

GOVERNMENT OF INDIA  
MINISTRY OF FOOD PROCESSING INDUSTRIES  
**LOK SABHA**  
**UNSTARRED QUESTION No. 1399**  
ANSWERED ON 26<sup>TH</sup> JULY, 2022

ALLOCATION OF FUNDS UNDER PMFME

**1399. DR. KALANIDHI VEERASWAMY:**

Will the MINISTER OF *FOOD PROCESSING INDUSTRIES* be pleased to state:

- (a) the salient features of the Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME) Scheme;
- (b) the details of the funds sanctioned, allocated and utilized under this scheme particularly in Tamil Nadu during the last three years and the current year;
- (c) the details of the targets set and achievements made so far;
- (d) whether the Government has signed an agreement under this scheme; and
- (e) if so, the details thereof?

**ANSWER**

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

(a): As part of Atmanirbhar Bharat Abhiyan, Ministry of Food Processing Industries (MoFPI) is implementing a centrally sponsored "PM Formalisation of Micro food processing Enterprises (PMFME) Scheme" for providing financial, technical and business support for setting up / upgradation of micro food processing enterprises in the country. The scheme is operational for a period of five years from 2020-21 to 2024-25 with an outlay of Rs. 10,000 Crore. 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 details of assistance available to Micro Food Processing Enterprises under 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.
- (b): A total amount of Rs. 15.43 crores have been released under the PMFME scheme as Centre share during Financial Year 2020-21 and 2021-22 out of which Rs. 7.68 crores have been utilised by the State of Tamil Nadu till 31.03.2022. No fund has been released during Financial Year 2022-23 till date.
- (c): Against the targets of supporting 2 lakh micro food processing enterprises under the PMFME scheme, 4974 loans have been sanctioned for providing credit linked subsidy and seed capital has been released to 71733 SHG members till date.
- (d) & (e): MoFPI has signed Memorandum of Understanding (MoU)/Joint Letters with Institutions namely Indian Council for Agriculture Research (ICAR), Department of Animal Husbandry and Dairying (DAHD), Food Safety and Standards Authority of India (FSSAI), Ministry of Rural Development (MoRD), Ministry of Housing and Urban Affairs (MoHUA), Ministry of Tribal Affairs, National Cooperative Development Corporation (NCDC), National Scheduled Tribes Finance and Development Corporation (NSTFDC) and National Schedule Finance Development Corporation (NSFDC) for convergence of PMFME with other schemes, identification & handholding of beneficiaries, support in capacity building, marketing & branding and increasing outreach of scheme.

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