

Leveraging Government Subsidy/ Grant-in Aid

FOR AGRO & FOOD PROCESSING INDUSTRY

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IN Association with:

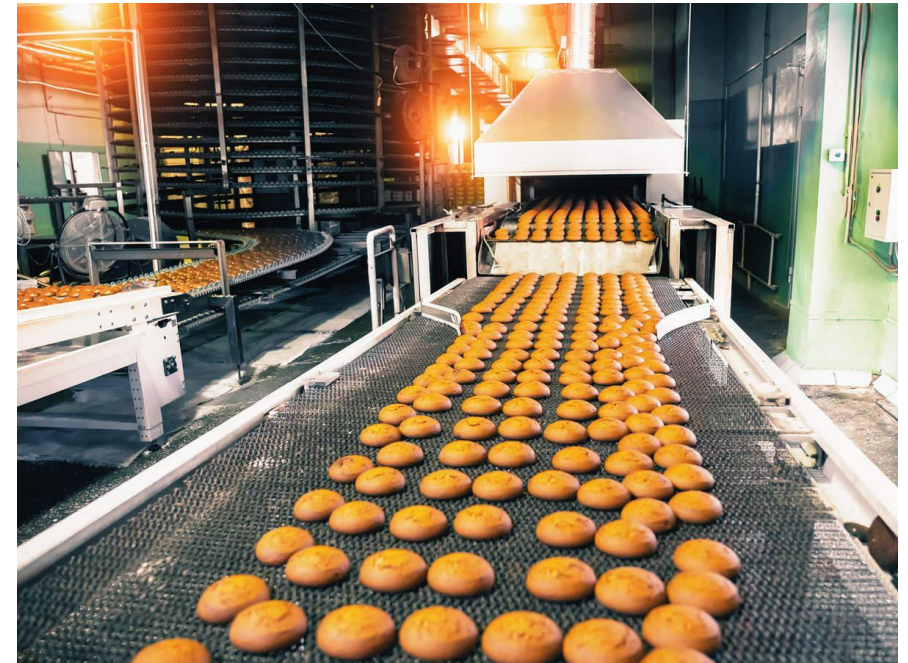
INSTITUTE OF CHARTERED ACCOUNTANT OF INDIA NAGPUR



What is Food Processing...

Food Processing means the process by which an agro product is transformed into food product in order to :

- **Make the food safe & suitable for consumption**
- **Increase the shelf life of products**
- **To add taste & value to Product**



Why Agro & Food Processing...

- India is a agri based Economy
- Population growth and consumption
- World's 2nd Largest producer of food
- Innovation & Trends
- Extensive Variety
- Sunrise Sector



Ministry of Food Processing Industries (MoFPI)

Schemes of MoFPI :

1. Pradhan Mantri Kisan Sampada Yojna
 - i. Cold Chain
 - ii. Agro Processing Cluster
 - iii. Creation Expansion of Food Processing/ Preservation Capacities
 - iv. Operations Green
 - v. Food Safety & Quality Assurance Infrastructure
2. Production Linked Incentive Scheme (PLI)
3. Pradhan Mantri Formalisation of Micro Food Processing Enterprise (PMFME)

1. Integrated Cold Chain & Value Addition

Scheme name	Key parameters	Information
Integrated Cold Chain & Value Addition Infrastructure	Scheme Objective	To provide integrated cold chain, value addition & preservation infrastructure without break from gate to consumer.
	Eligibility	<ul style="list-style-type: none"> • Net-Worth \geq 1.5 times the grant sought • Eligible sectors - Non Horticulture Produce (Dairy, Meat, Poultry & Marine)
	Grant <i>(% eligible project cost)</i>	<p>Maximum Grant – INR 10 Cr.</p> <ul style="list-style-type: none"> • 35% of Eligible project Cost in general area • 50% of Eligible project cost in Hilly & Difficult Areas
	Components	<ul style="list-style-type: none"> • Farm Level Infrastructure • Distribution Hub • Processing Centre • Refrigerated Vans • Irrigation Facility

2. Infrastructure for Agro Processing Cluster

Scheme name	Key parameters	Information
Agro Processing Cluster	Scheme Objective	Development of modern infrastructure and to encourage processors to setup food processing units on cluster based approach.
	Eligibility	<ul style="list-style-type: none"> • Net-Worth \geq 1.5 times the grant sought • Min land area 10 Acres • Min 5 units should come up with an aggregate investment of 25 Cr
	Grant <i>(% eligible project cost)</i>	Maximum Grant – INR 10 Cr. <ul style="list-style-type: none"> • 35% of in general area • 50% in hilly & difficult areas & for SC /ST Category
	Components	<ul style="list-style-type: none"> • Basic Enabling Infrastructure • Core processing Infrastructure

3. Creation Expansion of Food Processing & Preserving Capacities

Scheme name	Key parameters	Information
Creation Expansion of Food Processing & Preservation Capacities (Unit Scheme)	Scheme Objective Eligibility	Developing Modern technology food processing infrastructure for value addition & reduction of wastages. <ul style="list-style-type: none"> • Project should be proposed in MoFPI approved Mega Food Park or APC • Min Eligible Project cost Should be INR 3 Cr. in general area • SC / ST Entrepreneur having eligible project cost of > INR 1 Cr. • Min Networth of Applicant > 1.5 Times the Grant Sought
	Grant <i>(% eligible project cost)</i>	Maximum Grant – INR 5 Cr. <ul style="list-style-type: none"> • 35% of in general area • 50% in hilly & difficult areas & for SC /ST applicants
	Components	<ul style="list-style-type: none"> • Technical Civil Works (Factory Building) • Plant & Machinery • Mis. Material Handling Equipment

4. Operations Green – Long Term Intervention

Scheme name	Key parameters	Information
Operations Green Long Term Intervention Scheme	Scheme Objective	Reduction in Post harvest losses by creation of farm gate infrastructure, development of sustainable agri logistics, creation of storage capacities
	Eligibility	<ul style="list-style-type: none"> • Min Networth of Applicant > 1.5 Times the Grant Sought • For 22 perishable Crops • Horticulture crops
	Grant <i>(% eligible project cost)</i>	Maximum Grant – INR 10 Cr. <ul style="list-style-type: none"> • 35% of in general area • 50% in hilly & difficult areas & for SC /ST applicants
	Components	<ul style="list-style-type: none"> • Integrated Value Chain Development Project • Stand Alone Post harvest Infrastructure • Mis. Material Handling Equipment

5. Food Safety & Quality Assurance Infrastructure

Scheme name	Key parameters	Information
Scheme for Setting up/ upgradation of Food Testing Laboratories	Scheme Objective	To strengthen the food quality control infrastructure and to make it available to Food Processors, & To ensure compliance to domestic & international food safety Standards
	Eligibility	<ul style="list-style-type: none"> • Basic Civil structure to be ready at the time of application • Commercial labs not captive
	Grant (% eligible project cost)	<p>For Equipments</p> <ul style="list-style-type: none"> • 50% of in general area • 70% in hilly & difficult areas & for SC /ST applicants <p style="text-align: center;">+</p> <p>For Furniture & Civil Works</p> <ul style="list-style-type: none"> • 2% of eligible cost of equipment or 15 lacs w.e.l
	Components	<ul style="list-style-type: none"> • Equipment & Furniture

6. PM Formalisation of Micro Food Processing Enterprise (PMFME)

Scheme name	Key parameters	Information
PM Formalisation of Micro Food Processing Enterprise Scheme	Scheme Objective	Capacity Building of Entrepreneur through technical knowledge and skill training
	Eligibility	<ul style="list-style-type: none"> • Centrally Sponsored • One District one Product Approach • Application at District Level
	Grant <i>(% eligible project cost)</i>	<ul style="list-style-type: none"> • 35% of project cost upto 10.00 Lakhs (New + Upgradation) • Seed Capital of Rs 40000 per member of SHG for Working Capital • 35% of project cost for common infrastructure
	Components	<ul style="list-style-type: none"> • Factory Building • Machinery

National Horticulture Board (NHB)

Schemes of NHB :

1. Integrated Post Harvest Management Projects
2. Capital Incentive Subsidy for construction of Cold Storage



NHB Scheme's Offering Financial Assistance...

Scheme name	Key parameters	Information
Integrated Post Harvest Management Projects	Scheme Objective	To provide assistance for post harvest processing infrastructure
	Eligibility	<ul style="list-style-type: none">• Fruits, Vegetables, Flowers, Aromatic Plants and Cashews• Cost norms as defined by NHB to be followed
	Grant (% eligible project cost)	Maximum Grant – INR 50.75 to 72.50 Lakhs <ul style="list-style-type: none">• 35% of project cost limited to INR 50.75 lacs in general areas• 50% of project cost limited to INR 72.50 lacs in hilly & difficult areas
	Components	<ul style="list-style-type: none">• Post Harvest Processing Infrastructure like Packhouse, Ripening Chamber, Reefer vans, Primary Processing Centers etc.



NHB Scheme's Offering Financial Assistance...

Scheme name	Key parameters	Information
Capital Investment Subsidy Scheme for Construction/Expansion/Modernization of Cold Storages	Scheme Objective	To provide assistance for setting up of cold storages for horticulture crops for reduction of wastages.
	Eligibility	<ul style="list-style-type: none">• Multi Chamber Cold Storage• Capacity >5000 MT in General Areas• Capacity >1000 MT in North East & Hilly States
	Grant <i>(% eligible project cost)</i>	Maximum Grant – INR 7.5 Cr. <ul style="list-style-type: none">• 35% in general areas• 50% in North East and difficult areas
	Components	<ul style="list-style-type: none">• Cold Storage Type 1/ Cold Storage Type 2• Cold storage type 2 with add on Technology for Controlled Atmosphere• Technology Induction & Modernization of Cold Chain

Thank you

**Please feel free to
connect with us**

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