

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION No. 4455
TO BE ANSWERED ON 27TH MARCH, 2025
SEED CAPITAL ASSISTANCE TO SHGS

4455. SHRI P P CHAUDHARY:
SMT. BHARTI PARDHI:
SMT. MALA RAJYA LAXMI SHAH:
SHRI RAMESH AWASTHI:
DR. K SUDHAKAR:
SHRI SHRIRANG APPA CHANDU BARNE:

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

- (a) the manner in which seed capital assistance contributes to the overall development and sustainability of Self-Help Groups (SHGs) in the food processing industry;
- (b) the amount sanctioned as seed capital assistance to Self-Help Groups (SHGs) under the scheme till February 2025;
- (c) the impact of this seed capital assistance on the local economy and women's empowerment, as many Self-Help Groups (SHGs) are led by women;
- (d) the number and financial value of loans sanctioned under the scheme till February 2025 particularly in Madhya Pradesh and Maharashtra;
- (e) the number of incubation centers sanctioned and operational under the scheme till February 2025, State-wise particularly in Madhya Pradesh and Maharashtra; and
- (f) the details of the support given to food processing sector in Karnataka, especially those operating as MSMEs under various scheme of the Government during 2024-25?

ANSWER

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

(a) to (c): Seed capital assistance under Centrally Sponsored "Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME) Scheme" contributes to the overall development and sustainability of Self-Help Groups (SHGs) in the food processing industry by providing collateral-free loans on flexible terms set by the respective SHG federation. Further, the seed capital remains in the SHG network's corpus fund, which circulates to support other SHG members and helps access formal bank loans through margin money contributions. As women gain economic control, it improves their livelihoods and promotes gender equality, social inclusion and overall social growth of the family.

The details of support available for Self-Help Groups (SHGs) under PMFME Scheme are at **Annexure-I**.

Till date 28th February, 2025, a total of 3,27,074 SHG members have been sanctioned for seed capital assistance with an amount of Rs. 1101.27 crores.

(d): As of 28th February 2025, 1,27,758 loans have been sanctioned with amount of Rs. 10138.64 crores out of which 8570 loans have been sanctioned amounting to Rs. 742.07 crores in the State

of Madhya Pradesh and 22,167 loans sanctioned amounting to Rs. 1162.68 crores in the State of Maharashtra respectively.

(e): As on 28th February 2025, 75 incubation centres have been sanctioned in the country including Madhya Pradesh and Maharashtra, out of which 17 Incubation centres have been completed/operational. The State-wise details of incubation centres are at **Annexure-II**.

(f): Centre Share of Rs. 60.00 crores has been released to State of Karnataka during FY 2024-25 for implementation of Centrally Sponsored "Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME) Scheme" implemented by the Ministry of Food Processing Industries (MoFPI). Under this scheme, 1950 loans amounting to Rs. 188.81 crores have been sanctioned for credit linked subsidy for setting up / upgradation of micro food processing enterprises during FY 2024-25. However, data on support given to food processing sector especially those operating as MSMEs under various scheme of the Government during 2024-25 is not maintained by MoFPI.

ANNEXURE REFERRED IN REPLY TO PART (a) TO (c) OF LOK SABHA UNSTARRED QUESTION NO. 4455 ANSWERED ON 27.03.2025 REGARDING “SEED CAPITAL ASSISTANCE TO SHGS”

The following support is provided under PMFME Scheme in the country for all the products including ODOP products:

- (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 Program (EDP) to meet the requirement of food processing industry and product specific skilling.

ANNEXURE REFERRED IN REPLY TO PART (e) OF LOK SABHA UNSTARRED QUESTION NO. 4455 ANSWERED ON 27.03.2025 REGARDING “SEED CAPITAL ASSISTANCE TO SHGS”

State-wise details of incubation centres

S.No.	State	Incubation Centre approved	Incubation Centre completed/ operational
1	Andhra Pradesh	2	1
2	Assam	1	
3	Bihar	2	
4	Chhattisgarh	2	
5	Delhi	2	
6	Goa	1	
7	Himachal Pradesh	3	
8	Jammu And Kashmir	3	
9	Karnataka	14	6
10	Kerala	1	
11	Ladakh	2	
12	Madhya Pradesh	3	
13	Maharashtra	3	2
14	Mizoram	1	1
15	Nagaland	1	
16	Odisha	1	
17	Punjab	1	
18	Rajasthan	8	3
19	Sikkim	2	
20	Tamil Nadu	4	3
21	Telangana	3	1
22	Tripura	1	
23	Uttar Pradesh	14	
	Grand Total	75	17
