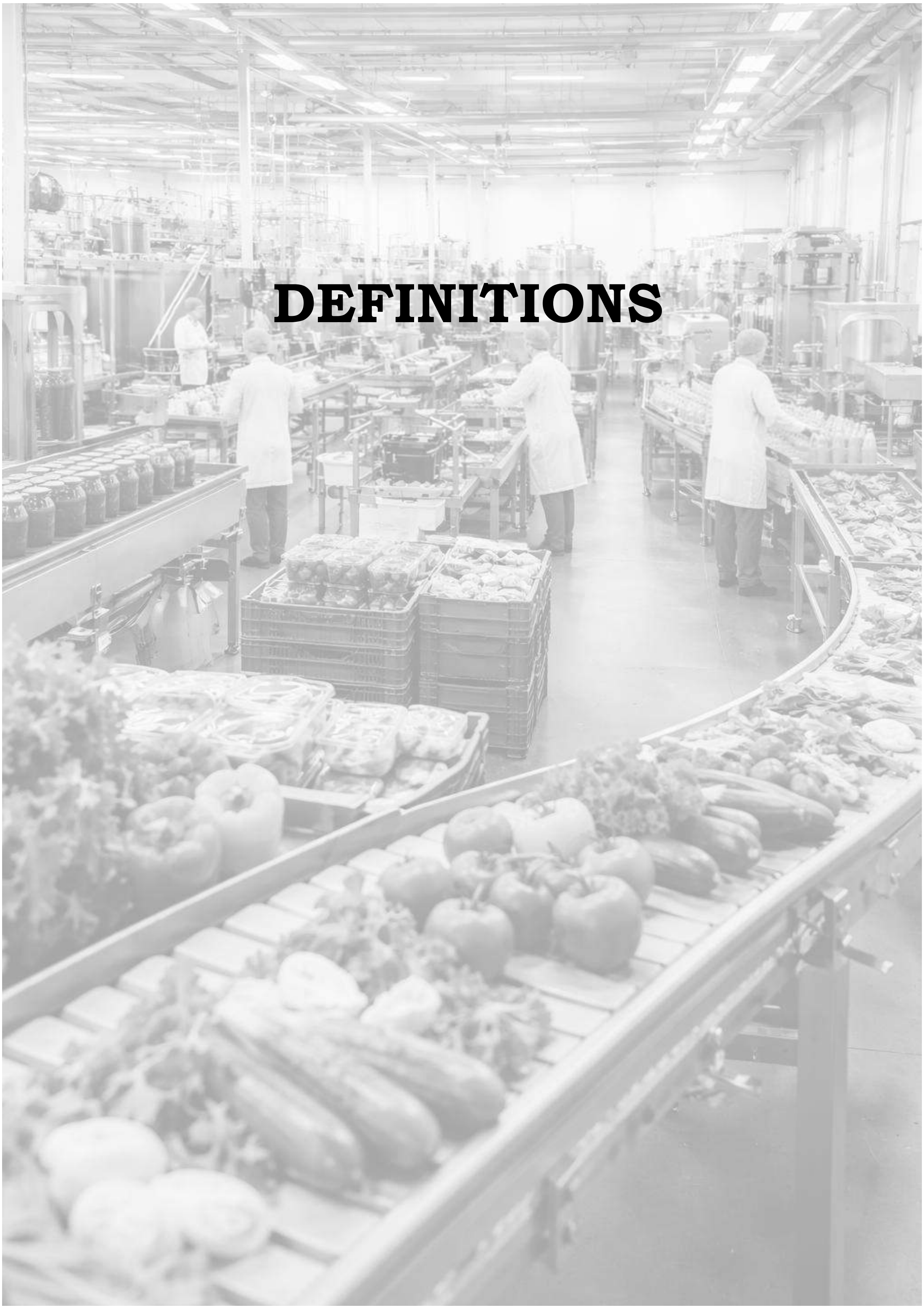
The key objectives of the Haryana Agri-Business and Food Processing Policy 2026 include:

- To attract investments of over Rs. 5,000 Crore and create 30,000 new jobs in the food processing sector.
- Strengthen linkages among farmers, FPOs, processors, and markets to improve price realisation and market access.
- Accelerate value addition and significantly reduce post-harvest losses through food processing units, cold chains, and agri-processing clusters.
- Enhance food processing exports by 50%

2.4 Policy Purview and Eligibility

- The policy covers enterprises in all agriculture and allied sectors, including horticulture, dairy, poultry, fisheries, livestock, and millets. All agri and food processing units, agricultural cooperatives, FPOs (Farmer Producer Organisations), FPCs (Farmer Producer Companies), and ancillary units (such as food packaging facilities) are eligible for incentives under this policy.
- The policy will be in force upon its notification in the Haryana Gazette and remains valid for five years (unless amended).
- Units that commence commercial production during this period are eligible. Existing units undertaking expansion or diversification are treated as new projects if they meet investment criteria.

- A negative list of ineligible activities is specified (*Annexure I*). Units involved in excluded activities will not receive incentives under this policy.



DEFINITIONS

3. DEFINITIONS

(a) Food Processing: "Any raw product of agriculture, animal husbandry or fishing is transformed through a process (involving employees, power, machines or money) in such a way that its original physical properties undergo a change and if the transformed product is edible and has commercial value, then it comes within the domain of Food Processing Industries[4]"

(b) New Enterprise/Unit: It means an enterprise/unit established and commencing commercial production/operation during the operative period of this policy. The existing enterprise/unit undertaking expansion/diversification at different location shall also be considered as New Enterprise/ Unit.

(c) Existing Enterprise/Unit: It means an enterprise/unit existing and in operation prior to notification of this policy.

Any existing enterprise/unit undertaking expansion/ diversification/modernisation at the same location shall also be eligible to avail an incentive under the policy in case of:

- additional Fixed Capital Investment (FCI) of at least 50% of current FCI of the project i.e. FCI as on date of commencement of expansion/diversification.

For the purpose of calculation of FCI in such cases, the original value of assets shall be considered. The expansion should be completed within 18 months of its initiation.

Note: *This definition is aligned with the Make in Haryana Industrial Policy 2026, and any subsequent amendments to that policy shall automatically apply to the Haryana Agri-Business and Food Processing Policy 2026.*

(d) Date of Commencement of Commercial Production/ Operations (DoCP): It means and refers to the date when the first sale bill/ invoice is issued by the enterprise/unit.

(e) Diversification: Diversification means activities undertaken by an eligible enterprise/unit to produce goods/services other than the goods/services which are being currently manufactured/ delivered by the eligible enterprise/unit.

(f) Micro Enterprise: Investment in Plant and Machinery or Equipment does not exceed Rs. 2.5 Crore and annual turnover does not exceed Rs. 10 Crore as amended under the MSMED Act, 2006 or as amended by Government of India from time to time.

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[4] *Source: As per MoFPI, GoI, Annual Report 24-25*

(g) Small Enterprise: Investment in Plant and Machinery or Equipment does not exceed Rs.25 Crore and annual turnover does not exceed Rs.100 Crore as amended under the MSMED Act, 2006 or as amended by Government of India from time to time.

(h) Medium Enterprise: Investment in Plant and Machinery or Equipment does not exceed Rs. 125 Crore and annual turnover does not exceed Rs. 500 Crore as amended under the MSMED Act, 2006 or as amended by the Government of India from time to time.

(i) Fixed Capital Investment (FCI): The new investment in land, infrastructure/ associated utilities, buildings (including for R&D activities, storage, testing, hostel/dormitories for workers, office space etc.), plant, machinery, equipment, hardware & software, power back up arrangements, construction of captive renewable energy plants, effluent treatment plants/ waste management plants/ air pollution control systems/zero liquid discharge equipment, made:

- during the policy period (and)
- before the commencement of commercial production/operations (and) 1 year after the date of commencement of commercial production/ operations or as decided by the competent Authority

shall be considered as Fixed Capital Investment (FCI).

Note:

- *For the purposes of facilitating cases where investment has also been made prior to the notification of this policy, but the date of commencement of commercial production/operations falls under this policy period, the FCI made in the one-year period prior to the date of notification of this policy shall also be considered as FCI.*
- *Working capital, goodwill, preliminary and pre-operative expenses, capitalised interest, and expenses incurred towards acquisition of technology or technical know-how, including consultancy charges, royalty, design and drawings, patents, licenses, and other intellectual property rights, whether capitalised in the books of accounts or otherwise, shall not be considered while calculating Fixed Capital Investment.*
- *This definition is aligned with the Make in Haryana Industrial Policy 2026, and any subsequent amendments to that policy shall automatically apply to the Haryana Agri-Business and Food Processing Policy 2026.*

(j) Eligible Capital Expenditure: The new investment in infrastructure/associated utilities (excluding land), building (including for storage, testing, hotel/dormitories for workers, office space, etc), plant, machinery, equipment, power backup arrangements, hardware and software made:

- during the policy period (and)
- before the commencement of commercial operations (and) 1 year after the date of commencement of commercial production/ operations or as decided by the competent Authority

shall be considered as Eligible Capital Expenditure.

Note:

- *For the purpose of facilitating the cases where the investment has also been made prior to the date of notification of this policy, but the date of commencement of commercial production/operations falls under this policy period, the ECE made in one year period prior to the date of notification of this policy shall also be considered as Eligible Capital Expenditure.*
- *The investment incurred on the purchase of land, construction of captive renewable energy plants, effluent treatment plant/waste management plants/ air pollution control systems/zero liquid discharge equipment, etc., shall not be considered as part of Eligible Capital Expenditure. However, incentives for these components may be claimed in other relevant schemes of the State or Centre Government.*
- *Working capital, goodwill, preliminary and preoperative expenses, capitalised interest, and expenses incurred towards acquisition of technology or technical know-how, including consultancy charges, royalty, design and drawings, patents, licenses and other intellectual property rights, whether capitalised in the books of accounts or otherwise, shall not be considered while calculating Eligible Capital Expenditure.*
- *This definition is aligned with the Make in Haryana Industrial Policy 2026, and any subsequent amendments to that policy shall automatically apply to the Haryana Agri-Business and Food Processing Policy 2026.*

(k) Categorisation of Areas: The categorisation of areas is as follows:

Location	Areas Covered
Prime/ Focus Areas	a) Any area which falls within the boundary of Industrial Investment Promotion Zones as notified by Department of Industries and Commerce, Government of Haryana from time to time

Location	Areas Covered
Sub-Prime Areas	a) Any area earmarked as conforming Industrial Zone in any Development Plan of any City as notified by the Town & Country Planning Department or Urban Local Bodies Department, Government of Haryana. b) All vacant and unallotted# plots in any Industrial Model Township or in any Industrial Estate of HSIIDC. c) All vacant and unallotted* plots in any Private Industrial Park or in any Industrial Colony licensed by the Town & Country Planning Department, Government of Haryana. d) Any area which falls outside the Controlled Area limits notified by the Town & Country Planning Department, Government of Haryana but not included in the Prime/Focus area.
Intermediate Areas	a) All allotted plots## in any Industrial Model Township or in any Industrial Estates of HSIIDC. b) All allotted plots** in Private Industrial Parks or in Industrial Colonies licensed by Town & Country Planning Department, Government of Haryana. c) Any area which falls between the municipal limits notified by Urban Local Bodies Department, Government of Haryana and the Controlled Area limits notified by Town & Country Planning Department, Govt. of Haryana but not included in Prime/Focus Area or Sub-Prime Area.
Core Areas	a) Any area which falls within the municipal limits notified by Urban Local Bodies Department, Government of Haryana but excluding all areas covered under Prime/Focus Area, Sub-Prime Area or Intermediate Area.

#Plots within Industrial Model Townships and Industrial Estates of HSIIDC for which no Regular Letter of Allotment (RLA) has ever been issued as on the date of notification of this policy shall be considered as unallotted plots

**All Plots within Private Industrial Parks or in Industrial Colonies licensed by the Town & Country Planning Department for which no Conveyance Deed/ Sale deed has ever been executed as on date of notification of this policy shall be considered as unallotted plots*

Location	Areas Covered
##Plots within Industrial Model Townships and Industrial Estates of HSIIDC for which Regular Letter of Allotment (RLA) has already been issued as on the date of notification of this policy shall be considered as allotted plots ***All Plots within Private Industrial Parks or in Industrial Colonies licensed by the Town & Country Planning Department for which a Conveyance Deed/ Sale deed has already been executed as on date of notification of this policy shall be considered as allotted plots*	
Note: *a) Municipal limits and Controlled Area limits as on date of promulgation of the policy shall be considered.*	
This definition is aligned with the Make in Haryana Industrial Policy 2026, and any subsequent amendments to that policy shall automatically apply to the Haryana Progressive MSME & Export Promotion Policy 2026.	

(l) **Transitional Investment Protection Clause:** To protect the interests of units that had already initiated their projects prior to the notification of this Policy, any unit which has taken effective steps towards establishment of an industrial unit and has made substantial investments in land, building, plant, machinery, and equipment before the date of notification of this Policy shall be eligible to opt for incentives under the Haryana Enterprises & Employment Promotion Policy (HEEP), 2020, instead of this Make in Haryana Industrial Policy, provided that its Date of Commencement of Commercial Production/Operations (DoCP) occurs within two (2) years from the date of notification of this Policy and subject to fulfilment of the eligibility conditions prescribed under HEEP, 2020.

Further, the aforementioned transitional investment protection clause shall also apply during the transition from this policy to any subsequent industrial policy notified by the Government of Haryana, for eligible units which have taken effective steps and made substantial investments during the validity of this policy, unless otherwise provided in such subsequent policy.

Note: For the purposes of the above clause (point (l)), an Industrial unit which undertakes the below activities shall be considered as having taken effective steps for establishment of industrial unit:

(i) The unit has arranged land or premises by way of purchase, allotment/ transfer, registered lease/rent;

(ii) The unit has obtained sanction for raising finance from a financial institution if applicable or has made adequate arrangements for investments to the satisfaction of Competent Authority;

(iii) The unit has applied for CLU/NOC/Industrial License if applicable;

(iv) The unit has complied with any other condition as decided by the State Government from time to time.

(m) Women/SC/Divyang/Transgender/Ex-Servicemen Led Enterprises: The definition of Women/SC/Divyang/Transgender/Ex-Servicemen Led Enterprises is as follows:

- In case of a proprietorship firm, the proprietor shall be Women/SC/ Divyang/Transgender/Ex-Servicemen.
- In case of a partnership firm, the Women/ SC/ Divyang/ Transgender/ Ex-Servicemen partners shall be holding at least 51% stake in the enterprise.
- In case of private limited companies/LLP, at least 51% stake shall be held by Women/SC/Divyang/Transgender/Ex-Servicemen.

(n) Centre of Excellence (CoE): Centre of Excellence is a dedicated unit that focuses on promoting excellence, innovation, research, and development in a particular area(s)/ sector(s). This is achieved by bringing together a team of highly skilled and experienced professionals who work together to develop and implement best practices, standards, and processes related to their area of expertise.

(o) Standalone R&D Facility/ Project: Standalone R&D Facility/Project means a research and development facility that is independently established and operated, without being co-located with a manufacturing or commercial production unit, and is primarily engaged in scientific research, applied research, product development, process innovation, testing, prototyping, or validation, for domestic or global markets.

(p) Authority for Clarification, Interpretation, and Operational Decisions: Administrative Secretary, Department of Industries and Commerce, Haryana will be the competent authority for clarification/resolution of any doubts related to the interpretation of any term or any provision arising under this policy, approval for notification/amendment of scheme operational guidelines for provisions under this policy and minor amendments for ease of doing business. The decision in this matter shall be final and binding for all stakeholders in such cases.

FISCAL INCENTIVES UNDER HARYANA AGRI-BUSINESS & FOOD PROCESSING POLICY 2026

4. FISCAL INCENTIVES UNDER HARYANA AGRI-BUSINESS AND FOOD PROCESSING POLICY 2026

To build a robust incentive framework that attracts investments and creates large-scale employment opportunities across Haryana's Agribusiness and Food Processing value chain, the state will provide the following incentives to new and existing agri and food processing units.

4.1 Haryana Creation/ Expansion/ Diversification of Agri and Food Processing Units Scheme

The State Government launched the "Creation/Expansion/Diversification of Individual Agro and Food Processing Units Scheme" under the Haryana Agri-business and Food Processing Policy 2018 to increase food processing levels, reduce wastage, add value, boost farmers' income, and enhance exports, thereby promoting the overall development of the food processing sector.

Building on the scheme's positive outcomes, increasing stakeholder demand, and in line with the incentives being offered by the Ministry of Food Processing Industries, Govt. of India, the State Government is now reintroducing the scheme as the "Haryana Creation/ Expansion/ Diversification of Agri and Food Processing Units Scheme" with enhanced incentives and broader coverage to further promote investment in modern processing infrastructure, encourage technology upgradation, support diversification into high-value food products, and strengthen the agri-value chain ecosystem in the State.

Projects undertaken by new and existing agri and food processing units shall be eligible for capital investment subsidy as follows:

- **Core Areas:** 25% of eligible capital expenditure, up to a maximum of Rs. 2.00 Crore
- **Intermediate Areas:** 25% of eligible capital expenditure, up to a maximum of Rs. 2.00 Crore
- **Sub-Prime Areas:** 25% of eligible capital expenditure, up to a maximum of Rs. 4.00 Crore
- **Prime/Focus Areas:** 25% of eligible capital expenditure, up to a maximum of Rs. 4.00 Crore.

Note: *5% extra incentive to Women/SC/Divyang/ Transgender/Ex-Servicemen/100% Export Oriented Unit (EOU)/Joint Venture with foreign investor.*

4.2 Haryana Backward and Forward Linkages Scheme

Haryana's food processing sector faces challenges stemming from fragmented supply chains that impede the development of efficient linkages between farms, processing facilities, and markets. Stakeholders in the sector face difficulties securing consistent, high-quality raw materials in adequate volumes, while producers struggle to access organised markets that prioritise quality and offer better price realisation. Additionally, insufficient distribution infrastructure hampers the sector's reach to retail outlets, institutions, and export markets, thereby limiting its growth potential.

To overcome these challenges, the State Government launched the "Backward and Forward Linkages Scheme" under the Haryana Agri-business and Food Processing Policy 2018 to strengthen supply chain integration across the entire agri-food value chain. The State Government is now reintroducing the scheme as the "Haryana Backward and Forward Linkages Scheme" with enhanced incentives inspired by the benefits being offered by MoFPI, GOI. Through this scheme, the State Government will provide financial assistance for farm-level aggregation centres, like grading and sorting facilities, pack-houses, not only for the main processing but also for the milk chilling centres, and primary processing infrastructure on the backward linkage side, along with market-oriented distribution networks and retail chain development on the forward end. This intervention aims to ensure reliable availability of raw materials for processing units, enhance market access and price realisation for agricultural producers, and develop the supply chain infrastructure needed for a competitive, scalable food processing industry.

Projects undertaken by new and existing agri and food processing units, along with the establishment of backward and forward linkages, shall be eligible for capital investment subsidy as follows:

- **Core Areas:** 35% of eligible capital expenditure, up to a maximum of Rs. 3.00 Crore.
- **Intermediate Areas:** 35% of eligible capital expenditure, up to a maximum of Rs. 3.50 Crore.
- **Sub-Prime Areas:** 35% of eligible capital expenditure, up to a maximum of Rs. 4.50 Crore.
- **Prime/Focus Areas:** 35% of eligible capital expenditure, up to a maximum of Rs. 5.00 Crore.

Note: *5% extra incentive to Women/SC/Divyang/ Transgender/Ex-Servicemen/100% Export Oriented Unit (EOU)/Joint Venture with foreign investor.*

4.3 Haryana Integrated Cold Chain and Value Addition Infrastructure Scheme

Perishable agricultural commodities are highly vulnerable to quality deterioration and economic losses if temperature-controlled handling is disrupted during the supply chain. Several gaps exist at critical stages, including farm pre-cooling, initial storage, processing, value addition using technology and last-mile refrigerated distribution. These infrastructural deficiencies cause significant post-harvest losses, limit the steady supply of quality produce year-round, and hinder processing businesses from reliably sourcing raw materials and delivering consistent, high-quality finished products.

To bridge these infrastructure gaps and establish a resilient temperature-controlled supply chain, the Government of Haryana launched the "Integrated Cold Chain and Value Addition Infrastructure Scheme" under the Haryana Agri-business and Food Processing Policy 2018. This scheme has attracted strong interest from entrepreneurs due to its focus on reducing post-harvest losses, increasing value addition in perishable segments, ensuring year-round, consistent product availability, and strengthening market linkages among producers, processors, and organised domestic and export buyers. Building on its success, the State Government is reintroducing the scheme as the "Haryana Integrated Cold Chain and Value Addition Infrastructure Scheme" with enhanced incentives inspired by the benefits being offered by MoFPI, GOI to boost farmers' income, create local jobs, promote value addition to agricultural produce, and reinforce the overall agri-processing ecosystem.

Projects undertaken by new and existing agri and food processing units for the creation of integrated food processing units with cold chain, preservation and value addition infrastructure shall be eligible under this initiative for capital investment subsidy as follows:

- **Intermediate Areas:** 35% of eligible capital expenditure, up to a maximum of Rs. 4.00 Crore.
- **Sub-Prime Areas:** 40% of eligible capital expenditure, up to a maximum of Rs. 5.00 Crore.
- **Prime/Focus Areas:** 45% of eligible capital expenditure, up to a maximum of Rs. 6.00 Crore.

Note:

- *5% extra incentive to Women/SC/Divyang/ Transgender/Ex-Servicemen/100% Export Oriented Unit (EOU)/Joint Venture with foreign investor.*
- *Illustrative cold chain and value addition infrastructure may include IQF lines, Tunnel Freezers, Spiral Freezers, Blast Freezers, Plate Freezers, Food Irradiation, Vacuum Freeze Drying, or similar technologies.*

4.4 Scheme for Creation of Research & Development (R&D)/Incubation Centre for the Food Processing Sector

To promote innovation, product development, and technological advancement in the food processing industry, the State Government will provide financial support to establish R&D and Incubation Centres. These centres will help enterprises and entrepreneurs develop new and value-added products, processes, techniques, formulations, packaging solutions, and other innovations with commercial potential. They may also assist in testing, prototyping, and commercialising technologies, as well as licensing and adopting innovative solutions to improve the competitiveness and efficiency of the food processing sector.

Under this policy, the State Government will provide financial assistance of 45% of the eligible capital expenditure, up to a maximum of Rs. 5.00 Crore, for establishing the R&D/Incubation Centre either as a standalone facility or within the premises of an existing or new food processing enterprise across the State. The maximum number of applications supported under this scheme shall be five (5).

Note:

- *The R&D / Incubation Centre must be approved/authorised/recognised by NIFTEM/DSIR or any other equivalent Government of India's institution.*
- *Expenditure on building shall not exceed 40% of the total eligible project cost for grant calculation.*
- *5% extra incentive to Women/SC/Divyang/ Transgender/Ex-Servicemen/100% Export Oriented Unit (EOU)/Joint Venture with foreign investor.*

4.5 Scheme for Setting Up/Upgradation of Food Testing and Calibration Labs

To improve quality and enhance food safety in the food processing industry, the State Government will provide support for the development and upgradation of Food Testing and Calibration Laboratories. These labs will offer accurate testing, analysis, and calibration services to food processing enterprises, ensuring they meet all quality, safety, and regulatory standards. They will also facilitate the testing of raw materials and finished items, support certification processes, and help enterprises uphold product quality, boost consumer trust, and strengthen their competitiveness both locally and internationally.

Under this policy, the State Government will provide financial assistance of 45% of the eligible capital expenditure, up to a maximum of Rs. 2.50 Crore, for establishing a new food testing and calibration laboratory or upgrading an existing one.

Note:

- *The laboratory must be approved/authorised/recognised by NABL/ FSSAI or any other equivalent institution.*

- *Applicable for standalone laboratories or laboratories set up within the premises of existing or new food enterprises across the State.*
- *Expenditure on building shall not exceed 40% of the total eligible project cost for grant calculation.*
- *5% extra incentive to Women/SC/Divyang/ Transgender/Ex-Servicemen/100% Export Oriented Unit (EOU)/Joint Venture with foreign investor.*

4.6 Scheme for Creation of Primary Processing and Packaging Centre (PPC)

Primary Processing and Packaging Center (PPC) serves as the first step in the food value chain, converting raw agricultural produce into semi processed or intermediate products suitable for storage, distribution, and further processing. These centers undertake essential farm level activities such as cleaning, grading, sorting, drying, pulping, chilling, and packaging of fresh produce, thereby providing basic processing, preservation, and value addition services. By extending the shelf life of perishable commodities and reducing post harvest losses, PPCs enable farmers to realize better value for their crops and strengthen their linkages with markets.

Recognizing their importance, the State Government seeks to promote the establishment of PPCs across State in rural areas. Such infrastructure will minimize wastage, improve farmers' access to organized markets, and reinforce agricultural supply chains. By enabling value addition at the farm gate, PPCs not only enhance income opportunities but also encourage farmers to step into processing activities and evolve as agripreneurs.

The State Government will provide 45% of the eligible capital expenditure, up to a maximum of Rs. 2.00 Crore, for setting up Primary Processing and Packaging Centre (PPC) in rural areas across Haryana for agriculture, horticulture, or allied produce.

Note:

- *5% extra incentive to Women/ SC/Divyang/Transgender/Ex-Servicemen/100% Export Oriented Unit (EOU)/Joint Venture with foreign investor.*

4.7 Scheme for Setting up Temperature control storage infra and reefer vans for transportation

I. **Temperature-Controlled Storage Infrastructure:** To preserve the quality, freshness, and shelf life of agricultural and horticulture produce, the State Government will promote the development of advanced temperature-controlled storage facilities by providing suitable financial support. These facilities will help reduce post-harvest losses, ensure product quality during storage and transport, and strengthen the overall cold chain system for the food processing industry.

Through this policy, the State Government will provide a Capital Subsidy for facilities such as cold storage, CA rooms, MA rooms, ripening chambers, and others, covering produce from Agriculture, Horticulture, and Non-Horticulture sectors in Haryana as under:

- **Core Areas/Intermediate Areas:** 40% of eligible capital expenditure, up to a maximum of Rs. 2.50 Crore
- **Sub-Prime Areas/Prime/Focus Areas:** 40% of eligible capital expenditure, up to a maximum of Rs. 4.00 Crore

II. **Support for Reefer Vehicles:** To ensure efficient refrigerated transportation of perishable and temperature-sensitive goods, the State Government will provide support for the purchase of reefer vehicles. Under this policy, the State Government will provide a subsidy of 35% of the cost of a reefer van, subject to a maximum of Rs. 30.00 lakh per vehicle across all areas of Haryana; however, in Core Areas, the benefit shall be restricted exclusively for the purchase of an EV-based vehicle.

Note:

- *Eligible vehicles include reefer trucks, insulated trucks, pre-cooling vans and other movable cold chain infrastructure*
- *5% extra incentive for the purchase of EV-based reefer vehicles in all areas except in core areas.*
- *The applicant can avail this incentive for a maximum of two vehicles during the operative period of the policy.*
- *5% extra incentive to Women/SC/Divyang/ Transgender/Ex-Servicemen/100% Export Oriented Unit (EOU)/Joint Venture with foreign investor.*

4.8 Haryana Mini Food Park Scheme

Under the Haryana Mini Food Park scheme, the State Government will provide financial assistance to the promoter/developer to develop a state-of-the-art food park, including basic and common infrastructure facilities.

The State Government will provide financial support for establishing food parks in Intermediate/Sub-Prime/Prime/Focus Areas throughout the entire State, with provisions as outlined below:

I. **For food parks on minimum 5 acres of land:** Grant-in-aid of 45% of the total project cost, up to a maximum of Rs. 5.00 Crore, with a minimum of 3 units and an investment of Rs. 10.00 Crore.

II. **For food parks on minimum 10 acres of land:** Grant-in-aid of 45% of the total project cost, up to a maximum of Rs. 10.00 Crore, with a minimum of 5 units and an investment of Rs. 20.00 Crore.

III. **For food parks on minimum 15 acres or more land:** Grant-in-aid of 45% of the total project cost, up to a maximum of Rs. 15.00 Crore, with a minimum of 8 units and an investment of Rs. 25.00 Crore.

Note:

- *The cost of the land shall not be considered for the calculation of the grant-in-aid.*
- *Basic enabling infrastructure will include site development, including development of industrial plots, boundary wall, roads, drainage, water supply, electricity supply, including power backup, parking bay, weigh bridges, solar plant, common office space, etc. However, the cost of basic enabling infrastructure not exceeding 60% of the eligible project cost would be eligible for grant purpose. The cost of any basic enabling infrastructure outside the food park boundary wall will not be eligible for grant assistance.*
- *Common infrastructure facilities will be based on the needs of the units which will be set up in these parks. The common facilities of may include testing laboratory, cleaning, grading, sorting and packing facilities, boilers, dry warehouse, cold storage, pre-cooling chambers, ripening chambers, IQF, specialized packaging, other common processing facilities, etc. Only the technical civil works and plant and machinery/equipment shall be considered for grant under this scheme.*

4.9 Haryana Food Waste Processing Scheme

Food processing units produce waste during operations, such as rejected raw materials, spillage, and other process-related waste, which, if not managed properly, can cause environmental problems and result in the loss of valuable resources. Currently, food waste recyclers collect this waste and turn it into useful products like manure, animal feed, and other eco-friendly solutions.

To enhance these initiatives, the State Government will provide financial assistance to establish food-waste recycling units across Haryana. This effort is designed to encourage circular economy practices, decrease pollution, alleviate strain on municipal systems, generate new economic opportunities, and foster sustainable growth in the food processing sector.

Under this policy, the State Government will provide a grant-in-aid @45% of eligible capital expenditure, subject to a maximum of Rs. 2.00 Crore per unit for food waste processing or food waste-to-value projects. This incentive is available to both new and existing food processing enterprises that carry out projects such as food waste recycling, processing, treatment, or value addition, including converting food waste into value-added products.

Note: *5% extra incentive to Women/SC/Divyang/ Transgender/Ex-Servicemen/100% Export Oriented Unit (EOU)/Joint Venture with foreign investor.*

4.10 PMFME Top Up Scheme

The Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME) Scheme is a flagship initiative of the Government of India implemented by the Ministry of Food Processing Industries to strengthen the unorganised food processing sector. The scheme aims to support micro food processing enterprises through financial assistance, capacity building, technology upgradation, and branding and marketing support.

To further strengthen the micro food processing enterprises, the State Government will provide an additional 15% subsidy of eligible project cost on top of the existing 35% provided to Individual and Group category by the Government of India, ensuring that the total subsidy does not exceed 50% of the project cost. Only those new and expansion projects approved under the PMFME scheme after the notification of this policy will be eligible for this incentive.

4.11 Haryana Smart Food Packaging Scheme

The scheme aims to promote the establishment of advanced food packaging units in Haryana by encouraging the adoption of aseptic, multilayered, food-grade, and smart packaging technologies that uphold the highest standards of food safety. The initiative supports the development of innovative packaging solutions across all food categories, including fresh produce, processed foods, ready-to-eat items, dairy, beverages, and horticultural goods. Through these efforts, Haryana seeks to position itself as a leading destination for high-quality food packaging investments.

Through this initiative, the State Government will provide financial support @45% of the eligible capital expenditure, subject to a maximum of Rs. 1.00 Crore in Core/Intermediate Areas and Rs. 2.00 Crore in Sub-Prime/Prime/ Focus Areas.

Note:

- *Cost of land and building, food processing machinery unrelated to packaging, R&D and laboratory research, product formulation,* *marketing, branding, working capital, and second-hand machinery shall not be considered as eligible expenditure under the scheme.*

- *5% extra incentive to Women/SC/Divyang/ Transgender/Ex-Servicemen/100% Export Oriented Unit (EOU)/Joint Venture with foreign investor.*

KEY FISCAL INCENTIVES UNDER THE HARYANA AGRI-BUSINESS & FOOD PROCESSING POLICY 2026

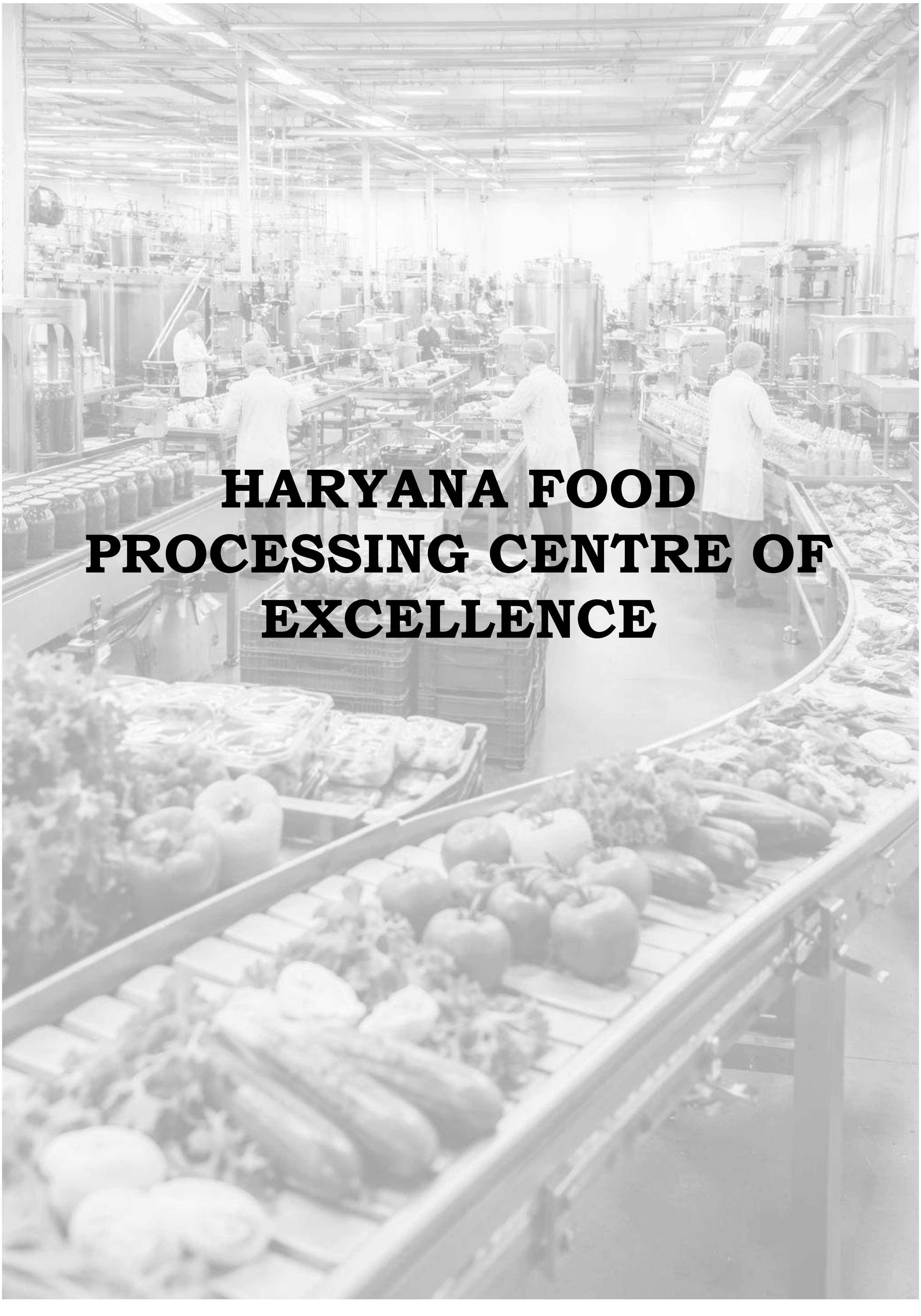
The key fiscal incentives under this section are provided in the table below:

S. No.	Particulars	Quantum of Incentive
4.1	**Haryana Creation/ Expansion/ Diversification of Agri and Food Processing Units Scheme**	New/Expansion/Diversification projects undertaken by new and existing agri and food processing units shall be eligible for capital investment subsidy as follows: ▪ **Core Areas:** 25% of eligible capital expenditure, up to a maximum of Rs. 2.00 Crore. ▪ **Intermediate Areas:** 25% of eligible capital expenditure, up to a maximum of Rs. 2.00 Crore ▪ **Sub-Prime Areas:** 25% of eligible capital expenditure, up to a maximum of Rs. 4.00 Crore ▪ **Prime/Focus Areas:** 25% of eligible capital expenditure, up to a maximum of Rs. 4.00 Crore.
4.2	**Haryana Backward and Forward Linkages Scheme**	New/ Expansion/ Diversification projects undertaken by new and existing agri and food processing units, along with the establishment of backward and forward linkages, shall be eligible for capital investment subsidy as follows: ▪ **Core Areas:** 35% of eligible capital expenditure, up to a maximum of Rs. 3.00 Crore. ▪ **Intermediate Areas:** 35% of eligible capital expenditure, up to a maximum of Rs. 3.50 Crore. ▪ **Sub-Prime Areas:** 35% of eligible capital expenditure, up to a maximum of Rs. 4.50 Crore.

S. No.	Particulars	Quantum of Incentive
		▪ **Prime/Focus Areas:** 35% of eligible capital expenditure, up to a maximum of Rs. 5.00 Crore.
4.3	**Haryana Integrated Cold Chain and Value Addition Infrastructure Scheme**	New/Expansion/Diversification projects undertaken by new and existing agri and food processing units for the creation of integrated food processing units with cold chain, preservation and value addition infrastructure shall be eligible under this initiative for capital investment subsidy as follows: ▪ **Intermediate Areas:** 35% of eligible capital expenditure, up to a maximum of Rs. 4.00 Crore. ▪ **Sub-Prime Areas:** 40% of eligible capital expenditure, up to a maximum of Rs. 5.00 Crore. ▪ **Prime/Focus Areas:** 45% of eligible capital expenditure, up to a maximum of Rs. 6.00 Crore.
4.4	**Scheme for Creation of Research & Development (R&D)/Incubation Centre for the Food Processing Sector**	**Financial assistance to set up R&D/ incubation centre across the state:** ▪ Grant-in-aid of 45% of the eligible capital expenditure, up to a maximum of Rs. 5.00 Crore, for establishing the R&D/Incubation Centre either as a standalone facility or within the premises of an existing or new food processing enterprise across the State.
4.5	**Scheme for Setting Up/Upgradation of Food Testing and Calibration Labs**	**Financial assistance for setting up/up-gradation of laboratories for Food Processing sector across the state:** ▪ Grant-in-aid of 45% of the eligible capital expenditure, up to a maximum of Rs. 2.50 Crore, for establishing a new food testing and calibration laboratory or upgrading an existing one.
4.6	**Scheme for Creation of Primary Processing and**	**Financial support for setting up primary processing and Packing Centre in rural area:**

S. No.	Particulars	Quantum of Incentive
	Packaging Centre (PPC)	▪ Grant-in-aid of 45% of the eligible capital expenditure, up to a maximum of Rs. 2.00 Crore.
4.7	**Scheme for Setting up Temperature control storage infra and reefer vans for transportation**	**The State Government will provide a Capital Subsidy for facilities such as cold storage, CA rooms, MA rooms, ripening chambers, and others, covering produce from Agriculture, Horticulture, and Non-Horticulture sectors in Haryana as under:** ▪ **Core Areas/Intermediate Areas:** 40% of eligible capital expenditure, up to a maximum of Rs. 2.50 Crore. ▪ **Sub-Prime Areas/Prime/Focus Areas:** 40% of eligible capital expenditure, up to a maximum of Rs. 4.00 Crore. **Support for Reefer Vehicles:** Grant-in-aid of 35% of the cost of a reefer van, subject to a maximum of Rs. 30.00 lakh per vehicle across all areas of Haryana; however, in Core Areas, the benefit shall be restricted exclusively for the purchase of an EV-based vehicle. **Note:** • *Eligible vehicles include reefer trucks, insulated trucks, pre-cooling vans and other movable cold chain infrastructure* • *5% extra incentive for the purchase of EV-based reefer vehicles in all areas except in core areas.* • *The applicant can avail this incentive for a maximum of two vehicles during the operative period of the policy.*
4.8	**Haryana Mini Food Park Scheme**	**Capital Subsidy for development of Mini Food Park in Intermediate/Sub-Prime/Prime/ Focus Areas as under:** **For food parks on minimum 5 acres of land:** Grant-in-aid of 45% of the total project cost, up to a maximum of Rs. 5.00 Crore, with a

S. No.	Particulars	Quantum of Incentive
		minimum of 3 units and an investment of Rs. 10.00 Crore. **For food parks on minimum 10 acres of land:** Grant-in-aid of 45% of the total project cost, up to a maximum of Rs. 10.00 Crore, with a minimum of 5 units and an investment of Rs. 20.00 Crore. **For food parks on minimum 15 acres or more land:** Grant-in-aid of 45% of the total project cost, up to a maximum of Rs. 15.00 Crore, with a minimum of 8 units and an investment of Rs. 25.00 Crore
4.9	**Haryana Food Waste Processing Scheme**	**Capital Subsidy for creation of Food waste Processing unit across the state:** Grant-in-aid of 45% of eligible capital expenditure, subject to a maximum of Rs. 2.00 Crore per unit for food waste processing or food waste-to-value projects.
4.10	**PMFME Top Up Scheme**	**Top-up Subsidy for Applications Approved under PMFME scheme:** Topup Assistance @15% of Eligible Project Cost on top of the existing 35% subsidy provided by the GoI, ensuring that the total subsidy does not exceed 50% of the project cost.
4.11	**Haryana Smart Food Packaging Scheme**	**Capital Subsidy for creation of Smart Food Packaging Scheme:** **Core/Intermediate Areas:** 45% of the eligible capital expenditure, subject to a maximum of Rs. 1.00 Crore. **Sub-Prime/Prime/Focus Areas:** 45% of the eligible capital expenditure, subject to a maximum of Rs. 2.00 Crore.



HARYANA FOOD PROCESSING CENTRE OF EXCELLENCE

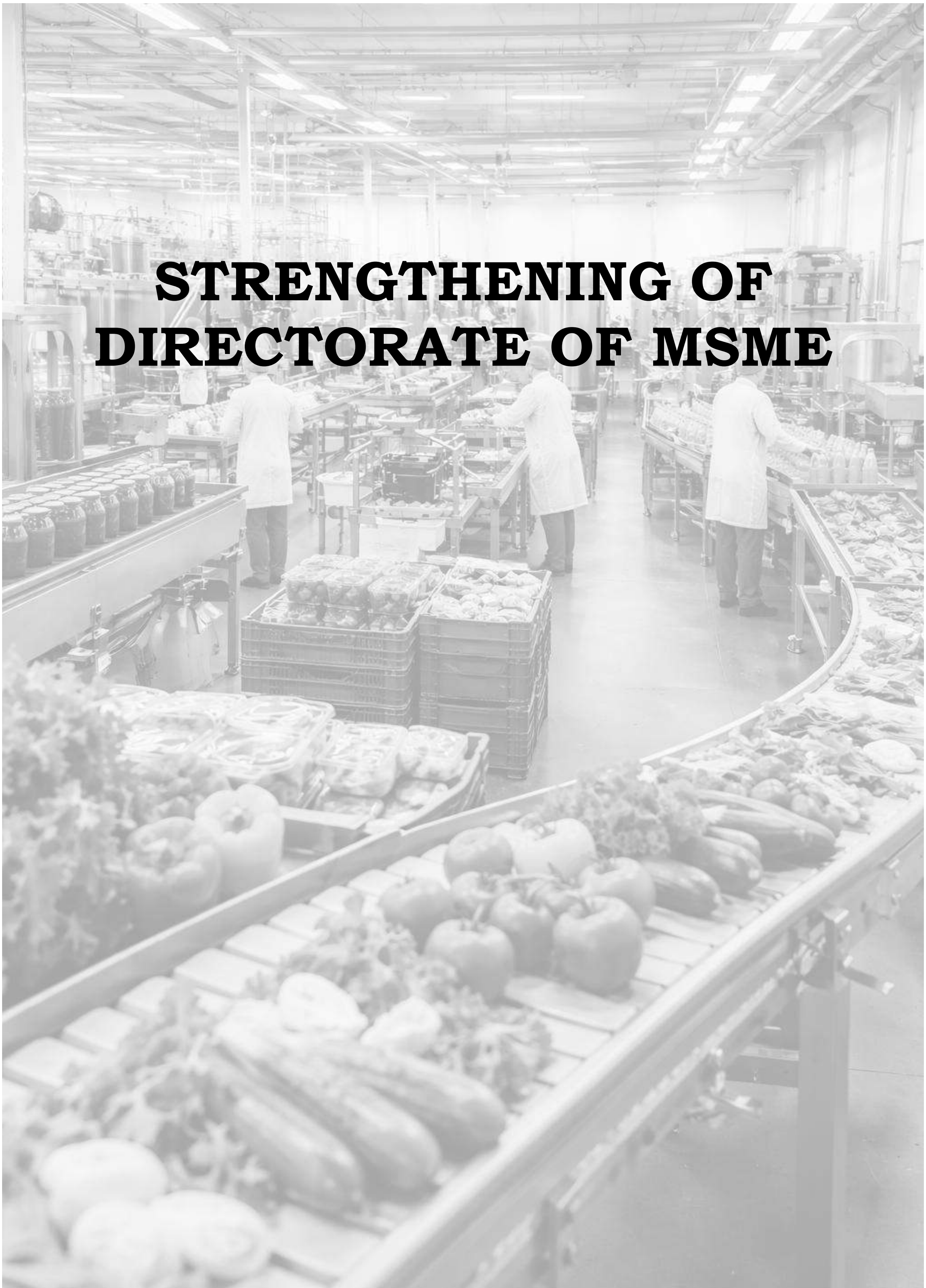
5. HARYANA FOOD PROCESSING CENTRE OF EXCELLENCE

To promote innovation, technology adoption, and value addition in the food processing sector, the State Government will facilitate the creation of Centre of Excellence (CoE) dedicated to food processing. The CoE will act as a hub for knowledge and innovation to support research and development, product innovation, advanced processing technologies, and skill development within the sector. It will offer technical guidance, testing facilities, and industry linkages to MSMEs, startups, FPOs, and large enterprises, thereby strengthening the food processing ecosystem and increasing the sector’s competitiveness in both domestic and export markets.

The Centre of Excellence (CoE) will also assist enterprises in meeting global quality standards, enhancing value addition, and promoting food safety, sustainability, and innovation. Acting as a hub for collaboration among industry, academia, government, and international partners, it will facilitate technology validation, standardisation, and benchmarking while providing access to cutting-edge infrastructure and expert support. Key focus areas include advanced packaging, automated digital processing, energy-efficient and non-thermal methods, sustainable packaging, and integrated food safety and traceability systems to improve product quality and reduce post-harvest losses. International partners will introduce innovative technologies and best practices, collaboratively developing solutions tailored to Indian conditions, strengthening training, demonstrations, industry engagement, and global market connections to elevate Haryana’s international profile.

A budgetary allocation of Rs. 50.00 crore is provisioned under this initiative to establish and operationalise the Centre of Excellence, demonstrating the state's commitment to achieving excellence and innovation.

STRENGTHENING OF DIRECTORATE OF MSME



6. STRENGTHENING OF THE DIRECTORATE OF MSME

The Directorate of MSME under the Government of Haryana plays a crucial role in boosting the competitiveness of the state's food processing sector. The following provisions will be provided to the Directorate of MSME under this policy:

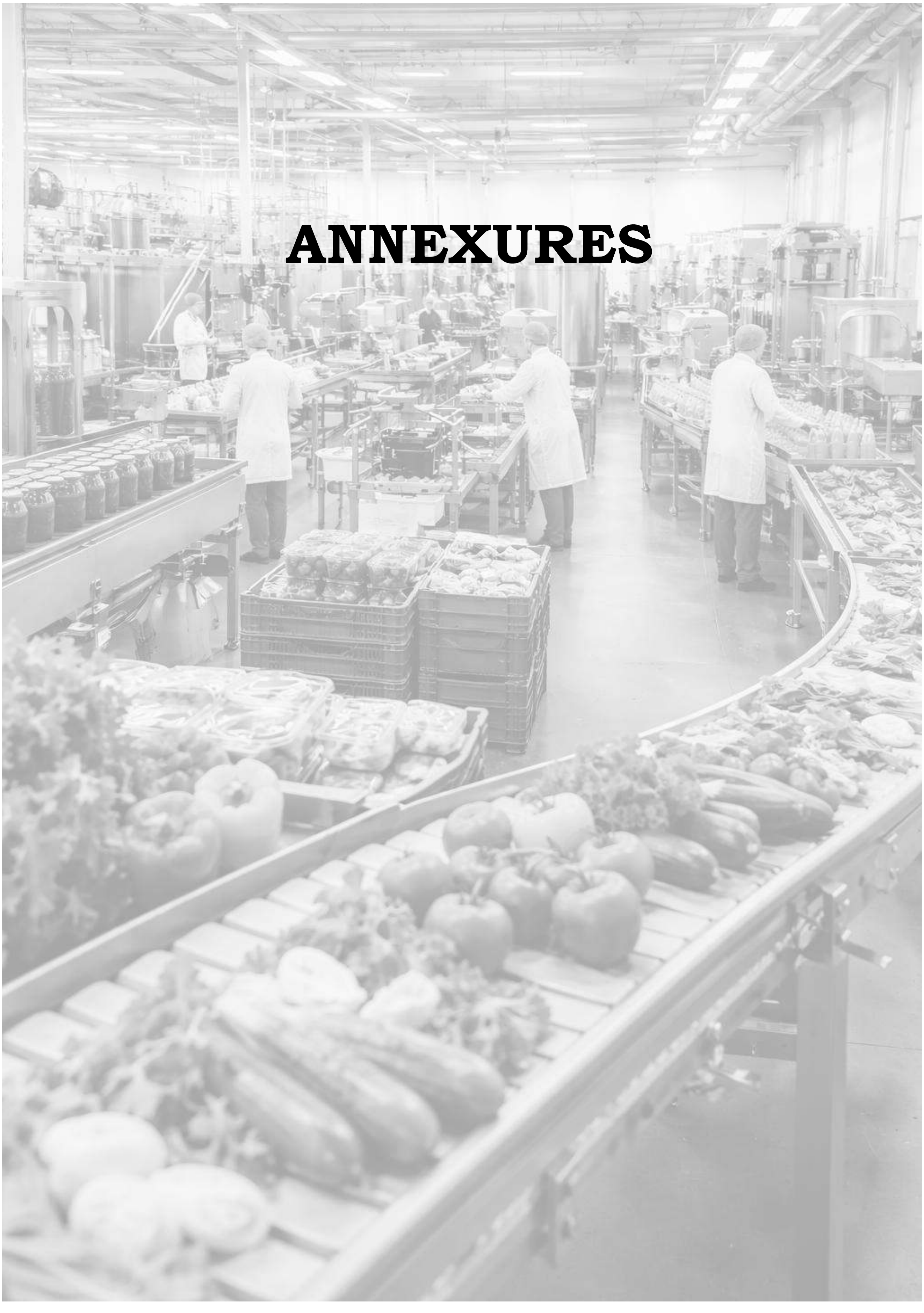
6.1 Administrative Strengthening

The administrative strengthening of the Directorate of Micro, Small, and Medium Enterprises (MSME), Haryana, is crucial for ensuring its effectiveness in supporting and promoting the food processing sector. A budget outlay of Rs. 15.00 Crore shall be provisioned for this purpose. The budget shall be utilised for internal capacity building, ICT requirement, policy implementation support, PMU etc.

6.2 Policy Promotion & Awareness Activities

To ensure the effective implementation of the Haryana Agri-Business and Food Processing Policy 2026, the State Government will allocate a dedicated budget of Rs. 5.00 Crore for policy promotion and awareness activities. This will include organising workshops, seminars, and outreach programs across districts to disseminate information about the schemes, incentives, and support mechanisms available to food processing enterprises through this policy. The budget will also cover the development of digital platforms, engagement of PR/media agencies, promotional campaigns, and capacity-building initiatives aimed at enhancing policy visibility and accessibility.

ANNEXURES



7. ANNEXURES

7.1 Annexure I – Industrial units not eligible for benefits under this policy

The following industrial units/activities shall not be eligible for any benefits under this policy:

i. Activities related to manufacturing of packaged drinking water (other than carbonated drinks/beverages contained fruit juice/pulp (more than 5% in case of lime/lemon and more than 10% in case of other fruits).

ii. Farming activities such as dairy farming, poultry farming, mushroom farming, hatcheries etc. are not eligible for financial assistance under the Scheme. However, processing of dairy products/meat/mushroom shall be eligible for financial assistance.

iii. Shelling, grading, polishing, etc. of rice/wheat/pulses, however, value added products made from rice, wheat and pulses will be eligible.

iv. Manufacture of flour, suji, and maida, etc, however, value added products made from flour, suji, and maida will be eligible.

Note: The above Negative List shall not be applicable for the below mentioned schemes:

Scheme No.	Scheme Name
4.5	Scheme for setting up/upgradation of Food Testing and Calibration Labs
4.7	Scheme for setting up Temperature control storage infra and reefer vans for transportation
4.8	Haryana Mini Food Park Scheme
4.9	Haryana Food Waste Processing Scheme
4.10	PMFME Top-up Scheme
4.11	Haryana Smart Food Packaging Scheme

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