

Pradhan Mantri Formalisation of Micro Food Processing Enterprises (PMFME) Scheme

Prelims: Current events of national and international importance.

Why in news?

Bihar has secured the first position in India for successfully implementing the PMFME scheme in the financial year 2024-25.

- **PMFMPE** - It is a **Centrally Sponsored Scheme** designed to address the challenges faced by the micro-enterprises.
- **Launch** - June 2020
- **Nodal ministry** - Ministry of Food Processing Industries.
- **Objectives** - To support Farmer Producer Organizations (FPOs), Self Help Groups (SHGs), and Producers Cooperatives along their entire value chain.
 - To support upgradation and formalization of these enterprises.
 - To promote the unorganized sector of the food processing industry and enhance competition.
- **Support for Common Infrastructure** - It includes infrastructure such as warehouse, cold storage and common processing facility for processing of ODOP produce.
- **Convergence framework** - The Food Processing Enterprises would be eligible for benefits under the various Government Schemes such as,
 - Start-up Village Entrepreneurship Programme (SVEP)
 - National Rural Livelihood Mission
 - PM MUDRA Yojana and others
- **Branding and marketing support** - It includes marketing training, standardized common branding and packaging, tie-ups with retail chains and state institutions, and quality control to meet required standards.
- **Financial assistance** - The scheme provides financial assistance through subsidies with 35% of their project cost.
- The Financial assistance is eligible for,
 - Farmer Producer Organization (FPO)
 - Self-Help Groups
 - Co-operatives
 - Existing Individual Micro Food Processing Entrepreneurs
 - New Units, whether for individuals or groups would only be supported for One District One Product (ODOP).
- Beneficiaries must contribute at least 10% of the project cost, with total investment including working capital up to 20%.
- Bihar has topped the implementation of the scheme with 10,296 applicants has been approved for loan.

- It will promote industries, employment and community-driven enterprises, especially in agrarian districts of Bihar.

References

1. [The Times of India| Bihar tops implementation of PMFME scheme](#)
2. [My Scheme| PMFMPE Scheme](#)

