Bihar Ranks First in the Country in Prime Minister's Formalization of Micro Food Processing Enterprises Scheme (PMFME)

Why In News?

On 27 January 2022, Sandeep Poundrik, Principal Secretary, Bihar Industries Department, informed that Bihar ranks first in the country in implementing the Prime Minister's ambitious entrepreneur scheme 'Pradhan Mantri Formulation of Micro Food Processing Enterprises Scheme (PMFME)'.

Key points

- According to Principal Secretary Sandeep Poundrick, Bihar has so far approved the highest number of loan cases in the country at 450. In the last two financial years (2020-21 and 2021-22), only 20 loan cases were approved across Bihar. In the current financial year, the target is to get 2050 loans approved in Bihar.
- Compared to Bihar, 205 loan cases have been approved in Maharashtra and in Telangana 296 so far in the current financial year. The situation in the rest of the States is even weaker.
- Bihar had sent the 16-23 highest number of applications to banks under the PMFME scheme in the week of January 2023. However, the acceptance rate is weak compared to applications.
- Under the PMFME scheme, more attention is given to food processing such as Mini Rice Mill, Flower Mill, Pickle Unit, Papad Unit, Makhana Unit, Noodle/Pasta Unit etc. In this also, up to 35 percent subsidy is given.
- The five districts of Bihar accounted for the highest number of cases in PMFME — Samastipur (46), Nalanda (30), Patna (24), Muzaffarpur (22) and Siwan (18).
- The objective of the scheme is to promote the competitiveness of existing individual micro enterprises in the unorganized sector of food processing industry. It also aims to provide support to farmer producer organizations, self-help groups and producer cooperatives.
- This scheme has been implemented for a period of five years, i.e., from 2020-21 to the financial year 2024-25.

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