



Atmanirbhar Bharat Abhiyan

**Scheme for Formalisation of
Micro Food Processing
Enterprises (FME)**

Vocal for Local



Objectives

- Individual micro enterprises: Technical and Financial assistance for modernization and enhance their competitiveness
- FPOs/SHGs/Cooperatives: Technical and Financial assistance for strengthening infrastructure along the supply chain and provision of common facilities for packaging, marketing, testing etc.

Unique Scheme

- ◆ Specialisation: Focused on one segment- Food Product
- ◆ Comprehensive Support: Skill Development, hand holding support, Common Services
- ◆ Aggregation: Cluster Approach, One District One Product to generate scale
- ◆ Marketing Linkage Support: Support for Quality improvement, Standardisation, Branding for better Marketability

Scheme Features

- ◆ All India Centrally Sponsored Scheme
- ◆ Direct Support to 2 lakh micro food processing units
- ◆ Support to FPOs/ SHGs/ Co-operatives for Provision of Common Services
- ◆ Outlay of Rs 10,000 cr for 5 years 2020-21 to 2024-25
- ◆ Sharing Pattern: NE States: GOI 90%; States 10%; Other States GOI 60%; States 40%
- ◆ 10% of Outlay earmarked for NE States
- ◆ State-wise earmarking of Outlay, coverage and earmarking for SC/ST

ODOP Approach

- ◆ One District One Product (ODOP)
 - Agriculture produce – Peach, apricot, pears, almond, plum, walnut, Apple
 - Food products – Papad, Bhujia, Pickle
 - Traditional Indian products like Amla, Til,
 - Fisheries, poultry
- ◆ Augment Common Services viz. packaging, marketing, testing, Marketing & Branding predominantly to ODOP products
- ◆ States to identify ODOP in study by 31 July 2020
- ◆ Existing units of individual & groups to be supported even if not for ODOP product
- ◆ New units would only be supported for ODOP product
- ◆ Common infrastructure and marketing support only for ODOP product

Pattern of Assistance: Individual Units

- ◆ Upgrade existing micro units - Credit linked subsidy @ 35% of the eligible project cost subject to a max. of Rs 10 lakh
- ◆ Handholding Support by District Resources
 - ◆ Preparation of DPR, Bank Loan,
 - ◆ Skill & entrepreneurship Training,
 - ◆ Support for Capital investment,
 - ◆ Registration: FSSAI, GST, Udyog Aadhar
 - ◆ Common Facilities
 - ◆ Branding & Marketing
- ◆ Resource Persons to be engaged by SNA on payment of Rs 20,000 per loan sanctioned by Banks

Pattern of Assistance: FPOs/ SHGs/ Cooperatives

- ◆ Strengthening Supply Chain: Credit linked capital investment grant @ 35% of the eligible project cost
- ◆ Common Infrastructure: Credit linked grant @ 35% for Common processing facility, labs, incubation center, warehouse, cold storage ,etc.
- ◆ Support for Marketing & Branding: 50% grant of project cost
- ◆ Seed capital support of Rs 40,000 to SHG members for working capital & small tools

Administrative Architecture

- ◆ National Level: Inter-Ministerial Empowered Committee (IMEC) chaired by Minister, FPI
- ◆ State level: State Level Approval Committee chaired by the Chief Secretary- sanction project expenditure up to Rs. 10 lakh
- ◆ District Level: District Level Committee (DLC) under the Chairmanship of District Collector.
 - Approvals of applications for loan and subsidy
 - Recommend applications for common infrastructures
 - Ensure synergy with all relevant Institutions

Allocation for the Himachal Pradesh

Allocation of Units (Nos)	1192
Allocation of Units for SC	151
Allocation of Units for ST	31
State Outlay for 5 Years (Rs Cr)	54.57
SC Component (8.3%)	4.53
ST Component (4.3%)	2.35
Outlay (2020-21) Rs Lakh	231.61
1st Installment Release (2020-21) Rs Lakh	58.61

State Action: Time Line

31st July, 2020

- Complete ODOP Study

31st July, 2020

- Nomination of State Level Technical Institution

31st August, 2020

- Selection of SPMUs
- Engaging Resource Persons

31st August, 2020

- Formation of District Level Committee

31st December, 2020

- Complete Detailed study
- SLUP

30th September, 2020

- Preparation of Project Implementation Plan (PIP).
- Further funds allocation

Action: State Level

- ◆ Convene meeting of SLAC under Chief Secretary
- ◆ SNA to get data for SHGs, FPOs & cooperatives from SRLM, NABARD, SFAC, NCDC & Co-operation Dept.
- ◆ RFP for Detailed Study to be issued.
- ◆ Credit under FME to be included in the SLBC Agenda and for inclusion in State & District Credit Plans
- ◆ IEC – Promotional Activities by States
- ◆ Prioritisation
 - ◆ Training
 - ◆ ODOP
 - ◆ Low hanging fruits
- ◆ Seed Capital to SHG members

Action: District Level

- ◆ Convene meeting of District Level Committee
- ◆ Undertake Publicity & Promotional Activities
- ◆ Mobilise and Sensitise SHGs, FPOs & cooperatives, local offices of SRLM, NABARD, & Co-operation Dept.
- ◆ Sensitise Commercial Banks, Co-operative Banks and NBFCs
- ◆ Prioritisation
 - ◆ Training
 - ◆ ODOP
 - ◆ Low hanging fruits
- ◆ Extend Seed Capital to SHG members

How to Apply

- ◆ Individual units
 - Online application on FME portal (In Progress)
 - Support for DPR preparation, training, handholding support
 - Recommended to Bank at District level
- ◆ Groups, common Infrastructure
 - Apply online with DPR to State Nodal Agency
- ◆ Marketing & Branding
 - Identification by State of groups to support
 - Statewide or regional level brands
- ◆ Online processing of applications

Reach us at:

- ◆ PM FME Scheme <https://mofpi.nic.in/pmfme/>
- ◆ State Nodal Department: Department of Industries, Himachal Pradesh
<https://emerginghimachal.hp.gov.in/>

Thank You

