GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
RAJYA SABHA
UNSTARRED QUESTION No. 731
ANSWERED ON 24TH JULY, 2026

IMPLEMENTATION OF PMFME SCHEME

731. DR. ASHOK KUMAR MITTAL:

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

(a) the total number of micro food processing units formalized and upgraded nationwide under the PM Formalisation of Micro food processing Enterprises (PMFME) scheme;
(b) the financial assistance disbursed to rural self-help groups and farmer producer organizations to build primary processing infrastructure;
(c) the progress made in expanding integrated cold chain and value addition networks to minimize post-harvest agricultural losses;
(d) whether specific incentives are being provided to promote the domestic processing and global export of millet- based nutritional products; and
(e) the steps taken to attract foreign direct investment into the food processing sector?

ANSWER

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

(a): Under the Pradhan Mantri Formalisation of Micro food processing Enterprises (PMFME) Scheme, 74,363 micro food processing enterprises have been formalised, till 30th June 2026.

(b): Under the PMFME Scheme, support to upgrade existing units or setting up of new micro units is provided through a credit linked grant @ 35% with maximum grant of Rs.10 lakh to all the eligible applicants including Self Help Groups (SHGs) and Farmer Producer Organizations (FPOs). Support for creation of Common Facility Centre (CFC) is provided @ 35% of eligible project cost with maximum limit of Rs. 3 Crore to FPOs/ SHGs and its Federations/ Cooperatives/ Government Agencies to establish food processing line along with common infrastructure/ value chain/ incubation centre. Also, support for Seed capital @ Rs. 40,000 per SHG member is provided with maximum upto Rs. 4 lakhs for working capital and purchase of small tools & equipment.

As on 30th June, 2026, subsidy of Rs. 29.94 crore has been approved for 1483 micro food processing enterprises of SHGs in rural as well as urban areas and Rs. 94.37 crore has been approved for 307 micro food processing enterprises of FPOs under Credit Linked Subsidy component of the scheme. Also, Seed capital support of Rs. 1166.99 crore is sanctioned for 3,43,760 rural SHG members.

(c): Integrated Cold Chain & Value Addition Infrastructure is a component scheme under Pradhan Mantri Kisan SAMPADA Yojana (PMKSY). As on 30.06.2026, the Ministry has approved

409 integrated cold chain projects, of which 311 projects have been completed. These completed projects have created a preservation capacity of approximately 46.83 lakh metric tonnes (LMT), processing capacity of approximately 153.01 LMT per annum, and established an integrated cold chain network across the country, contributing significantly to minimizing post-harvest losses, improving supply chain efficiency, and promoting value addition.

(d): Under the PMFME Scheme, support is provided for credit linked subsidy and creation of Common Infrastructure for all the products including millets. In addition, the Scheme provides Branding and Marketing support to facilitate development of common brands, improved packaging, quality standardisation and wider promotion of products. These interventions strengthen millet value chains, promote value addition and support expansion of domestic and international markets.

Under the component schemes of PMKSY, financial assistance is provided for setting up food processing projects and related infrastructure for agricultural produce including millets across the country.

In addition to this, Ministry is implementing Production Linked Incentive Scheme for Millet Based Products to increase the use of millets in food products and promote their value addition by incentivizing the manufacturing and sale of selected millet-based products in both domestic and export markets.

(e): Government has taken following measures to enhance the foreign investment in Food Processing Sector:

i. Exempting all the processed food items from the purview of licensing under the Industries (Development and Regulation) Act, 1951;
ii. 100% Foreign Direct Investment (FDI) permitted through automatic route for food processing sector subject to sectoral regulations;
iii. 100% Foreign Direct Investment, under Government approval route, for trading including through e-commerce, in respect of food products manufactured or produced in India;
iv. Lower GST for raw and processed product; more than 95% of the food products have been brought in low GST slabs of 0 and 5%.

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