

GOVERNMENT OF INDIA
MINISTRY OF FOOD PROCESSING INDUSTRIES
LOK SABHA
UNSTARRED QUESTION No. 26
ANSWERED ON 29TH JANUARY, 2026

SMALL FOOD PROCESSING UNITS UNDER PMFME

**26. SHRI OMPRAKASH BHUPAL SINH ALIAS PAVAN RAJENIMBALKAR:
SHRI SANJAY HARIBHAU JADHAV:**

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

- (a) whether the Government has assessed the small food processing units under the PMFME scheme that have failed to achieve their operational targets;
- (b) if so, the corrective measures taken thereof;
- (c) the number of inspections and compliance audits conducted by the Government for ensuring food safety in rural food processing units during the year 2024-25;
- (d) the action taken against the units found non-compliant;
- (e) whether the Government has proposed to formulate any policy to provide cold storage facility or processing equipments at subsidized rates for backward districts; and
- (f) if so, the details of the allocation and timeline thereof?

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. Under the Scheme, it is aimed to assist two lakh micro food processing units with credit linked subsidy. The subsidy under this scheme is linked to approval of the project by the banks for disbursement of the loan. However, under the scheme Ministry does not allocate any operational targets to the supported units.

(c) & (d): Under the scheme, micro food processing enterprises are facilitated with Udyam Aadhaar registration, Food Safety & Standards Authority of India (FSSAI) registration, Goods & Services Tax (GST) registration as per the applicability are considered to adhere to the food safety compliances. Food safety inspections and compliance audits of food processing units, including rural micro enterprises, are conducted by the Food Safety and Standards Authority of India (FSSAI).

(e) & (f): The scheme is demand driven and provides support of credit-linked grant of 35% of the eligible project cost, Common Infrastructure @ 35% of eligible cost upto Rs. 3 crore, seed capital of up to Rs. 40,000, capacity building for beneficiaries, Branding & Marketing and handholding support for the formalization of units to all the interested applicants across the country including Backward districts. The scheme has an outlay of Rs. 10,000 crore operational from 2020-21 to 2025-26.
