

**Disclaimer:** The Frequently Asked Questions (FAQs) and the responses hereunder are a synopsis of the queries/ clarifications raised by stakeholders over time. These are for general information and guidance only. These questions and responses have been framed keeping in view possible doubts that may arise and are not based on individual cases; therefore, it is not to be taken as a final view of the Ministry on the extant provisions of the Credit Linked Subsidy Scheme under Prime Minister Formalization of Micro Enterprises.

## GENERAL INSTRUCTIONS

### ➤ What is PM FME Scheme?

PM FME stands for “**Prime Minister Micro Food Processing Enterprises**”. PMFME is an all India Centrally Sponsored Scheme with an outlay of Rs. 10,000 crores for coverage of 2,00,000 enterprises over 5 years from 2020-21 to 2024-25 being implemented by MOFPI.

### ➤ What are Micro Enterprises?

A Micro Enterprise is an enterprise where the investment in Plant and Machinery or Equipment is not more than Rs. 1 crore and Annual Turnover is not more than Rs. 5 crore.

### ➤ Is there any limit of credit subsidy/grant?

Yes, it would be 35% of the project cost with a maximum ceiling of Rs 10 lacs for an individual beneficiary. For SHG members involved in food processing, seed capital of Rs 40,000/- per member will be distributed as working capital and for the purchase of small tools.

### ➤ Is there any initial investment required by the person for the scheme?

Yes, the applicant should be willing to contribute 10% of the project cost.

### ➤ What is the process of crediting subsidy?

At the national level, a Nodal bank would be appointed for disbursement of subsidy to the banks and liaison with the banks.

➤ Is there any provision of special benefits for SC/ST applying in the scheme?

Yes, the specific allocation has been made for Scheduled Caste/ Scheduled Tribe and the North-Eastern region.

➤ When the subsidy amount will be credited to my account?

On sanction of the loan, the Central and State government will transfer the fund to the beneficiary mirror account. The beneficiary needs to pay the EMI on time for the next three years and the unit needs to be operational. Post 3 years, if the loan category is standard, the subsidy amount will be credited to the beneficiary account.

➤ Will I get support?

Yes, you will get support from a resource person. At the district level, a resource person will assist to avail the benefits of the scheme. The resource person will assist in the preparation of DPR, taking a bank loan, support for obtaining necessary registration and licenses including food standards of FSSAI, Udyam registration, GST, etc

➤ Is there any provision for training under the scheme?

Yes, State level technical institutions will provide training which will be in online and offline mode.

➤ Can I avail of other Government schemes with the PMFME scheme?

Yes, you can avail of other Government schemes with PMFME Scheme

➤ I have applied for the benefits of the scheme. Can my son/daughter/spouse also apply for the same as they are dealing in ODOP processing?

No, only one person from one family would be eligible for obtaining financial assistance. The “family” for this purpose would include self, spouse and children.

➤ Would my land cost be included in the project cost?

No, cost of the land should not be included in the Project cost. Cost of the ready built as well as long lease or rental workshed could be included in the project cost. Lease rental

of workshed to be included in the project cost should be for a maximum period of 3 years only.

➤ **How branding and marketing support will be provided under this scheme?**

Marketing and branding support would be provided to groups of FPOs/SHGs/ Cooperatives under the Scheme following the ODOP approach in the following ways:

- ✓ Training relating to marketing to be fully funded under the scheme
- ✓ Developing a common brand and packaging including standardization to participate in common packaging
- ✓ Marketing tie up with national and regional retail chains and state level institutions
- ✓ Quality control to ensure product quality meets required standards

➤ **Will there be any support provided for opening retail outlets?**

No support would be provided for opening retail outlets under the scheme.

➤ **Is there any infrastructure required to avail the benefits of the scheme?**

Yes, the applicant should have their existing infrastructure/work shed.

➤ **Is there any provision of financial assistance for the preparation of DPR?**

Yes, the assistance of Rs 50,000/- per case would be provided to FPOs/SHGs/ Cooperative for preparation of DPR on all successful sanction of the loan application.

➤ **What is the duration of the scheme?**

The scheme is for a period of 5 years from 2020-21 to 2024-25.

➤ **Who can provide answers to any further queries?**

You can call customer care or write to us on support-pmfme@mofpi.gov.in

## **FAQS RELATED TO ODOP**

➤ **What is ODOP**

ODOP stands for “One District One Product”. The products selected under the ODOP category are traditionally famous for the production and manufacturing from the particular district.

➤ **What is the ODOP of my district?**

You can check it on the PMFME portal or you can contact customer care.

➤ **Can I avail of this scheme for up-gradation of my existing unit?**

Yes, you can avail of the scheme for the up-gradation of the existing unit however the fund can only be utilized for capital expenditure.

➤ **Is it mandatory to choose the same ODOP or any other from the same ODOP List?**

It's not mandatory however the preference would be given to units with the same ODOP of the district.

## **FAQS RELATED TO APPLICATION REGISTRATION AND FILLING**

➤ **Who can apply?**

Any existing micro food processing enterprises, Farmer producer organizations(FPO), Self Help Groups(SHG), and Producers Cooperatives can apply. New units can also be supported but only for ODOP products.

➤ **How to apply?**

Applications would be invited at the district level on an ongoing basis for units interested in availing of the benefits under the scheme. Existing food processing units desiring to seek assistance under the scheme should apply on the FME portal.

➤ **Is any processing fees or application fees will be charged?**

No, it's a centrally sponsored scheme, you need not to pay any fees for filling application or any handholding.

➤ **Is there any age limit to apply?**

Yes, the applicant should be above 18 years of age

➤ **Is there any qualification required to avail of the benefits of the scheme?**

Yes, the applicant should possess at least VIII standard pass educational qualification.

➤ **Are there any other eligibility criteria to avail of the benefits of the scheme?**

Yes, the applicant should have an ownership right of the enterprise and an enterprise could be a proprietorship or a partnership firm.

➤ **What is the process of application approval in Individual and Group applications?**

Individual: Registration > Submission > DRP > DLC > Bank

Group: Registration > Submission > DRP > SNA > Bank (when subsidy is less than 10 Lakh)

Registration > Submission > DRP > SNA > MoFPI > Bank (when subsidy is more than 10 Lakh)

➤ **Who can reject my application?**

Your application can be rejected by the District level committee, Lending bank, and Ministry of Food Processing Industries.

➤ **If my application is rejected, can I resubmit the application?**

Yes, if the application is rejected by one bank, you can resubmit the application with another bank.

➤ **What is the difference between Application ID and Beneficiary ID?**

PMFME MIS system will generate an Application ID for each borrower only after their successful verification with UIDAI and de-duplication with beneficiaries of other verticals from of the MIS system whereas beneficiary ID is unique to identify the beneficiary of PMFME Scheme who has availed subsidy amount into their loan account.

➤ **More than 10 workers are employed in my enterprise. Can I apply for this scheme?**

No, according to the eligibility criteria, the enterprise should be unincorporated and should employ less than 10 workers for availing the benefits of the scheme.

- How does the system work if the same borrower or co-borrower applies to multiple entities?

The MIS system of PMFME will not allow registering.

- How I can check the status of my application?

You can track the status on the PMFME portal

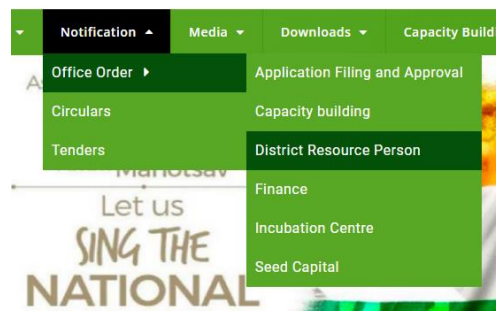
- Will I get the status update on SMS?

Yes, you will get the regular update via SMS

- Where can I find the clarification or office orders on some important things related to scheme?

Link to PMFME homepage/website: <https://pmfme.mofpi.gov.in/pmfme/#!/Home-Page>

You can access it from the Office order subsection under Notification tab in the PMFME home page. Refer image below.



- Where can I download the Detailed project report, instruction sheet and user manuals to operate the PMFME and MIS portal?

Link to PMFME homepage/website: <https://pmfme.mofpi.gov.in/pmfme/#!/Home-Page>

You can access it from the Download tab in the PMFME home page. Refer image below.



- **Bank is asking for a DPR with more than 5 years projected financial data as my payback period is more than 5 years?**

Projected financials in the latest DPRs have been converted to 7-year format, you can download it from download tab on the home page.

In case projected financial data of more than 7 years is required then you can contact MoFPI through Support team

You can reach the support team from

Email: [support-pmfme@mofpi.gov.in](mailto:support-pmfme@mofpi.gov.in)

Phone no.: +91 1302281089 and +91 8168001500

- **I did not receive my login credentials on email after registering?**

Provide your registered mobile number to the support team.

You can reach the support team from

Email: [support-pmfme@mofpi.gov.in](mailto:support-pmfme@mofpi.gov.in)

Phone no.: +91 1302281089 and +91 8168001500

- **How to change the 1st and 2nd preferred bank?**

From the Lending bank section, delete any bank if it is coming. Then enter the IFSC code and click on Add Bank button. The bank to be added first will become the 1<sup>st</sup> bank.

- I am unable to submit the application and I am getting three errors viz. Net profit negative, Average DSCR ratio Negative or Net profit positive but net profit ration less than 8 %, how to rectify the errors?

In case of wrong or non-viable projected financial figures, the system is going to stop the applicant from submitting the application and will give an error prompt until the Financials figures are modified.

You can see the incorrect financial figures from the projected financial report from the Download report section in the Applicants login. All the non-viable fields are highlighted in red.

Steps to rectify the above-mentioned error:

1. Increase the sales figure
2. Reduce the following costs
  - a. Raw material cost
  - b. Wages
  - c. Power and fuel
  - d. Postage
  - e. Advertisement
  - f. Miscellaneous cost
  - g. Overhead expenses
  - h. Work shed Rent
3. Keep the payback period between 5 to 7 years

- How will I come to know the district resource person associated with my application?

On successful registration you will get a mail on your registered mail Id containing a list of all the district resource person in your district with their phone no. and email ID.

You can also ask the same from our support team from

Email: [support-pmfme@mofpi.gov.in](mailto:support-pmfme@mofpi.gov.in)

Phone no.: +91 1302281089 and +91 8168001500

➤ What are the eligibility criteria for FPO?

- ✓ The FPO should have a minimum turnover of Rs 1 Cr.
- ✓ Should have experience in dealing with the product for a minimum period of 3 years.
- ✓ The cost of the proposed project should not be larger than the present turnover.

➤ What are the eligibility criteria for SHGs for capital expenditure?

- ✓ The SHG members should have a minimum period of 3 years' experience in the processing of the ODOP product.
- ✓ The SHGs should have sufficient own funds for meeting 10% of the project cost and 20% margin money for working capital or sanction of the same as a grant from the state government.

➤ What are the eligibility criteria for seed capital for SHGs?

- ✓ Only SHG members that are presently engaged in food processing are eligible.
- ✓ The SHG member has to commit to utilize this amount for working capital and purchase of small tools and give a commitment in this regard to the SHG and SHG federation.
- ✓ Before providing the seed capital, SHG Federation should collect the following basic details for each of the members:
  - a) Details of the product being processed;
  - b) Other activities are undertaken;
  - c) Annual turnover;
  - d) Source of raw materials and marketing of produce.

➤ What type of common infrastructure can be funded under the scheme?

- ✓ Premises for assaying of agriculture produce, sorting, grading, warehouse and cold storage at the farm-gate;
- ✓ Common processing facility for processing of ODOP produce;
- ✓ Incubation Centre should involve one or more product lines, which could be utilized by smaller units on a hire basis for the processing of their produce. The Incubation Centre may partly be used for training purposes. It should be run on a commercial basis.

➤ **Who can register for common infrastructure?**

Link to register: <https://pmfme.mofpi.gov.in/pmfme/#/Register-New-User>

1. Cooperative society
2. FPC
3. SHG
4. Limited liability partnership
5. Partnership firm
6. Private limited company
7. Proprietorship
8. Public limited company

## **FAQS RELATED TO DISTRICT RESOURCE PERSON**

➤ **Who is the DRP of my district and how to contact them?**

List of DRPs of the 35 States/UTs is attached in the login cum sign up page, under the signup button. Download the list, search your state and district and contact the concerned district resource person

➤ **How will my DRP help me?**

The DRP of the particular district will provide the following assistance:

Handholding support to micro enterprise in preparation of DPRs, getting a bank loan, training, upgradation of the unit, getting necessary regulatory approvals, hygiene, etc.

Identification and facilitation of applications for subsidies and seed capital to individual micro enterprises, groups, and common facilities.

➤ **What to do if my DRP is not helping me? / I am not able to contact my DRP.**

In case the DRP is not responding to the call/email then kindly contact the District Nodal Officers/State Nodal Officers. And report in to support mail id

➤ **My DRP is asking for money.**

If any DRP is asking for money, kindly report to the support-pmfme@mofpi.gov.in and SNA or DNO

Payment to the Resource Persons would be made based on each beneficiary supported by them after sanction of loan to them by the bank. Payment to each Resources Person would be @ Rs. 20,000/- per bank loan sanctioned. 50% of the payment would be made after sanction of bank loan and remaining 50% after the Units takes GST & Udyog Aadhar registration, takes standard compliance of FSSAI, complete implementation the project and training Under the PMFME scheme. The payment to DRP would be given by the respective state nodal agency.

➤ **Can I take the help of a DRP from a nearby district?**

No, if the DRP is not responding or is not appointed for the particular district, then please refer to the contact details of the District Nodal Officer/SNA.

➤ **My district has no DRP, what to do?**

If the DRP is not appointed for the particular district, then please refer to the contact details of District Nodal Officer/SNA.

➤ **Should I visit my DRP office/residence for application filing?**

The Beneficiary could meet the DRP at District Industries Centre (DIC), office, site, Official offices, etc. for any official purpose.

➤ **How to be a DRP in the PMFME Scheme?**

To be the DRP, kindly contact the respective SNA. Also, provide the contact number of the SNA.

➤ **Remuneration model / Salary of DRP.**

Payment to the Resource Persons would be made based on each beneficiary supported by them after sanction of loan to them by the bank. Payment to each Resources Person would be @ Rs. 20,000/- per bank loan sanctioned. 50% of the payment would be made after sanction of bank loan and remaining 50% after the Units takes GST & Udyog Aadhar registration, takes standard compliance of FSSAI, complete implementation the project and training Under the PMFME scheme. The payment to DRP would be given by the respective state nodal agency.