

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION No. 1512
ANSWERED ON 12TH DECEMBER, 2025

IMPLEMENTATION, PROGRESS AND FUTURE ROAD MAP OF PMFME

1512 SHRI SUBHASH BARALA:

SHRI PRADIP KUMAR VARMA:

SHRI SUJEET KUMAR:

SHRI MAHENDRA BHATT:

DR. KALPANA SAINI:

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

- (a) the challenges identified during the implementation of Pradhan Mantri Formulation of Micro Food Processing Enterprises (PMFME) Scheme and the measures being taken to address them;
- (b) whether the Ministry proposes to strengthen support mechanism for Self Help Groups, Farmers Producer Organisations and micro enterprises engaged in One District One Product (ODOP), including artisans;
- (c) if so, the details thereof;
- (d) the steps being taken to improve the quality of Detailed Project Reports (DPRs), streamline approval processes and enhance coordination between state nodal agencies and financial institutions; and
- (e) whether the Ministry has undertaken any evaluation of the scheme impact on formulation?

ANSWER

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

- (a) The Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME) Scheme was launched as a Centrally Sponsored Scheme in June, 2020 with the objective of assisting micro food processing enterprises in the country, which are largely in informal sector and typically suffer from lack of access to credit, technology upgradation, marketing linkages and capacity building. The scheme components have been designed in a way to address these challenges faced by micro food processing enterprises. Being a demand driven scheme, the biggest implementation challenge is to generate adequate number of complete applications by prospective entrepreneurs and their sanction by implementing Banks. Model Detailed Project Reports (DPRs) for food processing projects have been prepared in consultation with National Institute of Food Technology Entrepreneurship and Management (NIFTEMs) and are placed

on the scheme portal for easy access by all. District Resource Persons (DRPs) have been appointed in sufficient numbers in districts by State implementing Departments / Agencies to guide and handhold the applicants through the application process, which is entirely online and seamless. A total of 12 nationalized, 20 private and 165 other banks are partnering in the implementation of scheme to ensure widest access to public. The applicants are provided training under Entrepreneurship Development Program (EDP) through State Level Technical Institutes (SLTIs) and a pool of such institutes along with Master Trainers, District Level Trainers and Private Training Partners has been created. Apart from entrepreneurship development, such training programs help the applicants in proper project formulation increasing the chance of project sanction by Banks. One percent of budget is earmarked at State level to conduct awareness programs about the publicity of scheme through appropriate medium of communication. Regular review meetings are held with State / UT Governments and participating Banks to improve the performance of the scheme.

(b) & (c) Under the PMFME Scheme, financial, technical and business support is provided to strengthen the Self Help Groups, Farmers Producer Organisations and micro enterprises engaged in One District One Product (ODOP). The details are at **Annexure**.

(d) Various steps have been taken to improve the quality of DPRs, streamline approval processes, and enhance coordination. As mentioned above, 190 Model DPRs for food processing projects have been prepared in consultation with NIFTEMs and are placed on the scheme portal for easy access by all. DRPs have been engaged by States/UTs to provide on-the-ground handholding support and facilitating micro enterprises for preparing comprehensive and viable DPRs as per the requirement.

In addition, PMFME online portal is in place for applicant registration, application submission, and tracking progress through various stages. Approvals for credit-linked subsidies are decentralised at the District / State Level.

Regular review meetings are also conducted with States/ UTs, lending banks, State Level Bankers Committee (SLBC), Department of Financial Services (DFS) and other concerned Ministries/Departments to discuss and resolve implementation challenges.

(e) Ministry of Food Processing Industries (MoFPI) has got conducted a third-party mid-term impact evaluation of the PMFME scheme to assess the impact of the scheme on formalisation of the micro food processing enterprises. As per the study, 60,000 micro food processing enterprises have been formalized under the scheme.

ANNEXURE REFERRED TO IN REPLY TO PART (b) & (c) OF THE RAJYA SABHA UNSTARRED QUESTION NO. 1512 FOR ANSWER ON 12.12.2025 REGARDING “IMPLEMENTATION, PROGRESS AND FUTURE ROAD MAP OF PMFME”

The details of financial assistance available 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 Program (EDP) modified to meet the requirement of food processing industry and product specific skilling.