

GOVERNMENT OF INDIA  
MINISTRY OF FOOD PROCESSING INDUSTRIES  
**RAJYA SABHA**  
**UNSTARRED QUESTION No. 549**  
ANSWERED ON 29<sup>TH</sup> November, 2024

**FINANCIAL ASSISTANCE TO MICRO FOOD PROCESSING ENTERPRISES**

**549. SHRI SUBHASH BARALA:  
SHRI LAHAR SINGH SIROYA:  
DR. KALPANA SAINI:  
SHRI TEJVEER SINGH:**

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

- (a) the details of financial assistance given to enterprises under Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME) Scheme; and
- (b) the salient features of PMFME Scheme?

**ANSWER**

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

(a). The details of financial assistance given to enterprises under Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME) Scheme are at **Annexure**.

(b). 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 of five years 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.

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## ANNEXURE

**Annexure referred to in reply to part (a) in respect of the Rajya Sabha Unstarred Question No. 549 for reply on 29.11.2024 regarding financial assistance to Micro Food Processing Enterprises.**

The details of financial assistance given to enterprises under Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME) Scheme:

- (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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