



## AATMANIRBHAR BHARAT

### Prime Minister Scheme for Formalization of Micro Food Processing Enterprises (PM FME)



“A combined resolve of 130 crore citizens is to make India self-reliant. The way ahead lies in LOCAL- Local Manufacturing, Local Markets, Local Supply Chain. Local is not merely a need but a responsibility”

**Narendra Modi, Prime Minister**

### Opening gates for growth of Micro Enterprises in Food Industry

**VOCAL  
FOR  
LOCAL**



**Harsimrat Kaur Badal**  
Minister of Food  
Processing Industries



**Rameswar Teli**  
Minister of State,  
Food Processing Industries



## Prime Minister Scheme for Formalization of Micro Food Processing Enterprises (PM FME)

Ministry of Food Processing Industries (MoFPI), in partnership with the state/ UT government, has launched an all India “Centrally Sponsored Prime Minister Scheme for Formalization of Micro Food Processing Enterprises (PM FME)” for providing financial, technical and business support for upgradation of existing micro food processing enterprises. The objectives of the scheme, inter alia, include the following:

- (i) Support for capital investment for upgradation and formalization with registration for GST, FSSAI hygiene standards and Udyog Aadhar;
- (ii) Capacity building through skill training, imparting technical knowledge on food safety, standards & hygiene and quality improvement;
- (iii) Hand holding support for preparation of DPR, availing bank loan and upgradation;
- (iv) Support to Farmer Producer Organizations (FPOs), Self Help Groups (SHGs), Producers Cooperatives & Cooperative Societies for capital investment, common infrastructure and support branding and marketing.

### One District One Product

The Scheme adopts One District One Product (ODOP) approach to reap benefit of scale in terms of procurement of inputs, availing common services and marketing of products. The States would identify food product for a district keeping in view the existing clusters and availability of raw material.



The ODOP could be a perishable produce-based product, cereal based product or a food product widely produced in a district and their allied sectors. Illustrative list of such products includes mango, potato, litchi, tomato, tapioca, kinnu, bhujia, petha, papad, pickle, millet based products, fisheries, poultry, meat as well as animal feed among others. Preference would be given to those producing under ODOP approach. However, units producing other products would also be supported. Support for common infrastructure and branding & marketing would be given for products under ODOP approach.





## Upgradation of Individual Micro Food Processing Units

Individual micro food processing units desirous of upgradation of their unit can avail credit-linked capital subsidy @35% of the eligible project cost with a maximum ceiling of Rs.10 lakh per unit. The beneficiary contribution should be minimum 10% and the balance should be loan from a Bank.



## Support to FPOs / SHGs / Cooperatives

The scheme would provide support to FPOs/ SHGs/ Producer Cooperatives for capital investment along the entire value chain with credit linked grant @ 35%.



## Seed Capital to SHG

Seed capital @ Rs. 40,000/- per SHG member would be provided to those engaged in food processing for working capital and purchase of small tools. Seed capital as grant would be provided at the federation level of SHGs which, in turn, will be extended to members as loan through the SHGs to be repaid to the SHG.



## Common Infrastructure

Credit linked grant @35% would be provided to FPOs, SHGs. Cooperatives, State owned agencies and private entrepreneurs for development of common infrastructure including common processing facility, lab warehouse, cold storage, packaging and incubation center.



## Branding and Marketing Support

Marketing and branding support will be provided at State or regional level to FPOs/ SHGs/ Cooperatives or an SPV of micro food processing enterprises under the scheme following the ODOP approach for developing common packaging & branding with provision for quality control, standardization and adhering to food safety parameters for consumer retail sale. These organisations would be supported based on DPR prepared by them and approved by the State Nodal Agency. Support for branding and marketing would be limited to 50% of the total expenditure.

## Procedure for applying

Existing food processing units desirous of seeking assistance can apply online on FME portal. The District Resource Persons (RPs) engaged for field level support, would provide handholding support for preparation of DPR, availing bank loan, obtaining necessary registration and licences including food standards of FSSAI, Udyog Aadhar and GST.

Applications for support for FPOs / SHGs / cooperatives, common infrastructure and marketing & branding could be submitted to the State Nodal Agency (SNA) along with a DPR. The SNA would appraise the project for grant and recommend for bank loan.

Grant by the Government would be deposited in the account of beneficiary in the lending bank. If after a period of three years from the disbursement of last tranche of the loan, the beneficiary account is still standard and the Unit is operational, this amount would be adjusted in the bank account of beneficiary. No interest would be charged by the Bank for the grant amount in loan.

## Guidelines & Contact

Detailed guidelines of the scheme may be viewed at Ministry's website [mofpi.nic.in](http://mofpi.nic.in) Individual entrepreneurs and other stake holders may contact the State Nodal Agencies of their respective states/ UTs regarding the roll out of scheme and contact points at the district level.



**MINISTRY OF FOOD PROCESSING INDUSTRIES  
GOVERNMENT OF INDIA**

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