PRADHAN MANTRI KISAN SAMPADA YOJANA (PMKSY)

Website: www.mofpi.nic.in
Nivesh Bandhu: foodprocessingindia.co.in
SCHEMES UNDER PRADHAN MANTRI KISAN SAMPADA YOJANA

- Mega Food Parks
- Integrated Cold Chain & Value Addition Infrastructure
- Creation/Expansion of Food Processing & Preservation Capacities
- Creation of Infrastructure for Agro-processing Clusters
- Creation of Backward and Forward Linkages
- Food Safety and Quality Assurance Infrastructure (Lab and HACCP)
- Human Resources and Institutions
Mega Food Parks Scheme

Grant:
- 50% of the eligible project cost for General Area & 75% for North East, Hill & Difficult areas subject to maximum of ₹50.00 Crore.
- Eligible Organizations & eligibility conditions:

  Implemented through Special Purpose Vehicle (SPV)
  - Combined Net Worth of the SPV promoters / shareholders should not be less than 50 crore.
  - Net worth of each promoter / shareholder of the SPV should not be less than 1.5 times of his / her proposed equity contribution.

Exclusions:
- Cost of Land, Pre-operatives, Margin Money for Working Capital to be excluded
- Only one mega food park project will be sanctioned in a district
- No second proposal from the same promoter(s) within two years of completion

• SPV need to bring 20% of Project Cost as equity in General Areas and 10% in Hill & Difficult and Island areas
• Minimum Land Area - 50 Acres for 75 years
• An anchor investor in the SPV to setup a food processing units with an investment of at least ₹10 crore
• FP Units to be set up - 25 to 30 [can avail grant under Unit Scheme]
MEGA FOOD PARK-HUB AND SPOKE MODEL

Farmer Groups
Self Help Groups
Farmers

CCC CCC CCC
CCC CCC CCC
CCC CCC CCC

PPC 1 PPC 2 PPC 3

Value added Products
Fresh Products
Domestic sales and exports
Domestic Retail sales

CCs: Aggregation Points

PPCs: Pre-cooling, Grading & Sorting, waxing, packing, Temporary storage. Supply to CPC or direct market

CPC: Core, Basic Enabling, Non-core infrastructure, SDF sheds, Processing units
MEGA FOOD PARKS

State Wise Distribution of Mega Food Parks

- Final Approval
- In-Principle Approval
- Operational

37 Final Approvals, 5 In-principle Approvals, 9 Operational upto 15th January, 2018
Cold Chain Scheme

Grant

- For Storage infrastructure- 35% of project cost in General Areas & 50% in North East, Hill and Difficult Areas
- For Food Processing Infrastructure- 50% of project cost in General Area & 75% for North East, Hill & Difficult areas
- Maximum Grant- ₹10.00 Crore.

Eligible Organizations & eligibility conditions

- Central & state PSUs /Joint Ventures /FPOs/NGOs/Cooperatives /SHG’s /Corporate entity/ Proprietorship firms.
- Combined Net Worth of promoters/ proposed shareholders should not be less than 1.5 times of the grant sought.
- Term loan should be at least 20% of the total project cost.
- Date of Commercial Operation should not be prior to date of application.

Exclusions

- Cost of Land, Pre-operatives, Margin Money for Working Capital to be excluded.
Farm Level Infrastructure (Sl. No. 1) is mandatory + any one or both components out of 2 & 3 below need to be set up:

1. Minimal Processing Centre (MPC)/ Farm Level Infrastructure
2. Distribution Hub
3. Reefer Transport
4. Irradiation Facility (can be set up as stand alone facility)

(i) Farm Level Infrastructure/ MPC—Integrated Pack House with facility for weighing, sorting, grading, packing, waxing etc., Pre-cooling units, CA, Cold Storage, IQF etc.

(ii) Distribution Hub—Hub with Multi products/ Multi temperature cold storage, CA Storage, Variable Humidity Chambers, Packing Facility, CIP Fog Treatment, IQF, Blast Freezing etc.

(iii) Reefer Transport—Mobile Pre-cooling trucks and Reefer trucks/ Insulated Tankers suitable for transportation of perishable agricultural commodities/ Horticulture / Dairy / Meat/ Fish produce
SCHEME FOR CREATION/EXPANSION OF FOOD PROCESSING/PRESERVATION CAPACITIES (UNIT SCHEME)

Grant

- 35% of the eligible project cost for General Area & 50% for North East, Hill & Difficult areas subject to maximum of ₹5.00 Crore.

Eligible Organizations

- Central & state PSUs /Joint Ventures /FPOs/NGOs/Cooperatives /SHG’s /Corporate entity/ Proprietorship firms.
- Promoter’s equity should not be less than 20% of Project Cost in General Areas and 10% in NER & Difficult Areas (not applicable for Govt. proposals).
- Minimum eligible project cost more than (i) ₹ 3 Cr. (for general area) & (ii) ₹ 1 Cr. (for North East states)
- Date of commercial production should not be prior to the date of submission of application.
- The term loan should be at least 20% of the total project cost. Sanction of term loan should not be prior to date of advertisement of EoI.

Preference to the proposals

- Units to be set up only in Mega Food Parks, Agro Clusters & Designated Food Parks. 1st preference- MFP, 2nd preference- Agro Clusters, 3rd preference- designated food parks.
- State wise allocation of units.
Eligible Sectors under Unit Scheme

- Fruit & vegetables Processing
- Milk Processing
- Meat/poultry/Fish Processing
- Ready to Eat/Ready to Cook Food Products/Breakfast cereals /Snacks/other food products
- Flour /Pulse /Oilseeds milling
- Rice Milling- preference to Eastern & North Eastern State
- Other agri-horti sectors including spices, coconut, mushrooms, Soybean, Honey
- Fruit / Honey based Wines
- Natural Food Flavors / extracts, Food additives & Colours, oleoresins (not artificial)
- Animal Feed -to plants to be set up in Mega Food Parks
AGRO PROCESSING CLUSTERS SCHEME

- **Grant:**
  - 35% of the eligible project cost for General Area & **50%** for North East, Hill & Difficult areas subject to maximum of ₹**10.00 Crore**.

**Eligible Organizations / eligibility conditions:**

- Central & state PSUs /Joint Ventures /FPOs/ FPCs/ NGOs/Cooperatives /SHG’s /Corporate entity/ Partnership firms/ Proprietorship firms etc.

- No Agro Processing Cluster in the same District where CPC of Mega Food Park is located.

- Only one agro processing cluster will be sanctioned in a district
Eligibility conditions

- Combined Net Worth of promoters/ proposed shareholders should not be less than 1.5 times of the grant sought
- Promoter’s equity / contribution should not be less than 20% of Project Cost in General Areas and 10% in Hill & Difficult and Island areas
- Term loan should be at least 20% of the total project cost
- Minimum Land Area- 10 Acres
- Minimum no. of FP Units to be set up- 5 [can avail grant under Unit Scheme]
- Minimum Investment- Rs. 25 Crore
- State wise allocation of clusters.

Exclusions

- Cost of Land, Pre-operatives, Margin Money for Working Capital to be excluded
- Promoters of Mega Food Parks are not eligible
- Cluster should not be in the district of Mega Food Parks
BACKWARD AND FORWARD LINKAGES SCHEME

**Grant**
- 35% of the eligible project cost for General Area & 50% for North East, Hill & Difficult areas subject to maximum of ₹5.00 Crore.

**Eligible Organizations**
- Central and State PSUs / Joint Ventures /Farmer Producers Organization (FPOs)/ NGOs / Cooperatives / SHGs / Public &Private Companies / Limited Liability Partnerships, Corporate Entity /Proprietorship Firms / Partnership Firms etc.

**Who can apply**
- Promoters of existing food processing units (except those who have availed MoFPI grant earlier).
- Groups of producers such as Co-operatives, Farmer Producer Organizations (FPOs), Farmer Producer Companies (FPCs), Self Help Groups (SHGs) etc. linked to food processing units.
- Retailers of processed food having linkage at Farm Level or with food processors
- Entrepreneurs desirous of entering into food processing/food retail value chain.
BACKWARD AND FORWARD LINKAGES SCHEME

Eligible Components

For Backward Linkage:-
- Integrated Pack-house(s) (with mechanized sorting & grading line/ packing line/ waxing line/ staging cold rooms/ cold storage, etc.)
- Milk Chilling Centers/ Bulk Milk Coolers
- Pre Cooling Unit(s)/ Chillers
- Mobile pre-cooling Vans
- Reefer boats
- Machinery & Equipment for packing/packaging

Note: An entrepreneur can set up any one or more of the above mentioned facilities under the scheme. Standalone activities like Reefer transport or cold storage not permitted.

Forward Linkage
- Ripening Chamber(s), Cold Room/Cold Storage
- Retail chain of outlets for perishables including Meat Shops with facilities such as frozen storage/deep freezers/Refrigerated display cabinets/cold room/ Chillers/ Packaging etc.
- Retail refrigerated carts, temperature controlled solar powered retail carts.

Transport
- Refrigerated/ Insulated transport / Reefer Vans- as per requirement of backward and/or forward linkage components.
FOOD SAFETY AND QUALITY
ASSURANCE INFRASTRUCTURE

Food Testing Laboratory Scheme

Grant

- 50% of the cost of laboratory equipment for General Area & 70% for North East, Hill & Difficult areas. 100% for Govt. / Public Sector.
- 25% of the cost of technical civil works for General Area & 33% for North East, Hill & Difficult areas.

Eligible Organizations:

- Central/State Government and its organizations /universities / deemed universities / private sector organizations.
FOOD SAFETY AND QUALITY
ASSURANCE INFRASTRUCTURE

HACCP/ ISO Standards/Food Safety/ Quality Management Systems

Grant

• Re-imbursement of expenditure @50% in general area and @ 75% in NE Region and difficult areas of eligible project cost subject to maximum of ₹ 17 lakh and ₹ 22 lakh respectively.

Eligible Organizations:

• Central/ State Government Organization, IITs, Universities and private sector in the field of food processing sector.
Grant

- For the Government organizations/ universities/institutions: Grant-in-aid @100% of cost of equipment, consumables and expenditure related to salaries for project staff specific to the project for maximum period of three years.
- For Private organizations / universities / institutions: Grant-in-aid is given @50% of equipment cost only in general areas and 70% in North East States and difficult areas.

Eligible Organizations

- All Universities, IITs, Central/ State Government Institutions, Government funded Organizations, R&D laboratories and CSIR recognized R&D units in private sector
**Skill Development Scheme**

**Grant**
- Grant @50% of the cost of plant & machinery for approved training module
- Max. grant ₹15 lakh per training module & two training module per training center for eligible institutions

**Eligible Organizations**
- Food technology institutions under the UGC approved universities / State universities and also NSDC recognized State owned skill training centers / NIFTEM / IIFPT
MoFPI has two institutions for capacity building in food preservation and processing.

1. National Institute of Food Technology Entrepreneurship & Management (NIFTEM) – deemed university.
2. Indian Institute of Food Processing Technology (IIFPT) – affiliated to Tamil Nadu Agriculture University.
4. Several short duration trainings for capacity development of industry professionals and entrepreneurs.
INVESTOR PORTAL – NIVESH BANDHU

For following information, visit Investor Portal (http://foodprocessingindia.co.in):

- Focus sectors
- District Level Resources of Agri-Horti Production
- State policies
- Publications
- Latest updates on food processing sector
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