

GOVERNMENT OF INDIA  
MINISTRY OF FOOD PROCESSING INDUSTRIES  
**LOK SABHA**  
**UNSTARRED QUESTION No. 4404**  
TO BR ANSWERED ON 27<sup>TH</sup> MARCH, 2025

**SETTING UP OF MICRO FOOD PROCESSING ENTERPRISES**

**4404. DR. C M RAMESH:**

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

- (a) whether it is true that the Government has decided to help in setting up of two lakh micro food processing enterprises in the country; and
- (b) if so, the details thereof along with the amount of outlay and the time by which the above micro food processing enterprises are going to be set up with a particular reference to Andhra Pradesh?

**ANSWER**

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

**(a) & (b):** 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 including Andhra Pradesh with the purpose to support 2 lakh micro food processing enterprises. The scheme is operational for a period of five years from 2020-21 to 2025-26 with an outlay of Rs. 10,000 Crore. The scheme aims to enhance the competitiveness of 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 lakhs per SHG Federation.
- (iii). *Support for Common Infrastructure:* Credit linked capital subsidy @35% subject to maximum of Rs. 3 crores to support FPOs, SHGs, Cooperatives and any Government agency for setting up of common infrastructure.
- (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.

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