

GOVERNMENT OF INDIA  
MINISTRY OF FOOD PROCESSING INDUSTRIES  
**RAJYA SABHA**  
**UNSTARRED QUESTION No. 1361**  
ANSWERED ON 6<sup>TH</sup> DECEMBER, 2024

**FINANCIAL ASSISTANCE UNDER PMFME**

**1361 SHRI TEJVEER SINGH:**

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

- (a) the financial assistance provided to enterprises under Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME) Scheme, the details thereof;
- (b) the conditions for financial assistance under PMFME Scheme and the application process for its beneficiaries; and
- (c) the salient features of this scheme including the target group, associate banks and the driving schemes?

**ANSWER**

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES  
(SHRI RAVNEET SINGH)

(a) to (c): Ministry of Food Processing Industries (MoFPI) is implementing a Centrally Sponsored- "Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME) Scheme" for providing financial, technical and business support for upgradation of micro food processing enterprises in the country. The scheme is operational for a period from 2020-21 to 2025-26 with an outlay of Rs. 10,000 Crore. 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 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, perishability of the product etc. Organizations such as Proprietorship Firms/ Partnership Firms/ Farmer Producer Organizations(FPOs)/ Non-governmental Organization (NGOs)/ Cooperatives/ Self Help Group (SHGs)/ Pvt. Ltd. Companies etc. are eligible for financial assistance under the Scheme.

The details of financial assistance offered to the enterprises under Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME) Scheme are at **ANNEXURE**. The applications by beneficiaries seeking financial assistance under the scheme are mobilized at the district level and submitted through online PMFME portal with the help of District Resource Persons (DRPs). The application is further forwarded to District Level Committee (DLC) for recommendations to Lending Banks which includes all scheduled commercial Banks (such as Public Sector, Private Sector, Cooperative and Regional Rural Banks). Ministry is working in convergence with various schemes of other Departments / Ministries such as Agriculture Infrastructure Fund (AIF) Scheme under Ministry of Agriculture, Animal Husbandry Infrastructure Development Fund (AHIDF) Scheme under Department of Animal Husbandry & Dairying, Fisheries Infrastructure Development Fund (FIDF) and Pradhan Mantri Matsya Sampada Yojana (PMMSY) under Department of Fisheries, Ministry of Rural Development (MoRD-NRLM), Ministry of Housing and Urban Affairs (MoHUA-NULM), National Cooperative Development Corporation (NCDC), Ministry of Cooperation (MoC), Food Safety Standards Authority of India (FSSAI), Agricultural and Processed Food Products Export Development Authority (APEDA), National Scheduled Castes Finance and Development Corporation (NSFDC) and National Scheduled Tribe Finance and Development Corporation (NSTFDC).

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**ANNEXURE REFERRED TO IN REPLY TO PARTS (a) to (c) OF THE RAJYA SABHA UNSTARRED QUESTION NO. 1361 FOR ANSWER ON 06.12.2024 REGARDING “FINANCIAL ASSISTANCE UNDER PMFME”**

The details of financial assistance offered to the enterprises under “Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME) Scheme” are as under:

- (i). *Support to Individual / Group Category Micro Enterprises:* Credit-linked capital subsidy @35% of the eligible project cost, maximum ceiling Rs.10 lakh per unit;
- (ii). *Support to SHGs for seed capital:* Seed capital @ Rs. 40,000/- per member of SHG engaged in food processing for working capital and purchase of small tools subject to maximum of Rs. 4 lakh per SHG Federation.
- (iii). *Support for Common Infrastructure:* Credit linked capital subsidy @35% subject to maximum of Rs. 3 crore to support FPOs, SHGs, Cooperatives and any Government agency for setting up of common infrastructure. The common infrastructure will also be available for other units and public to utilize on hiring basis for substantial part of the capacity.
- (iv). *Branding and Marketing Support:* Grant upto 50% for Branding and Marketing to groups of FPOs/ SHGs/ Cooperatives or an SPV of micro food processing enterprises.
- (v). *Capacity Building:* The scheme envisages training for Entrepreneurship Development Skilling (EDP+): program modified to meet the requirement of food processing industry and product specific skilling.

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