

## **FAQs on ODOP under PMFME Scheme**

### **1. What is ODOP and its significance under the PMFME scheme?**

ODOP stands for “One District One Product”. PMFME Scheme adopts one district one product approach to reap the benefits of scale in terms of procurement of inputs, availing common services and marketing of products.

### **2. Explain the ODOP approach under the scheme?**

The Scheme adopts One District One Product (ODOP) approach to reap the benefit of scale in terms of procurement of inputs, availing common services and marketing of products. ODOP for the scheme provides the framework for value chain development and alignment of support infrastructure. There may be more than one cluster of ODOP product in one district. There may be cluster of ODOP product consisting of more than one adjacent district in a State.

The States would identify the food product for a district, keeping in perspective the focus of the scheme on perishables and on the basis of a baseline study carried out by the State Government. The ODOP product could be a perishable agri produce, cereal based product or a food product widely produced in a district and their allied sectors. Illustrative list of such products includes mango, potato, litchi, tomato, tapioca, kinnow, bhujia, petha, papad, pickle, millet based products, fisheries, poultry, meat as well as animal feed among others. In addition, certain other traditional and innovative products including waste to wealth products could be supported under the Scheme. For example, honey, minor forest products in tribal areas, traditional Indian herbal edible items like turmeric, amla, haldi, etc. Support for agricultural produce would be for their processing along with efforts to reduce wastage, proper assaying and storage and marketing.

The scheme also envisages strengthening backward and forward linkages, provision of common facilities, incubation centres, training, R&D, marketing & branding, provision of which would primarily be for ODOP products.

### **3. What is the criteria to identify the ODOP?**

Identification of ODOP is contingent on the some of the following factors as compared to other agricultural produce and food products in the district:

- ODOP produce as a percentage of total agricultural produce of the district;
- Perishable nature of the produce;
- Presence of ODOP in that district compared to other district and states;
- Is the district recognized with the ODOP product?
- Level of processing happening for ODOP in the district, in other districts and outside the State;
- Number of workers engaged in the ODOP cultivation and processing;
- Marketing linkages within district, state and outside;
- Level of infrastructure for ODOP processing within district, in other districts and States.

The respective State/UT to identify and recommend ODOPs for their districts to the Ministry for approval.

**4. What are the benefits envisaged under the scheme for existing enterprises and new units for ODOP?**

- Support to existing individual micro units for capital investment, preference would be given to those producing ODOP products.
- In case of capital investment by groups, predominantly those involved in ODOP products would be supported.
- New units, whether for individuals or groups would only be supported for ODOP products.
- Support for common infrastructure and marketing & branding would only be for ODOP products. In case of support for marketing & branding at State or regional level, same products of districts not having that product as ODOP would also be included.

**5. Has any consultation taken place with other Ministries/ departments for convergence in finalizing the ODOP?**

Yes, MoFPI in consultation with the Ministry of Agriculture has approved the list of ODOPs of districts recommended by 35 States/ UTs.

**6. What are the benefits being provided under the PMFME scheme with ODOP approach?**

The benefits envisaged under the scheme are as under:

**Support to Individual Micro Enterprises:**

Credit-linked capital subsidy @35% of the eligible project cost, maximum ceiling Rs.10 lakhs per unit

Beneficiary contribution - minimum of 10% of the project cost, balance loan from Bank.

**Support to FPOs/ SHGs/ Producer Cooperatives:** Credit linked Grant @35% to support clusters and groups such as **FPOs/ SHGs/ Producer Cooperatives** along their entire value chain for sorting, grading, storage, common processing, packaging, marketing, testing etc.

**Support to SHGs:** Seed capital @ Rs. 40,000/- per member of SHG involved in food processing activity for working capital and purchase of small tools

Seed capital to be given as grant to the SHG Federation by SNA/ SRLM for loan to the members of SHGs

**Support to individual SHG member** as a single unit of food processing industry with credit linked grant @35% of the project cost, maximum ceiling Rs.10 lakh.

**Support for capital investment** at Federation of SHG level with credit linked grant @35%.

**Support for Common Infrastructure:** Credit linked grant @ 35% to support FPOs, SHGs, Cooperatives, any Government agency or private enterprises for Common

infrastructure. The common infrastructure will also be available for other units and public to utilize on hiring basis for substantial part of the capacity. Common infrastructure to be funded under the scheme include:

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 for utilisation by smaller units on a hire basis for processing of their produce. The Incubation Centre may partly be used for training purpose. However, it should be run on commercial basis.

**Branding and Marketing Support:** Grant upto 50% for Branding and Marketing support to groups of FPOs/ SHGs/ Cooperatives or an SPV of micro food processing enterprises. It is to be provided for ODOP product at the State or regional level.

**7. How many States/ UTs have identified their ODOP? What is the status for identification of ODOP in States/ UTs?**

35 States/ UTs have identified and recommended ODOPs in 707 districts Ministry has approved these ODOPs. The list of approved ODOP is available on the website of MoFPI .

[https://mofpi.nic.in/pmfme/docs/ODOP\\_LIST\\_OF\\_35\\_STATES\\_AND\\_UTs.pdf](https://mofpi.nic.in/pmfme/docs/ODOP_LIST_OF_35_STATES_AND_UTs.pdf)

**8. How many States/ UTs have identified Fisheries and allied products as ODOP?**

29 districts in 16 States/ UTs have identified Fisheries and allied products as ODOP.

**9. How many States/ UTs have identified Animal Husbandry and allied products as ODOP?**

49 districts in 18 States/ UTs have identified Animal Husbandry and allied products as ODOP.

**10. How many States/ UTs have identified Minor Forest Products (MFP) as ODOP?**

46 districts have identified Minor Forest Produce as ODOP in 12 States.

**11. Which MFPs have been considered as ODOP under the PMFME Scheme?**

MFPs such as Chironjee, Tamarind, Mahua, Wild Honey, Hirda, Behda, Harra, Amla, Jamun, Custard Apple and Miscellaneous forest produce etc are considered as ODOP under the scheme.

**12. What is the ODOP of a particular district in the country?**

List of approved ODOP of various districts in the country is available on Ministry's website (<https://mofpi.nic.in/pmfme/>) for the information of all stakeholders which may please be referred.

**13. Can an entrepreneur avail the benefit of this scheme for up-gradation of his existing unit?**

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

**14. Is it mandatory to choose the ODOP of the district where unit is proposed or exists or any other ODOP can be selected from the entire ODOP list for setting up of enterprise?**

New enterprises should be only for ODOP of the district so as to avail the benefit under the scheme. The existing enterprises can avail the benefits in processing of ODOP or any other food products as well.

**15. 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.

**16. What benefits will be provided to beneficiaries/enterprises not engaged in ODOP?**

Existing units processing other food products would also be supported for capital subsidy. Support to groups, for processing of food products other than ODOP, in such districts would only be for those already processing such food products and with adequate technical, financial and entrepreneurial strength.

**17. Can I avail the benefits of the ODOP programmes if my product is listed but from a different district?**

Support for setting-up of new enterprise would be only for ODOP of the district where enterprise is proposed to be established. However, to existing enterprises support would be provided irrespective of the ODOP listing.

**18. If I want to establish enterprise on my own, can I setup for ODOP?**

Yes, the applicant may avail the benefit of credit linked subsidy for new as well as existing units for ODOP of the district.

**19. Are there any provision for trainings for ODOPs under the scheme?**

Yes. The following are the focus areas for capacity building/training under the scheme:

i) Entrepreneurship development, essential functions of enterprise operations, marketing, book keeping, registration, FSSAI standards, Udyog Aadhar, GST Registration, general hygiene, etc.

ii) Specific training designed for ODOP product or the product produced by the unit including operations of necessary machines, hygiene issues, packaging, storage, procurement, new products development etc.

**20. Who shall be provided training under the scheme?**

Under the Capacity Building component of the scheme, training support would be provided to individual units and groups that are being provided support for capital investment. In addition, training support would also be provided to other existing units and groups in the districts that are processing ODOP products. Groups that are being provided support for marketing & branding under the Scheme would also be provided training support.

**21. How to apply for availing the benefit of capital subsidy under the Scheme for establishing the new micro enterprise unit for processing of ODOP or by the existing individual micro enterprise unit dealing with food processing?**

Online submission of application for individual micro enterprises have been launched on 25th January,2021. The link for the online application is available on the PMFME website. <https://pmfme.mofpi.gov.in/#/Login>. Interested entrepreneur may apply online on this website.

**22. Are there any financial support for setting up storage and warehousing facilities for the ODOP products under the scheme?**

The scheme envisages financial support for common infrastructure. There is a provision for credit linked grant @ 35% to support FPOs, SHGs, Cooperatives, any Government agency or private enterprises for Common infrastructure. The common infrastructure will also be available for other units and public to utilize on hiring basis for substantial part of the capacity. Common infrastructure to be funded under the scheme include:

- 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 for utilisation by smaller units on a hire basis for processing of their produce. The Incubation Centre may partly be used for training purpose. However, it should be run on commercial basis.

**23. What is the maximum subsidy amount provided for individual enterprises under the scheme?**

Individual micro food processing units would be provided credit-linked capital subsidy @35% of the eligible project cost with a maximum ceiling of Rs.10.0 lakh per unit. Beneficiary contribution should be minimum of 10% of the project cost with balance being loan from Bank.

**24. Is marketing and branding support only for ODOP?**

Yes, under the PMFME Scheme marketing and branding support for ODOP would be provided to groups of FPOs/SHGs/ Cooperatives or an SPV of micro food processing enterprises at the State or regional level. Following are the provisions for support under the scheme:

- (i) Training relating to marketing to be fully funded;
- (ii) Developing a common brand and packaging including standardization to participate in common packaging;
- (iii) Marketing tie-up with national and regional retail chains and state level institutions;
- (iv) Quality control to ensure product quality meets required standards.

Support for Marketing and Branding would be limited to 50% of the total expenditure. Maximum limit of grant in such cases would be as prescribed. No support would be provided for opening retail outlets under the scheme.

Vertical products at the national level could also be provided support for marketing and branding on the same lines as described above. Such support for common branding/packaging and marketing would be provided at the national level.

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