

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION NO. 1163
ANSWERED ON 09TH FEBRUARY, 2021

PM FME SCHEME

1163. SHRI RAVNEET SINGH BITTU:

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

- (a) the details of the Prime Minister Formalisation of Micro Food Processing Enterprises Scheme (PM FME Scheme);
- (b) whether it is a fact that an agreement has been signed recently between various Ministries of the Government for development of convergence mechanism for implementation of the PM FME Scheme;
- (c) if so, the details thereof along with areas identified for implementation of the scheme, State/UT-wise; and
- (d) the details of the benefits likely to accrue to the Food Processing Industry through this convergence mechanism agreement in future?

ANSWER

THE MINISTER OF STATE FOR FOOD PROCESSING INDUSTRIES
(SHRI RAMESWAR TELI)

(a): As part of Aatmanirbhar Bharat Abhiyan, Ministry of Food Processing Industries (MoFPI) has launched an all India centrally sponsored "PM Formalisation of Micro food processing Enterprises (PMFME) Scheme" for providing financial, technical and business support for upgradation of existing micro food processing enterprises. It is to be implemented for a period of five years from 2020-21 to 2024-25 with an outlay of Rs.10,000 crore. Two lakh micro food processing units will be directly assisted with credit linked subsidy.

(b) & (c): Yes, Sir. Ministry has signed Joint Letters with Ministry of Rural Development & Ministry of Tribal Affairs and Memorandum of Understanding with Indian Council of Agricultural Research (ICAR), National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED), Tribal Cooperative Marketing Development Federation of India (TRIFED), National Cooperative Development Corporation (NCDC) & National Scheduled Castes Finance and Development Corporation (NSFDC). The details are at **Annexure**.

(d): The said Ministries/institutions would converge their activities by facilitating identification of units/clusters of STs, SCs, Cooperatives, FPOs and SHGs, preparation of DPRs, handholding support, packaging, technology transfer, marketing and branding etc. All the beneficiaries would be trained and facilitated with common infrastructure support. Establishment of incubation centre would enhance the access to resources for enterprises.

ANNEXURE REFERRED TO IN REPLY TO PART (b) & (c) OF THE LOK SABHA UNSTARRED QUESTION NO. 1163 FOR ANSWER ON 09TH FEBRUARY, 2021 REGARDING “PM FME SCHEME”.

Details on Development of Convergence Mechanism for Implementation of the PM FME Scheme

- **Joint Letter with Ministry of Rural Development** – It would facilitate in release of seed capital and capital subsidy amount to eligible SHGs engaged in micro-food processing sector. Convergence would be on following points:
 - (i) Identification and data collection of eligible SHGs,
 - (ii) Training and capacity building of beneficiaries,
 - (iii) Leveraging capacity of DAY-NRLM to support PMFME scheme,
 - (iv) Handholding support to beneficiaries to avail the seed capital and capital subsidy
 - (v) Marketing and branding of produces of beneficiaries.
- **Joint Letter with Ministry of Tribal Affairs-** It would facilitate identification of the tribal enterprises and groups (existing/potential to be engaged) in the food processing sector including minor forest produce. It would provide marketing support to TRIFOOD products through available marketing channels like Tribes India, Aadi Mahotsav, tribal melas and other e-commerce platforms and build capacity of its state, district, and field level staff for supporting and handholding identified beneficiaries.
- **Memorandum of Understanding (MoU) with Tribal Co-operative Marketing Federation of India (TRIFED)** – It would facilitate developing a new brand to produce ‘TriFood’, for food products made by tribals and undertake efforts for development of the brand and marketing, appropriate packaging, product development, etc. for tribal food products. They would also extend handholding support to Tribal SHGs and Van Dhan SHG groups and their members in preparation of DPRs, getting bank loans, getting necessary technical training, etc.
- **MoU with Indian Council of Agricultural Research (ICAR) Institutions** – It would facilitate sharing the details of food processing technologies, packaging, and machinery developed at various institutes (especially the crop-specific institutes) of ICAR, particularly suitable to micro-enterprises / FPOs / SHGs/ Cooperatives in strengthening their ongoing processes/products as a priority. ICAR Institutions would facilitate preparation/customization of DPRs, reading material, audio-visual training material, and films pertaining to specific products/processes to support the capacity building endeavor under the Scheme.
- **MoU with National Scheduled Castes Finance and Development Corporation (NSFDC) and its channel partners** - It would facilitate capacity building, research, training, and development support for individual enterprises /SHGs/FPOs for SC beneficiaries involved in food processing by facilitating training & capacity building through State Level & Technical Institutions, National Level Research Institutions engaged in Food Processing & Agriculture Research, etc. They would also extend their support in accessing common infrastructure and marketing & branding.
- **MoU with National Agricultural Cooperative Marketing Federation of India (NAFED)** – It would facilitate the development of a new brand to produce ‘Nafed Food’, marketing, and development of Agricultural food products made by FPOs/SHGs/Co- operatives groups.
- **MoU with National Cooperative Development Corporation (NCDC)** – It would facilitate identification and support to Cooperatives and its members engaged in food processing activities in the country in various States and UTs. The identified cooperatives would be supported under the scheme for upgradation of their existing food processing unit, setting up of new food processing units engaged in processing of ODOP products and value addition activities, accessing common infrastructure, marketing, and branding and capacity building under various provisions of the Scheme.