

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION No. 823
ANSWERED ON 04TH DECEMBER, 2025

IMPLEMENTATION OF PMFME

823. DR. LATA WANKHEDE:
DR. D. PURANDESWARI:
SHRI ATUL GARG:
SHRI RAJESH VERMA:
SMT. SHAMBHAVI:

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

- (a) whether the Government is implementing the Pradhan Mantri Formalization of Micro Food Processing Enterprises (PMFME) scheme to support unorganized micro units and if so, the details thereof;
- (b) the assistance provided for credit, training, branding, and marketing under the scheme;
- (c) the number of Self Help Groups (SHGs), Farmer Producer Organisations (FPOs) and micro-entrepreneurs benefitted across the country;
- (d) whether the scheme promotes local food traditions, GI-tagged products and One District One Product (ODOP) model and if so, the details thereof; and
- (e) the manner in which PMFME contributes to rural employment, food security and value chain strengthening in the food processing sector?

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 of new/ upgradation of micro food processing enterprises in the country. The scheme aims to enhance the competitiveness of micro-enterprises in the unorganized segment of the food processing industry and promote formalization of the sector. The details of financial assistance available to Micro Food Processing Enterprises under PMFME Scheme are at **Annexure**.

(c). Under the PMFME Scheme, loans for credit linked subsidy have been sanctioned to 1363 Self Help Groups (SHGs), 236 Farmer Producer Organisations (FPOs) and 1,61,072 micro food processing enterprises till 31st October 2025.

(d). To promote Vocal for Local Initiative in food processing sector, the PMFME Scheme primarily adopts One District One Product (ODOP) approach aimed at fostering balanced regional development across all districts of the country. The initiative aims to select, brand, and promote at least One Product from each District (One District One Product) of the country for enabling holistic socioeconomic growth across all regions. Under the ODOP initiative, all products have been selected by States/UTs by taking into consideration the existing ecosystem on the ground, products identified under Districts. ODOP have been approved for 726 Districts across 35 States/ UTs under the Scheme including GI-tagged products.

(e). The PMFME Scheme serves as a key catalyst for rural economic growth, food security, and value chain strengthening by expanding and formalising micro-enterprises, generating local employment, particularly through FPOs, SHGs, and common infrastructure, and fostering entrepreneurship. It improves food security by reducing post-harvest losses, enhancing processing efficiency, extending shelf life of ODOP and other agri-food products, and ensuring year-round availability of safe, nutritious food. The scheme also strengthens value chains by promoting district-specific ODOP interventions, supporting technology adoption through credit and capacity building, creating shared infrastructure for efficient aggregation and processing, and enabling better market integration through linkages with e-commerce, retail, and institutional buyers.

ANNEXURE REFERRED TO IN REPLY TO PART (a) & (b) OF THE LOK SABHA UNSTARRED QUESTION NO. 823 FOR ANSWER ON 04.12.2025 REGARDING “IMPLEMENTATION OF PMFME”

The details of financial assistance available under Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME) Scheme are as under:

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