

MICRO FOOD PROCESSING ENTERPRISES SCHEME (PM-FME SCHEME)

1. Support to Individual Micro Enterprises:

Eligibility: The individual applicant should be above 18 years of age. No minimum educational qualification of the applicant is required

Applicant/ enterprise is eligible for bank loan under the scheme, even if he has availed bank loan in other Subsidy Linked Schemes of Govt. Applicant is also eligible for Interest Subvention and top-up convergence with other relevant Govt. Sponsored Schemes. Lending Banks may consider sanctioning need based working capital limit to the beneficiaries, as admissible However, no subsidy would be provided on the working capita

The applicants/Entrepreneurs of existing units under stress and qualifying for restructuring by the Banks are also eligible for upgradation/expansion of the Unit under the scheme

Project Cost: Eligible project cost comprises cost of plant & machinery and technical civil work, but excludes cost of land/ rental or lease work shed. However, technical civil work should not be more than 30% of the eligible project cost.

Margin/Contribution: Beneficiary contribution should be minimum of 10% of the project cost with balance required fund being loan from Bank.

Subsidy: Individual micro food processing units would be provided credit-linked capital subsidy @35% of the eligible project cost with a maximum ceiling of Rs.10.00 lakh per unit.

2. Support to Group category for setting up of common infrastructure

Eligibility: Organizations such as Farmer Producer Organizations(FPOs)/ Farmer Producer Companies (FPCs) / Cooperatives/ Self Help Groups (SHGs) and its Federation / Govt. Agencies, who have established or propose to establish food processing line along with common infrastructure / value chain incubation centres would be eligible for financial assistance support under this component of the Scheme. Proposal for both ODOP or non-ODOP are eligible for assistance, however ODOP proposals would be preferred

Project Cost: Eligible project cost comprises cost of plant & machinery and technical civil works, but excludes cost of land/ rental or lease work shed. However, technical civil work should not be more than 30% of the eligible project cost. Total eligible project cost should not exceed Rs. 10 Crore. There will be no pre condition of minimum turnover and experience of the applicant organization.

Margin: The applicant organization's contribution should be minimum of 10% of the project cost with balance required funds being loan from Bank.

Subsidy: The applicant organization would be provided credit-linked capital subsidy @35% of the eligible project cost with a maximum ceiling of Rs. 3.00 crore.

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