GOVERNMENT OF INDIA
MINISTRY OF MICRO, SMALL AND MEDIUM ENTERPRISES

LOK SABHA
UNSTARRED QUESTION NO.839
TO BE ANSWERED ON 23.07.2026

SUPPORT FOR SEABUCKTHORN AND APRICOT-BASED ENTREPRENEURSHIP IN LADAKH

839. SHRI MOHMAD HANEEFA:

Will the Minister of MICRO, SMALL AND MEDIUM ENTERPRISES be pleased to state:

(a) whether the Government has assessed the potential of seabuckthorn and apricot-based value addition in the UT of Ladakh, particularly in acetic juice processing and CO_2-based critical oil extraction for nutraceutical and cosmetic applications and if so, the details thereof;

(b) whether the Government proposes to provide capital subsidy, credit-linked financial assistance and other incentives under Micro, Small and Medium Enterprises (MSMEs) schemes to encourage entrepreneurs to establish such units in Ladakh and if so, the details thereof;

(c) whether any technical support, skill development, incubation and common processing facilities are proposed for MSMEs in this sector and if so, the details thereof; and

(d) the steps being taken to promote exports and develop Ladakh as a hub for high-value seabuckthorn and apricot-based products?

ANSWER

MINISTER OF STATE FOR MICRO, SMALL AND MEDIUM ENTERPRISES
(SUSHRI SHOBHA KARANDLAJE)

(a): Government of India, through the Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME) Scheme**,** being implemented by the Ministry of Food Processing Industries, has identified Seabuckthorn as the One District One Product (ODOP) for Kargil district and Apricot as the ODOP for Leh district in the Union Territory of Ladakh. The Scheme supports establishment and upgradation of micro food processing enterprises engaged in processing and value addition of these products, including production of juices, nutraceuticals and other value-added products, subject to the Scheme guidelines.

(b): Under the PMFME Scheme, Support to upgrade existing units or setting up of new micro units is provided through a credit linked grant @ 35% with maximum grant of Rs.10 lakh, across the country including Ladakh. The Scheme also provides support to food processing units of SHGs/ FPOs/ Cooperatives for credit-linked subsidy @ 35%, Seed Capital to Self Help Groups (SHGs), Incubation Centre, Common Infrastructure, Branding & Marketing and Capacity Building. The details of financial assistance eligible for micro food processing enterprises under the Scheme are at **Annexure**. Under the scheme, loans for 104 micro food processing enterprises have been sanctioned under credit linked subsidy, in the UT of Ladakh. Out of this, loans for 31 seabuckthorn processing enterprises and 44 apricot processing enterprises have been sanctioned, as on 31st June 2026.

Prime Minister's Employment Generation Programme (PMEGP) is a credit linked subsidy scheme being administered by the Ministry of MSME and implemented by the Khadi and Village Industries Commission (KVIC) to assist individual micro entrepreneurs in setting up of new micro enterprises in the non-farm sector, by providing financial assistance in the form of Margin Money(MM) subsidy on bank sanctioned loans for generation of sustainable employment opportunities. PMEGP assist general category beneficiaries with MM subsidy of 25% and project cost in rural areas and 15% in urban areas. For beneficiaries belonging to Special Categories i.e. SC, ST, OBC, Minority, Women, Ex-servicemen, Physically Handicapped, Transgenders, beneficiaries belonging to NER, Hill and border areas and Aspirational district, the MM subsidy is 35% in rural areas and 25% in urban areas. 16 numbers of micro enterprises have been assisted so far under PMEGP in the Ladakh region related to agro based food processing units of Seabuckthorn and apricot based.

Apart from this, the Mahatma Gandhi Institute for Rural Industrialization (MGIRI), an institute under the Ministry of Micro, Small and Medium Enterprises (MSME), is providing technical support for the drying of Apricot and Seabuckthorn, designing essential oil extraction systems, and skill development activities, including training in lavender oil extraction.

(c): Under the Incubation Centre component of PMFME Scheme, support is provided to micro-entrepreneurs, Self Help Groups (SHGs) and Farmer Producer Organizations (FPOs) with access to food processing infrastructure without capital investment. Each centre has 3–5 processing lines for ODOP and allied products and operates on a custom hiring basis. Under the Scheme, 2 proposals have been approved for establishment of Incubation Centres, with Sea Buckthorn Processing at Leh and Apricot Processing at Kargil.

Further, the scheme provides support for creation of Common Infrastructure @ 35% of eligible project cost with maximum limit of Rs. 3 Crore to FPOs/ SHGs and its Federations/ Cooperatives/ Government Agencies to establish food processing line along with common infrastructure/ value chain/ incubation centre. These facilities offer high-end processing, testing, storage, packaging and training infrastructure for demonstration, as well as access to technical assistance, product development and quality testing. In addition to this, scheme provides capacity building through Entrepreneurship Development Program (EDP) and product specific training to strengthen the managerial, technical and business capabilities of entrepreneurs.

(d): Government of India promotes exports and market development of seabuckthorn and apricot-based products from Ladakh through the Branding & Marketing component of the PMFME Scheme. Support is provided upto 50% of the eligible project cost to groups of FPOs, cooperatives, SHGs and State or regional SPVs of micro food processing enterprises to develop a common umbrella brand at the State or regional level. The component provides support in areas such as packaging & branding, quality control, standardization, and food safety adherence for consumer retail sales. Government of India also facilitates participation of beneficiaries in buyer-seller meets, trade fairs, exhibitions, and World Food India, enabling market linkages with domestic and international buyers. These initiatives are intended to enhance the marketability and export potential of high-value food products from Ladakh.

****

Annexure

The details of financial assistance offered to the enterprises 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% of the eligible project cost 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 Skilling (EDP) program modified to meet the requirement of food processing industry.