

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION No. 1905
ANSWERED ON 11TH DECEMBER, 2025

PMFME CREDIT-LINKAGE COMPONENT

1905. SHRI JASHUBHAI BHILUBHAI RATHVA:

SHRI YOGENDER CHANDOLIA:

SHRI GANESH SINGH:

SHRI MAHENDRA SINGH SOLANKY:

SHRI SURESH KUMAR KASHYAP:

SHRI DILESHWAR KAMAIT:

SHRI BALABHADRA MAJHI:

SHRI PRADEEP KUMAR SINGH:

SHRI JUGAL KISHORE:

SHRI NABA CHARAN MAJHI:

SHRI SUKANTA KUMAR PANIGRAHI:

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

- (a) the steps being taken by the Government to achieve the credit linkage component for two lakhs micro enterprises under the PM Formalisation of Micro Food Processing Enterprises (PMFME) scheme and the average loan approval time after DPR approval in the country including the constituency of Dewas-Shajapur, Madhya Pradesh and district of Himachal Pradesh;
- (b) the various new measures implemented under PMFME after August 2025 to increase the participation of women and SC or ST entrepreneurs and the manner in which the impact of higher subsidy in the said regions is being assessed; and
- (c) whether the guidelines for enhanced financing for common service providers under the said scheme have been finalised and the manner in which the said measures are likely to strengthen shared infrastructure for numerous micro units in the said regions?

ANSWER

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

(a): Ministry of Food Processing Industries (MoFPI) is implementing a centrally sponsored "PM Formalisation of Micro food processing Enterprises (PMFME) Scheme" through State / UT Governments for providing financial, technical and business support for setting up of new/upgradation of micro food processing enterprises in the country. The loans to online proposals submitted under the scheme are sanctioned by lending banks after appraisal. Against the target of providing credit linked support to two lakhs micro food processing enterprises, loans to 1,62,744 micro food processing enterprises have been sanctioned for credit linked subsidy under the Scheme.

MoFPI regularly conducts meeting with lending banks and State / UT Governments to achieve the above targets. Also, the issues being faced by micro food processing enterprises are raised at the Department of Financial Services (DFS) level and in the State Level Bankers Committee (SLBC). Regular Workshops, Seminars and awareness camps are being conducted at National, State and District level to increase the outreach and benefit of the scheme to the last mile beneficiaries.

The average loan approval time after DPR approval across the country including the constituency of Dewas-Shajapur, Madhya Pradesh and district of Himachal Pradesh is around 50 days. However, the actual time depends on the submission of documents/ information by the applicants to the concerned authorities/ lending banks as per the Scheme guidelines.

(b): As per the Scheme guidelines, the annual allocation of funds of 8.3% & 4.3% for SC & ST entrepreneurs has been earmarked under the Scheme. There is no specific allocation of funds for women entrepreneurs. For increasing women participation in the scheme, Seed Capital support of Rs. 40000 per SHG member is provisioned for working capital and purchase of small tools for women SHG members engaged in food processing activity.

No new measures have been implemented under the PMFME Scheme after August 2025. However, the progress of the PMFME Scheme for women, SC & ST entrepreneurs after August 2025 i.e. from 01.09.2025 to 31.10.2025 are as under:

- **Credit Linked Subsidy:** Loans for 4,521 women, 678 SC and 761 ST entrepreneurs have been sanctioned
- **Seed capital:** 10,422 SHG members have been sanctioned for an amount of Rs. 38.19 crores.
- **Capacity Building:** 4629 women beneficiaries have been trained

(c): No such proposal for enhanced financing has been finalized by the Ministry under the PMFME Scheme. However, as per the existing provisions in the scheme guidelines, credit-linked capital subsidy @35% of the eligible project cost with a maximum ceiling of Rs. 3.00 crore is provided for setting up of common infrastructure facilities by organizations such as Farmer Producer Organizations (FPOs)/ Farmer Producer Companies (FPCs) / Cooperatives/ Self Help Groups (SHGs) and its Federation / Govt. Agencies. These facilities are made available for micro food processing units on hiring basis.
