

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION No. 1432
ANSWERED ON 26TH JULY, 2022

VOCAL FOR LOCAL IN FOOD PROCESSING SECTOR

†1432. **DR. MANOJ RAJORIA:**
SHRIMATI RANJEETA KOLI:
SHRI SUMEDHANAND SARASWATI:

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

- (a) whether the Government is materializing Vocal for Local initiative in food processing sector;
- (b) if so, the details of micro food enterprises in the country, State-wise;
- (c) whether there are thousands of micro food enterprises which need technical, marketing, financial and other supports to realize 'Vocal for Local' slogan and if so, the details thereof;
- (d) whether the Government will help them in each area of their work and if so, the details thereof;
- (e) whether the Government has any proposal to ensure that all the micro food industries fulfill the standards of 'Food Safety and Standards Authority of India' so that they can secure a place for themselves at the world level and 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 - Vocal for Local Initiative in food processing sector, 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.

(b): As per the Annual Survey of Industries, 2015-16 and 73rd Round Survey of National Sample Survey Organisation (NSSO), there are about 25 lakh unregistered/ unincorporated food processing enterprises in the country. The details of State-wise number of unregistered/unincorporated enterprises in the country are at **Annexure-I**.

(c) & (d): The PMFME scheme is designed to address the challenges faced by the micro enterprises and to tap the potential of groups and cooperatives in supporting the upgradation and formalization of these enterprises. The scheme aims to enhance the competitiveness of new and existing individual micro-enterprises in the unorganized segment of the food processing industry and promote formalization of the sector. 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.

(e): Capacity building and training is a critical component of the scheme in technical upgradation and formalization of micro food processing enterprises. The focus areas for capacity building are entrepreneurship development, compliance of Food Safety and Standards Authority of India (FSSAI) standards and general hygiene and other statutory compliances. District Resource Persons (DRPs) have been entrusted to provide handholding support to micro food processing enterprises for the compliance of FSSAI and other statutory requirements.

ANNEXURE

ANNEXURE REFERRED TO IN REPLY TO PART (b) OF LOK SABHA UNSTARRED QUESTION NO. 1432 FOR ANSWER ON 26TH JULY, 2022 REGARDING “VOCAL FOR LOCAL IN FOOD PROCESSING SECTOR”

State wise details of State-wise number of unregistered/unincorporated enterprises in the country

Sl. No.	State/UT	Number of Unincorporated Enterprise's manufacturing Food and Beverages
1	Andaman & Nicobar Islands	774
2	Andhra Pradesh	1,54,330
3	Arunachal Pradesh	145
4	Assam	65,997
5	Bihar	1,45,300
6	Chandigarh	656
7	Chhattisgarh	26,957
8	D & N Haveli and Daman & Diu	758
9	Delhi	14,350
10	Goa	2,929
11	Gujarat	94,066
12	Haryana	24,577
13	Himachal Pradesh	21,885
14	Jammu & Kashmir	28,089
15	Jharkhand	116536
16	Karnataka	127458
17	Kerala	77,167
18	Ladakh	-
19	Lakshadweep	127
20	Madhya Pradesh	1,02,808
21	Maharashtra	2,29,372
22	Manipur	6,038
23	Meghalaya	3,268
24	Mizoram	1,538
25	Nagaland	3,642
26	Odisha	77,781
27	Puducherry	3,482
28	Punjab	63,626
29	Rajasthan	1,01,666
30	Sikkim	101
31	Tamil Nadu	1,78,527
32	Telangana	80,392
33	Tripura	13,998
34	Uttar Pradesh	3,50,883
35	Uttarakhand	18,116
36	West Bengal	3,22,590
	Total	24,59,929

Source: Annual Survey of Industries, 2016-17 and NSSO 73rd Round (July 2015-June 2016)