

फा.सं-FM-11/35/2020-FME

भारतसरकार

खाद्य प्रसंस्करण उद्योग मंत्रालय
पंचशील भवन, अगस्त क्रांति मार्ग
नई दिल्ली-110049

दिनांक: 26.11.2020

OFFICE MEMORANDUM

Subject: Minutes of the First Meeting of the Inter Ministerial Empowered Committee (IMEC) held on 18.11.2020 from 11:30 AM to 12:30 PM via video conference (VC) to review the progress of implementation of PMFME scheme- reg.

I am directed to forward herewith a copy of the minutes of above IMEC Meeting held on 18.11.2020 under the Chairpersonship of Hon'ble Minister FPI, for information.

Encl.: As above


(Ramkesh Meena)

Senior Inspecting Officer

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To,

1. Secretary, Department of Agriculture, Co-operation, & Farmers' Welfare, GoI, Krishi Bhawan, Room No. 120, First floor, Dr Rajendra Prasad Rd, New Delhi, Delhi 110001 - Email: secy-agri@gov.in, Phone no: 23382651, 23388444, 23386004
2. Secretary, Department of Animal Husbandry and Dairying, GoI, Krishi Bhawan, Rajendra Prasad Road, New Delhi - Email: secyahd@nic.in, Phone no: 23382608
3. Secretary, Department of Agriculture Research and Education, GoI, Krishi Bhawan, Dr. Rajendra Prasad Road New Delhi -110 001, Email: dg.icar@nic.in Phone no: 23382629, 23386711.
4. Secretary, Department of Fisheries, GoI, Krishi Bhawan, New Delhi, Email: secy-fisheries@nic.in Phone no: 23381994
5. Secretary, Ministry of Housing and Urban Affairs, Government of India, Nirman Bhawan, Maulana Azad Road, New Delhi-110011. Email: secyurban@nic.in, Phone No: 23062377, 23061459
6. Secretary, Ministry of Rural Development, GoI, G-Wing, NBO Building, Nirman Bhawan, New Delhi 110011, Email:- secyrd@nic.in. Tel: 23382230 23384467, 23389828

7. Secretary, Ministry of Skill Development & Entrepreneurship, GoI, Shram Shakti Bhawan, Rafi Marg, New Delhi - 110001, Email: secy-msde.nic.in , Phone no: 23465833, 23465834
8. Secretary, Ministry of MSME, GoI. Udyog Bhawan, Rafi Marg, New Delhi -110001, Email: secretary-msme.nic.in , Phone no: 23062107, 23061023
9. Chairman, FDA Bhawan, Kotla Marg, near Bal Bhavan, Mandi House, New Delhi, Delhi 110002, Email: chairperson@fssai.gov.in , Phone no: 011-23220991/ 23220992
10. Chairman, NSDC, West Wing, World Mark 1, Asset 11, Aerocity New Delhi - 110037, Email: mkumar@nsdcindia.org , Phone no: 47451690
11. Chairman, National Bank for Agriculture and Rural Development, C-24, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051, (Email: chairman@nabard.org, dsm@nabard.org)

Copy to:-

1. CEO, NITI Aayog, Delhi Email: amitabh.kant@nic.in, ceo-niti@gov.in, Phone No: 23096574. 23096575
2. All states/UTs for information and necessary action.

Copy for information to:-

1. PS to Hon'ble Minister, FPI
2. PS to Hon'ble MoS, FPI
3. Sr. PPS to Secretary, MoFPI
4. Sr. PPS to AS(MJ), MoFPI
5. PPS to AS&FA,
6. PS to JS(AS).

Minutes of the 1st meeting of the Inter Ministerial Empowered Committee (IMEC) under the Prime Minister Formalisation of Micro Food Processing Enterprises (PM FME) Scheme held on 18th November 2020 at 11.30 hrs. through Video Conference.

The first meeting of Inter-Ministerial Empowered Committee (IMEC) of PMFME scheme was held under the chairpersonship of Hon'ble Minister, FPI. List of participants is attached as **Annexure-A**.

2. Secretary, FPI welcomed the Hon'ble Minister, FPI, members of IMEC and all the other dignitaries. She informed the participants that the present IMEC has been convened to deliberate upon the agenda items which includes monitoring & review of status of implementation of the scheme, ratification and approval of few proposals. Secretary, FPI highlighted two unique features of the Scheme. She informed that the scheme was launched under Aatmanirbhar Bharat Abhiyaan and it is the first ever initiative under Government of India to support the upgradation of micro food enterprises in the country. She highlighted the significant feature of the Scheme to upgrade the existing enterprises with an objective of improving their credit worthiness by enhancing capacity, introducing technology and training inputs.

3. Additional Secretary, FPI gave a brief presentation on the agenda items placed before IMEC for review, ratification and approval.

Agenda 1: Review of progress under PMFME Scheme (for information)

1. **Financial Progress:** The Financial progress of the scheme was informed in respect of total state-wise allocation and disbursement made till date. Further it was informed that NIFTM and IIFPT were allocated fund for capacity building as National Level Technical Institute. Also it was informed that all the States have been intimated about the total allocation of fund for the five years for the number of units targeted under the scheme.

2. **Institutional Mechanism:** The progress regarding the institutional mechanism including the status in respect of SNA, SLTI, SLAC, DLAC, SPMU and ODOP was briefed.

3. **Convergence Framework:** The committee was appraised that MoU and Joint Letters were approved by Hon'ble Minister.

4 **ODOP Status:** The committee was informed that ODOP list was received from 26 States but SLAC approved ODOP list was received only for 13 States. The list of ODOP for 323 districts from these 13 states were put for approval.

5. **Project Implementation Plan:** The committee was informed that format for Project Implementation Plan was shared with States for planning their budget indicating activity-wise budget expenditure for the current & ensuing financial year.



6. **Promotional Activity:** The committee was informed on the promotional activities undertaken for the scheme and establishment of call centre under NIFTM. It was briefed that promotional activities are being conducted through Facebook and Twitter along with the plan for release of monthly E-News Letter.

7. **Roll-out of MIS:** The committee was informed on status of development of MIS portal being developed by M/s Tech Mahindra, which has been selected through NICSI. A brief was given on development of various modules such as enterprise registration, bank linkages, capacity building etc. Process of application through online MIS system and its verification at State and field level was explained by Additional Secretary, FPI.

Hon'ble Minister, FPI enquired on the methods used for targeting beneficiaries through Social Media. Additional Secretary, FPI informed that around 5 lakh enterprises registered under Udyog Aadhar were reached out through Mails and SMS at the time of roll out of the scheme. He also informed that messages were sent to the beneficiaries (FPOs/ SHGs/ Cooperatives) whose data were received from NRLM/ NABARD/ NCDC/ SFAC.

Secretary, FPI suggested that beneficiaries under Udyog Adhaar and other targeted beneficiaries would be reached out for passing on the benefits of the scheme to the targeted groups.

Hon'ble Minister, FPI raised concern on extending support to new FPOs/ Cooperatives/ SHGs. He emphasized that new Cooperative should be facilitated under the scheme as old/established group beneficiaries have already been facilitated through various schemes under Ministry of Agriculture. He suggested that new FPOs/ Cooperative and SHGs should be targeted. He further explained that these new FPOs/Cooperatives/SHGs and beneficiaries of PMKSY should be communicated once in year through sms on provisions of the schemes and approach for livelihood enhancement.

Hon'ble Minister, FPI further enquired about the maximum limit of the subsidy given to the beneficiaries.

Additional Secretary, FPI informed that the enterprises with turnover up-to Rs. 1 crore considered as Micro-enterprises, would get subsidy @ 35% with Rs. 10 lakh as the maximum limit for individual enterprises. However, no upper limit for Group enterprises has been defined and they would be given subsidy @35%. This subsidy would be directly transferred to the bank accounts of beneficiaries.

Secretary informed about the change in the definition of micro food processing enterprises by the government. After the launch of the scheme, the upper limit for turnover has been increased from Rs. 25 lakh to Rs. 1 crore. However, most of such enterprises are having turnover up-to Rs. 25 lakh.



Shri Sudhir Garg, Joint Secretary, MSME suggested that KVIC, NSIC centres and 30 technology centres under Ministry of MSME might be taken as Resource Centres under the PMFME scheme.

Decision of IMEC:

The progress update and suggestions were noted by the Committee.

The suggestion to have an MOU with NAFED for marketing arrangement for micro food enterprises was agreed to.

Agenda 2: Guidelines for PMFME Scheme (For Ratification and Information)

It was informed that guidelines for scheme was launched on 29 June 2020 and the same is available on MoFPI website for perusal of stakeholders.

Decision of IMEC:

The committee noted the information on PMFME scheme guideline. The suggestion of facilitating the new units under PMFME scheme was agreed.


Agenda 3: Guidelines for Capacity Building under PMFME Scheme (For Ratification)

1. The committee was informed about the guidelines and that the training under capacity building component of the scheme would be given to beneficiaries in 2 areas i.e., EDP and Product Specific Training for ODOP as well as Non-ODOP products via online mode. Training process adopted for beneficiaries under PMFME scheme through Master Trainers and District Resource Persons was explained.

2. Shri Sudhir Garg, Joint Secretary, MSME suggested that since high potential exists for exports in food sector, the beneficiaries should be given international exposure and training. He also informed about the use of block chain in the scheme which would be useful for tracing the food products. Secretary, FPI agreed to the suggestion that block chain technology might be used for branding and marketing and traceability of ODOP products to enhance market value and credibility.

3. Hon'ble Minister, FPI suggested that the block chain technology used in the traceability of seed might help in the process. Secretary, FPI mentioned that the same technology might be used for traceability from crop to final product to storage facility etc. ensure credibility through the entire value chain.

4. It was suggested in the meeting to sign a MoU with NAFED for facilitating marketing of ODOP product for convergence of PMFME scheme.



Decision of IMEC:

The committee ratified the Capacity building guideline.

Suggestion for involvement of NIRD in capacity building and to have an MOU with them in this regard was agreed to.

Agenda 4: Guidelines for Common Incubation Centre under PMFME Scheme (For Ratification)

1. It was informed that one incubation centre facility would be established in each districts with the cost of 2.75 Cr. per unit. These incubation centre would act as facility centre for processing on rental basis as well as used as training centre. The committee was informed that guidelines for the incubation centre was issued on 2nd November,2020. ICAR institutes would facilitate the development of training modules for ODOP as well as non-ODOP products. Secretary, FPI suggested to utilize KVKs for incubation centre as they might be nearest for approach to micro food processing enterprises.
2. Shri. Trilochan Mahapatra, Director, ICAR informed that KVKs might be established as incubation centre independently as well as with private agencies, thus both option might be explored through financial support.
3. Secretary, FPI suggested that 15 KVKs might send their proposals in the coming quarter and 20 KVKs might be set up in this year. Additional Secretary, FPI suggested that selection of KVKs should be done keeping in view the convenience of location for reach of beneficiaries.
4. Hon'ble Minister, FPI raised the concern of funds with KVKs and suggested for enough release of funds to KVKs for establishment of incubation centre and its operations. It was decided that the KVKs may be used as incubation centre and/or hire private agencies for their operations.
5. Dr. Rajeev Ranjan, Secretary, Ministry of Fisheries (MoF) informed about 17 districts identified for Fisheries focus in addition to the 16 districts where ODOP is Fisheries under PMFME scheme of MoFPI. He suggested for convergence with scope of value-addition and use of technology. He also informed that 100 KVKs have specialization in Fisheries which could be mapped for potential growth along with innovative funds under various schemes.
6. Ms.Alka Upadhyay, Additional Secretary, NRLM informed that registered Producer Groups under NRLM can also be used as resource organizations for the districts where common ODOP exists.
7. Shri. Rakesh Sarawal, NITI AYOOG, suggested that the eligibility of Groups-FPOs/Cooperatives/SHGs should be clarified and verified through registration details,



GST etc. Additional Secretary, FPI clarified that since most of the enterprises targeted under the scheme were informal and operate from home, there might be absence of any official documentation for validation. It was also informed that documentation not considered as mandated and the objective of the Scheme was to formalize the enterprises. Further, it was discussed and agreed that there should not be any boundation of eligibility to have maximum reach to informal enterprises.

Decision of IMEC:

The committee ratified the guideline for Incubation Centre. The suggestion on establishment of Incubation center in KVKs under PMFME scheme was agreed. Further, suggestion for convergence with Ministry of Fisheries was agreed.

Agenda 5: Selection of Nodal Bank under PMFME Scheme (For Ratification)

The committee was informed that the release of subsidy would be done through bank. Therefore, a nodal bank was appointed to connect with the lending banks. Union Bank of India was proposed to be the nodal bank, which was ratified in the meeting.

Decision of IMEC:

The committee ratified the selection of Union Bank as Nodal Bank.

Agenda No. 6 & Supplementary Agenda No. 1: ODOP for 13 States (For Approval and Ratification)

1. The committee was informed about the ODOP of 13 States proposed for the approval in the meeting and that the comparison of ODOP with the product list proposed by MoA has been done. The ratification of ODOP for 86 Districts and approval of ODOP for 237 districts were presented in discussion with the list of product by MoA.

The ODOP for Dibrugarh, Assam was suggested to be changed to Mustard instead of Pumpkin.

2. Hon'ble Minister, FPI mentioned that in case of presence of cereals/ pulses in the district, another product needs to be proposed for ODOP.

3. Additional Secretary, FPI clarified that the food products from Wheat/ Paddy such as Poha/ Murmure etc. were acceptable as ODOP. Similarly, Groundnut/ Sesame Products were acceptable under the Scheme.

4. Shri. Trilochan Mohapatra, Director, ICAR informed that the list would be reviewed and subsequent feedback would be shared with MoFPI.

5. Dr. Rajeev Ranjan, Secretary, Ministry of Fisheries mentioned that the list of 17 Districts with Fisheries as product under his Ministry would be shared with MoFPI for consideration.

Decision of IMEC:

The committee ratified the ODOP for 86 Districts and approved the ODOP for 237 districts. The change of ODOP to Mustard proposed for Dibrugarh, Assam was also approved.

Agenda 7. Selection of State Level Technical Institution (For Approval)

1. It was informed that the State need to nominate a State Level Technical Institute (SLTI). Agriculture Institute or a Research Institute or a Food Processing Institute might be chosen as SLTI for technical support. It was informed that SLTI for 22 States has been confirmed and placed before IMEC for approval. In addition to this, Tezpur University was suggested as SLTI for Assam and approved.

2. Secretary, Rural Development proposed that NIRD might also be considered as National Level Technical Institute under the Scheme in order to provide training and handholding support to the beneficiaries under MoRD. Hon'ble Minister, FPI and Secretary, FPI agreed to the suggestion for inclusion of NIRD to provide support for trainings.

Decision of IMEC:

The committee approved the SLTI for 23 States.

Supplementary Agenda No. 2: Guidelines for Implementation of Seed Capital Component under PMFME(For approval)

1. It was informed that for convergence with MoRD, the seed capital disbursement would be done through SRLM. The key features of guidelines and method of seed capital disbursement was presented in the IMEC for approval. Maximum seed capital of Rs.40000 per member has been provisioned and approval process under NRLM was explained.

2. Shri Yogendra S. Awana, DS, Ministry of Housing and Urban Affairs suggested to have a similar arrangement with NULM as with NRLM. He informed that more than 5 lakh SHG groups functional in urban areas with more than 25,000 SHGs engaged in food processing sector. He also suggested to issue the similar Joint Letter with National Urban Livelihood Mission as with National Rural Livelihood Mission to facilitate the support to the beneficiaries of NULM.

3. Secretary, FPI agreed to the proposal and mentioned that convergence would be discussed with NLUM and terms of Joint letter would be finalized.

4. Shri Sudhir Garg, Joint Secretary, MSME proposed to have Centre of Excellence (CoE) under IITs to provide technical support to the beneficiaries. Secretary, FPI clarified about flexibilities regarding incubation centres mentioned in the guidelines and inclusion of Centre of Excellence under Research and Development component of the Scheme which would be covered at the later stage. She informed that convergence would be explored with IITs and NITs for R&D Component seeking assistance for training.

5. Trilochan Mahapatra, Director, ICAR suggested to provide flexibility for setting up of incubation centres to which Hon'ble Minister, FPI raised concern about more responsibilities being delegated to KVKs along with financial issues.

6. Shri Rakesh Sarwal, Add. Secretary, NITI AYOOG suggested to seek opinion from private sectors, private food processing industries, Marketing Chains and Export Houses for the identified ODOP regarding the domestic and foreign market demand along with technological support needed. Training and capacity building was suggested in the same line and requirements.

Decision of IMEC:

The committee approved the guideline for Seed Capital Disbursement.

It was agreed to explore further a similar arrangement for convergence with NULM. The suggestion on establishment of Centre of Excellence with IITs/NITs were agreed.

The meeting ended with vote of thanks to the Chair.



Action Points of the meeting

1. Focus on new group enterprises (FPOs/ SHGs/ Cooperatives) was suggested. These new groups and beneficiaries of PMKSY to be targeted and made aware on the scheme provisions through text messages once in a year.
2. It was suggested to include KVIC/ NSIC and 30 technology centres of Ministry of MSME as resource centres.
3. Use of Block Chain Technology to be used for Marketing and Branding Support and traceability from crop to final product to ensure credibility through the entire value chain.
4. MoU with NAFED to be done for facilitation in marketing for convergence under the scheme.
5. KVKs and research institutes to be utilized for training purposes under the facility of Common Incubation centre. These facilities might function independently and/or operated through private agencies. Sufficient funds to be provided to KVKs for the smooth operations under the scheme.
6. Mapping of KVKs with specialization in Fisheries and convergence model for districts with Fisheries as ODOP.
7. Registered Producer Groups mapped by NRLM to be benefitted and could be used as resource organizations under the scheme.
8. To include NIRD as for providing training and handholding support to the beneficiaries.
9. Joint Letter to be framed and finalized between MoFPI and National Urban Livelihood Mission for support to SHGs with similar arrangements as NRLM.
10. Centre of Excellence in coordination with IITs and NITs to be setup to provide training to beneficiaries under the Research and Development Component of Scheme.
11. To seek opinion on ODOP for market potential in domestic and international market demand along with technological support needed.



List of Participants

The list of participants is as under:

1. Shri Narendra Singh Tomar, Minister, FPI
2. Ms. Pushpa Subrahmanyam, Secretary, FPI
3. Shri. Nagendra Nath Sinha, Secretary, Ministry of Rural Development
4. Shri. Rajeev Ranjan, Secretary, Ministry of Fisheries
5. Shri. . Manoj Joshi, Additional Secretary, MoFPI
6. Ms. Alka Upadhyay, Additional Secretary, Ministry of Rural Development
7. Ms. Sibani Swain, AS & FA, MoFPI
8. Shri. . Rakesh Sarawal, Additional Secretary, NITI AYOOG
9. Shri. . Sudhir Garg, Joint Secretary, Ministry of MSME
10. Shri. Varsha Joshi, Joint Secretary, Ministry of Fisheries
11. Shri. Sanjay Kumar, Joint Secretary, Ministry of Housing and Urban Affairs
12. Shri. Trilochan Mohapatra, Director, ICAR
13. Shri. R.K. Gupta, Director, Ministry of Skill Development
14. Shri. Parveen Jargar, Joint Director, FSSAI
15. Shri. Yogendra S. Awana, Deputy Secretary, Ministry of Housing and Urban Affairs
16. Representative of NABARD

