

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION No. 4552
ANSWERED ON 23RD MARCH, 2021

CLUSTERS UNDER ATMANIRBHAR BHARAT CAMPAIGN

4552. SHRI B.B.PATIL

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

- (a) whether it is a fact that under the Aatmanirbhar Bharat Campaign, the emphasis is being laid on rearing clusters for fruits and vegetable processing in the districts across the country;
- (b) if so the details thereof;
- (c) whether Micro food Processing Units are being helped by PM Formalization of Micro Food Processing Enterprises Scheme (PM FME); and
- (d) if so, the details thereof?

ANSWER

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

(a) & (b): As part of *Aatmanirbhar Bharat Abhiyan*, Ministry of Food Processing Industries has launched an all India centrally sponsored scheme "PM Formalisation of Micro food processing Enterprises (PMFME) Scheme" for providing financial, technical and business support for upgradation of existing micro food processing enterprises.

The Scheme 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. ODOP for the scheme will provide the framework for value chain development and alignment of support infrastructure. More than one cluster of ODOP product may be there in a district or cluster of ODOP product may consist of more than one adjacent district. Ministry has approved ODOP for 707 districts of 35 States/ UTs with 137 unique products.

Support for Common Infrastructure for clusters would be provided to FPOs, SHGs, Cooperatives, any Government agency or private enterprises.

(c) & (d): The objectives of the scheme are to build capacity of two lakh micro enterprises through increased access to credit, integration with organized supply chain by strengthening branding and marketing, increased access to common services, strengthening of institutions, research & training in the food processing sector.

The details of support to Micro Food Processing Units under the scheme are mentioned below:

- i. **Support to Individual Micro Enterprises:** Credit-linked capital subsidy @35% of the eligible project cost, maximum ceiling Rs.10 lakh per unit;
- ii. **Support to FPOs/ SHGs/ Producer Cooperatives:** Credit linked Grant @35% to support clusters and groups such as **FPOs/ SHGs/ Producer Cooperatives** along their entire value chain for sorting, grading, storage, common processing, packaging, marketing, testing etc.
- iii. **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.
- iv. **Support for Common Infrastructure:** Credit linked grant @ 35% to support FPOs, SHGs, Cooperatives, any Government agency or private enterprises for 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.
- v. **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.
- vi. **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.
