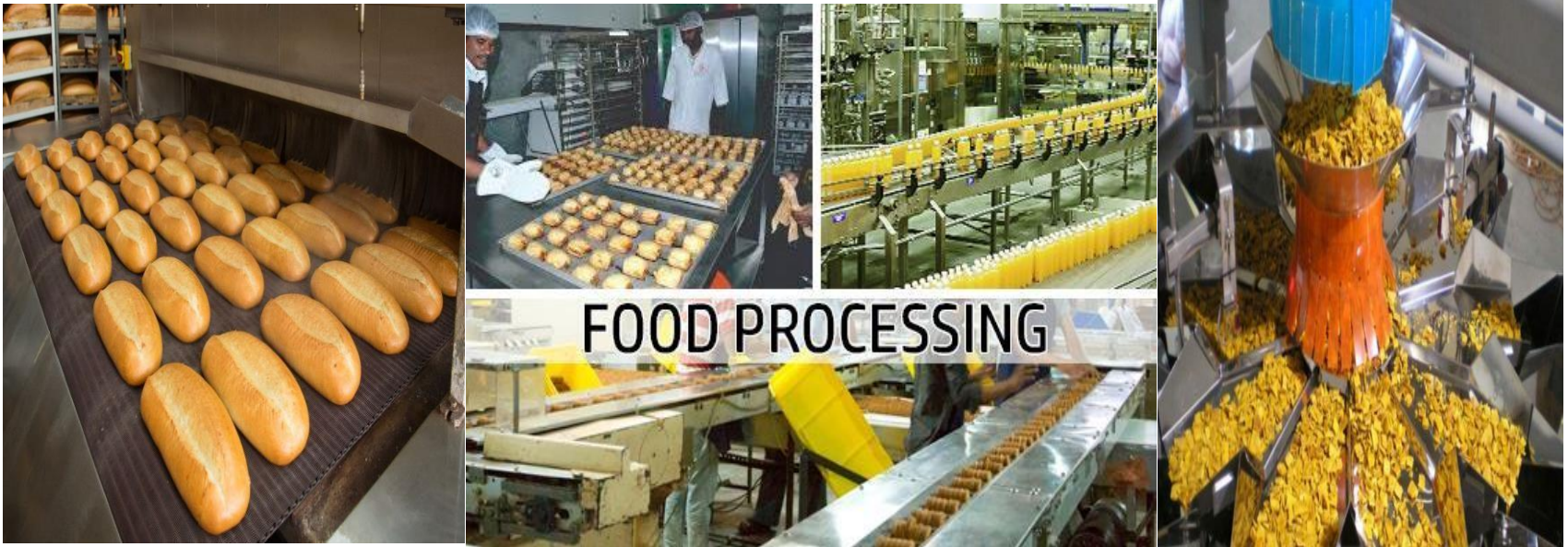


# PM FORMALIZATION OF MICRO FOOD PROCESSING ENTERPRISES (PM FME) SCHEME



**Scheme outlay Rs. 10,000 Crores in Five years (2020-21 to 2024-25)**

# PM Formalization Of Micro Food Processing Enterprises Scheme (PM FME)

PMFME is a part of AtmaNirbhar Bharat Abhiyan implemented by **Ministry of Food Processing Industries (MoFPI)**

**Scheme outlay Rs. 10,000 cr in Five years 2020-21 to 2024-25**

## Objectives

Increased access to credit by existing micro food processing entrepreneurs, FPOs, Self Help Groups and Co-operatives;

Integration with organized supply chain by strengthening branding & marketing;

Support for transition of existing 2,00,000 enterprises into formal framework;

Increased access to common services like common processing facility, laboratories, storage, packaging, marketing and incubation services;

Strengthening of institutions, research and training in the food processing sector;

Increased access for the enterprises, to professional and technical support.

# PM Formalization Of Micro Food Processing Enterprises (PM FME) Scheme

## Eligible entities:

- Individual Micro food Processing enterprises (Existing as well as new)
- Group category: FPOs/SHGs/Producer co operatives

### ➤ One District One Product-([ODOP](#))

The ODOP include allied Agri (Dairy, poultry, etc.), cereals, horticulture, spices, forest produce, mango, potato, tomato, honey, turmeric, tamarind, etc., which have export value

**Existing individual units:** Preference for ODOP producing units

**Existing Groups:** ODOP products predominantly

**New Units:** Both individuals/Groups-Only ODOP products

Common infrastructure & Marketing and Branding-Only ODOP except for support at state level/regional level for some products though not covered under ODOP.

**(Now loan can be given for other than ODOP as identified by state)**

PM Formalization  
Of  
Micro Food  
Processing  
Enterprises  
(PM FME)  
Scheme

**The project cost comprises:**

- **Cost of Plant & machinery**
- **Technical construction work,  
(Technical work not more than  
30% of project cost)**

**But excludes cost of land / rental or  
lease work-shed**

**Assistance for preparation for DRP :**

- **To Group**
- **To Individuals**

Fruits and vegetable processing

Dairy processing

Grain processing

Fish and marine processing

Meat and poultry processing

Bakery and confectionary processing

Fat and oil seed processing

Spices and plantation processing

Minor forest produce processing

# Non-eligible activities

Trading and selling of unprocessed Millets/Cereals/Spices etc.

Unprocessed or Loose Milk (Selling of Milk/Curd)

Trading and selling of fruits and vegetables

Trading and selling of unprocessed Minor Forest Product

Bee Keeping/Loose selling of Honey

Loose selling, trading and repacking of oil

Trading and selling of groundnut, Arecanut (Exception: Any proposal for export variety would be reviewed on case to case basis. State Government to take prior approval from MoFPI for such cases.)

.Poultry, Piggery, Goatry or any other rearing activity of animals

Trading and selling of fresh Fish/ meat/chicken etc.,

Repacking of manufactures products

Canteen, grocery, hotel, tiffin services, restaurants or any other food services enterprises

## Eligibility Individual

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Capital subsidy @35 % of eligible PC,  
Maximum ceiling of Rs. 10 lakh per borrower

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Margin contribution 10 %

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Existing Units

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Preferably involved in ODOP products

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Unincorporated and employ < 10 workers

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Applicant-ownership rights-  
proprietary/partnership

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Above 18 years,

Clause of VIII standard pass **removed**

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Only one person per family

# Group Category

Support to FPOs/SHGs/Producer co-operatives along the entire value chain-sorting, grading, assaying, storage, common processing, packaging, marketing and testing labs.

FPO	SHG
<ul style="list-style-type: none"> <li>✓ Grant @35%</li> <li>✓ ODOP (Preferably)</li> <li>✓ Minimum turn over Rs 1 Cr.</li> <li>✓ Knowledge/experience in product Minimum 3 years</li> <li>✓ Margin 10 %</li> </ul>	<p><b>Seed Capital</b></p> <ul style="list-style-type: none"> <li>✓ Seed capital @Rs 40,000 per member of SHG for working capital &amp; for purchase of small tools (<i>Seed capital is for only those SHGs, who are already engaged in food processing</i>)</li> <li>✓ Priority would be given to SHG involved in ODOP Produce</li> <li>✓ Only SHG members presently engaged in food processing</li> <li>✓ Provided as grant by SMA / SRLM at federation level of SHGs, which will provide loan to members of SHG.</li> </ul> <p><b><u>Capital Investment</u></b></p> <ol style="list-style-type: none"> <li>1. Individual SHG member: Credit linked Grant @35% ( Maximum Rs. 10 lakh)</li> <li>2. At federation of SHG level : credit linked grant @35 %</li> <li>3. Eligibility:             <ul style="list-style-type: none"> <li>➤ Sufficient funds to meet Margin 10 % of PC, 20 % for WC</li> <li>➤ 3 Years experience in Processing ODOP</li> </ul> </li> </ol> <p>Training and hand holding support-SRLM</p>



# Other features

Facility	Term Loan
Quantum of loan	No minimum and maximum
Margin	Individual-10 % of PC FPO-10 % SHG- 10% of PC and 20 % for working capital
Subsidy/Grant	Individual Micro Ent. : Capital subsidy @35 % of PC, (Max Rs. 10 lakh per unit) FPO/Co-operatives : @35 % of PC SHG : @35 % of PC (Max Rs 10 lakhs)
	Subsidy kept in subsidy Reserve account for 3 years

# Other features-USPs

Credit guarantee	For loans under MUDRA: CGFMU For loan >10lakh -5 Cr: CGTMSE
Convergence	<ul style="list-style-type: none"><li>➤ Convergence with AIF (if applicable)</li><li>➤ Start-up village entrepreneurship programme</li><li>➤ CGTMSE for collateral free loan up to Rs. 2 cr.</li><li>➤ PM MUDRA for loan up to Rs. 10 lakh etc.</li></ul>

Primary	Hypothecation of Assets created out of Bank Finance Mortgage of land not required
Collateral	Mortgage of SARFAESI compliant property-Not linked with other loans 25 KM radius from the branch-sanctioning authority can decide going beyond.
MSMSE Units	<ul style="list-style-type: none"><li>➤ For loans up to Rs. 5 cr : No collateral (under CGTMSE)</li><li>➤ For loans above Rs. 5 cr : Linked to CRA</li></ul>
PM Mudra	<ul style="list-style-type: none"><li>➤ No collateral up to Rs. 10 lakh</li></ul>
SHG	<ul style="list-style-type: none"><li>➤ No collateral up to Rs. 20 lakh (covered under CGFMU)</li></ul>
Producer co-operatives	<ul style="list-style-type: none"><li>➤ Up to Rs 2 cr : No Collateral up to Rs 2 Cr (Covered under NabSanrakshan)</li><li>➤ Above Rs 2 cr : Linked to CRA</li></ul>



## PRADHAN MANTRI FORMALISATION OF MICRO FOOD PROCESSING ENTERPRISES SCHEME



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- Applicant Login (PMFME)
- MIS Login (Internal)



### PROCESSING ENTERPRISES SCHEME

### SALIENT FEATURES OF THE SCHEME

- Micro-enterprises to get **Credit-Linked Subsidy @35%** of the total eligible project cost with ceiling of **Rs. 10 lakh** for upgradation of infrastructure and capacity addition
- SHGs to get **Seed Capital** for giving loans to members for working capital and small tools
- On site **Skill Training & Handholding**
- Special focus on **Women Entrepreneurs & Aspirational districts.**
- Transition from the **Unorganized sector to the Formal sector**

WHAT'S NEW : | Advertisement Notice dt. 11.01.2023 for Hiring of Young Professionals for NPMU of the PMFME Scheme | OM-Modification in the guideline

TOTAL APPLICATIONS SUBMITTED  
**116205**

TOTAL ODOP APPLICATIONS SUBMITTED  
**30537**

TOTAL NON-ODOP APPLICATIONS SUBMITTED  
**85656**

TYPE OF APPLICATIONS SUBMITTED  
NEW INDIVIDUAL ENTERPRISE : 99346  
EXISTING INDIVIDUAL ENTERPRISE : 16859

THANK YOU

