

Prime Financial Assistance Schemes of Government of India

**for
Production, Post Harvest Management,
Processing, Marketing and Exports of
Agricultural and Horticultural Produce**



**Confederation of Indian Industry
Since 1895**

Disclaimer

The material in this publication has been taken up by Global AgriSystem Pvt. Ltd. from the websites of respective Ministries/Departments in December 2010. These guidelines have been slightly edited to make them more users friendly and users are requested to see the detailed guidelines of concerned Ministries/Departments before submitting any proposal for seeking financial assistance under these schemes.

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Foreword



Establishment of an integrated cold chain has gained significant importance for arresting value destruction in perishable food products owing to poor infrastructure and lack of cold chain availability as well as to meet the growing food demand in ever expanding urban conglomerates. Many initiatives have been taken by the Government and its agencies, which, inter alia, include financial support in the form of grants and subsidies for various developmental activities like production, post harvest management and cold chain development. However, it has been observed that most of the beneficiaries taking advantages from one scheme are not aware the financial assistance available from other schemes since there is not much synergy and co-ordination in implementation of these schemes.

These financial assistance schemes fill the gaps in various fields of Agriculture, Horticulture, Medicinal Plants, Marketing, Processing, Exports etc. being implemented by the Department of Agriculture (NHM), NHB, DMI, APEDA, Ministry of Commerce, Ministry of Food Processing Industries, National Medicinal Plants Board and Department of AYUSH. These Departments have formulated their guidelines by setting parameters for seeking financial assistance by various stakeholders.

Keeping in view the above facts, the CII National Task Force on Cold Chain Development has made efforts to bring out a compendium of the guidelines of NHM, NHB, DMI, Ministry of Food Processing Industries, SFAC, APEDA, NMPB etc. It is advised that users should refer to the official web sites to get details and application forms etc. while preparing their project proposals.

I am sure that the said compendium will be useful to various stakeholders like corporates, entrepreneurs, financial institutions, R&D institutions, extension agencies and farmer's organizations for taking better advantage of central schemes and thereby ensure effective implementation in order to increase production and productivity and reduce post harvest losses while enhancing the viability of their projects.

B Thiagarajan

Chairman, CII National Task Force on
Cold Chain Development and
President, Blue Star Limited





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NATIONAL HORTICULTURE MISSION
Department of Agriculture & Co-operation



National Horticulture Mission

1. Introduction

- 1.1 National Horticulture Mission (NHM) is being implemented in accordance with revised guidelines described hereunder.
- 1.2 The Scheme will be operated in all States and Union Territories, except North Eastern States including Sikkim, Himachal Pradesh, Jammu & Kashmir and Uttarakhand, for which a separate Technology Mission for Integrated Development of Horticulture exists, to promote holistic growth of the horticulture sector covering fruits, vegetables, root & tuber crops, mushroom, spices, flowers, aromatic plants, cashew and cocoa. Similarly, programme for development of coconut will be implemented by Coconut Development Board (CDB). NHM is a Centrally Sponsored Scheme in which Government of India contributes 85%, and 15% is met by the State Governments.

2. Mission Objectives

- 2.1 Main objectives of Mission are:
 - a) Provide holistic growth of horticulture sector through area based regionally differentiated strategies, which include research, technology promotion, extension, post harvest management, processing and marketing, in consonance with comparative advantage of each State/region and its diverse agro-climatic features;
 - b) Enhance horticulture production; improve nutritional security and income support to farm households;

- c) Establish convergence and synergy among ongoing and plan programmes, for horticulture development;
- d) Promote, develop and disseminate technologies for horticulture development, through seamless blending of traditional wisdom and modern scientific knowledge;
- e) Create employment generation opportunities for skilled and unskilled persons, especially unemployed youth;

3. Strategy

- 3.1 To achieve above objectives, the mission will adopt the following strategies:
 - a) Adopt an end-to-end holistic approach covering production, post harvest management, processing and marketing to assure appropriate returns to growers/producers;
 - b) Promote R&D technologies for production, post-harvest management and processing;
 - c) Enhance acreage, coverage, and productivity through:
 - i. Diversification, from traditional crops to plantations, orchards, vineyards, flower and vegetable gardens.
 - ii. Extension of appropriate technology to farmers for high-tech Horticulture cultivation and precision farming.



- d) Improve post harvest management, processing for value addition and marketing infrastructure.
 - e) Adopt a coordinated approach and promote partnership, convergence and synergy among R&D, processing and marketing agencies in public as well as private sectors, at the national, regional, state and sub state levels;
 - f) Wherever appropriate and feasible, promote National Dairy Development Board (NDDB) model of cooperatives, to ensure support and adequate returns to farmers;
 - g) Promote capacity building and Human Resource Development at all levels, including, if need be, change in syllabus and curriculum of graduation courses at Colleges and Universities.
- 3.2 Diversification and increase of acreage of orchards and plantation crops to increase production and productivity for minimizing the risk of small & marginal farmers and to address challenges of climate variability / change, maintaining thereby, ecological balance and reduction of green house gases.

4. Mission Structure

(i) National Level

(a) General Council

4.1 The Mission will have General Council (GC) at National level under Chairmanship of Union Agriculture Minister.

(b) Executive Committee

4.2 Executive Committee (EC), headed by Secretary, Department of Agriculture & Cooperation (DAC), will oversee activities of the Mission and approve Action Plans of various states.

(ii) State Level

State Level Executive Committee

4.3 State Level Executive Committee (SLEC) under Chairmanship of Agricultural Production Commissioner or Principal Secretary Horticulture/ Agriculture, having representatives from other concerned Departments of State Government, the State Agricultural Universities (SAU), Institutes under Indian Council of Agricultural Research (ICAR), Growers' Associations, etc will oversee implementation of NHM programmes of respective States. Central Government will nominate its representative who will be a Member in the SLEC. State Mission Director will be Member Secretary of SLEC. At operational level, State Governments will have freedom to nominate or create State Horticulture Mission (SHM), as a suitable autonomous agency to be registered under Societies Registration Act for implementing Mission programmes at State and District levels. Panchayati Raj Institutions (PRI) existing in the State will be fully involved, in implementation structure.

4.4 State and sub state level structures will be evolved keeping in view need for getting adequate returns for produce of farmers and eliminating middlemen to the extent possible. National Dairy Development Board (NDDB) model of bringing farmers in cooperative fold, for promoting horticulture, wherever feasible, will be encouraged and supported.

(iii) District Level

4.5 At District level, District Mission Committee (DMC) will be responsible for carrying forward the objectives of the Mission for project formulation,



implementation and monitoring. DMC may be headed by the Chief Executive Officer (CEO) of Zila Parishad/CEO of District Rural Development Agency (DRDA) District Development Officer, having as members, representatives from concerned line Departments, growers' Associations, Marketing Boards, Local Banks, Self Help Groups and other Non Governmental organizations. District Planning Committee and PRI will be involved in implementing the programme depending on their expertise and available infrastructure. District Horticulture Officer/District Agriculture Officer will be Member Secretary of DMC.

(iv) Technical Support Group (TSG)

4.6 The Mission will have a strong technical component and domain experts will be central to management of the Mission. Technical support to Mission at National and State Levels will be provided by National Horticulture Board, which will be suitably strengthened by experts and technical personnel to advise, formulate, appraise and monitor implementation of Mission's programmes. Technical Support Group (TSG) will be housed in National Horticulture Board (NHB), which will have flexible norms for recruiting professionals, on contract. Service providers could also be engaged for providing technical services in accordance with terms of reference laid for the purpose and approved by EC. TSG would comprise of personnel at different levels, who will provide technical services and their honorarium will be fixed on basis of their qualifications, experience, last pay drawn, if retired from Government. Fresh graduates having knowledge in horticulture, computer professionals,

MBA graduates, young professionals could also be a part of TSG. National level TSG will provide support at Central level.

5. Mission Interventions

- 5.1 The Mission will be demand and need based in each segment. Technology will play an important role in different interventions. Technologies such as Information Communication Technology (ICT), Remote Sensing and Geographic Information System will be widely used for planning and monitoring purposes including identification of sites for creating infrastructure facilities for post harvest management, markets and production forecasts.
- 5.2 The interventions envisaged for achieving desired goals would be varied and regionally differentiated with focus on potential crops to be developed in clusters by deploying modern and hi-tech interventions and duly ensuring backward and forward linkages.

Details of the components, their estimated cost along with the approved norms of assistance (as revised) are given as under.

COST NORMS AND PATTERN OF ASSISTANCE UNDER NATIONAL HORTICULTURE MISSION DURING XI PLAN

S.No.	Item	Maximum Permissible cost	Pattern of Assistance#
A.	RESEARCH		Central Government Institutes under ICAR, CSIR and others will take up research & development works out of their existing budget for which a Research Advisory Committee will identify the thrust areas.
B.	PLANTATION INFRASTRUCTURE DEVELOPMENT		
1	Production of planting material		
	i) Model/Large nursery (2 to 4 ha)	Rs. 6.25 lakh/one ha unit	100% to public sector limited to Rs 25.00lakh/unit and in case of private sector, credit linked back-ended subsidy @ 50% of cost, subject to a maximum of Rs. 12.50 lakh/unit, for a maximum of 4 ha. as project based activity. Each nursery will produce a minimum of 50,000 numbers per hectare of mandated perennial vegetatively propagated fruit plants/tree spices / plantation crops every year.
	ii) Small Nursery (1 ha)	Rs. 6.25 lakh	100% to public sector and in case of private sector, credit linked back-ended subsidy @ 50% of cost, subject to a maximum of Rs. 3.125 lakh/unit, as project based activity. Each nursery will produce a minimum of 50,000 numbers of mandated perennial vegetatively propagated fruit plants/tree spices/plantation crops every year.
	iii) Rehabilitation of existing Tissue Culture (TC) units	Rs. 15 lakh /unit, as project based activity	100% of cost to public sector and in case of private sector, credit linked back ended subsidy @ 50% of cost.
	iv) Setting up of new TC units	Rs. 100 lakh/unit	100% of total cost to public sector and in case of private sector, credit linked back ended subsidy @ 50% of cost. Each TC unit will produce a minimum of 15 lakh plants of mandated crops for which protocols are available for commercial use.
	v) Seed production and distribution for Vegetables	Rs.50,000 per Ha.	100% of total cost to Public sector and for Private sector, @ 50% of the total cost as credit linked back ended subsidy limited to 5 ha per beneficiary. Indenting organizations for breeder



			seed required for producing foundation seed will be eligible for 25% assistance on the cost of procurement of breeder seed from ICAR/SAU.
	vii) Seed Infrastructure (for handling, processing,	Rs. 200 lakh/ Project	100% of cost to public sector and in case of private sector, credit linked back ended subsidy @ 50% of cost of project.
2.	Establishment of new gardens (Area expansion)		
I.	Fruits		
	(a) Cost intensive crops (For a maximum area of 4 ha per beneficiary)		
	i) Perennial Fruits-Grape, Strawberry, Kiwi, Passion fruit etc.	Rs. 1,00,000/ ha	Maximum of Rs. 50,000/- per ha. (50% of cost for meeting the expenditure on planting material and cost of material for INM/IPM etc, in 3 installments of 60:20:20 subject to survival rate of 75% in 2nd year and 90% in 3rd year). Cost of individual crop to be claimed based on the unit cost as detailed at website.
	ii) Non Perennial Fruits- Banana (sucker) and Pineapple	Rs. 70,000/ ha	Maximum of 35,000/- per ha. (50% of cost for meeting the expenditure on planting material and cost of material for INM/IPM etc, in 2 installments 75:25 subject to survival rate of 90% in second year). Cost of individual crop to be claimed based on the unit cost as detailed at website.
	iii) Banana (TC) and Pineapple	Rs. 1,00,000/ha	Maximum of Rs. 50,000/- per ha. (50 % of cost for meeting the expenditure on planting material and cost of material for INM/IPM etc, in 2 installments of 75:25 subject to survival rate of 90% in second year). Cost of individual crop to be claimed based on the unit cost as detailed at website.
	(b) High density planting (mango, guava, litchi, ber, etc).	Rs. 80,000/ ha	Maximum of Rs. 40,000/- per ha. (50% of cost for meeting the expenditure on planting material and cost of material for INM/IPM etc, in 3 installments of 60:20:20 subject to survival rate of 75% in 2nd year and 90% in 3rd year). Indicative cost of individual crop is given at website.
	(c) Fruit crops other than cost intensive crops using normal spacing including papaya	Rs. 40,000/ ha	Maximum of Rs. 30, 000/- per ha. (75% of cost for meeting the expenditure on planting material and cost of INM/IPM etc in 3 installments of 60:20:20 subject to survival rate of 75% in 2nd year & 90%



			in 3rd year for perennial crops and for non perennial crops in 2 installments of 75:25 subject to survival rate of 90% in second year). Indicative cost of individual crop is given at website.
ii.	Mushrooms		
	(a) Integrated mushroom unit for spawn, compost production and training	Rs.50 lakh/unit	100% of the cost to public sector and 50% of cost for private sector, for meeting the expenditure on infrastructure, as credit linked back ended subsidy.
	(b) Spawn making unit	Rs. 15 lakh/unit	100% of the cost to public sector and in case of private sector, 50% of cost, as credit linked back ended subsidy.
	(c) Compost making unit	Rs. 20 lakh/unit	100% of the cost to public sector and in case of private sector, 50% of cost, as credit linked back ended subsidy.
III.	Flowers (For a maximum of 2 ha per beneficiary)		
	(a) Cut flowers	Rs.70,000/ha	50 % of the cost to Small and Marginal(S&M) farmers and 33% to other category farmers, subject to a maximum of Rs.35,000/- per ha for S&M farmers and Rs. 23,100/- per ha for other category farmers.
	(b) Bulbous flowers	Rs. 90,000/ha	50 % of the cost to Small and Marginal farmers and 33% to other category farmers, subject to a maximum of Rs. 45,000/- per ha for S&M farmers and Rs. 29,700/- per ha for other category farmers.
	(c) Loose Flowers	Rs. 24,000/ha	50 % of the cost to Small and Marginal farmers and 33% to other category farmers, subject to a maximum of Rs.12,000/- per ha for S&M farmer and Rs.7,920/- per ha for other category farmers.
IV.	Spices (For a maximum area of 4 ha per beneficiary)		
	(a) Seed spices and Rhizomatic Spices.	Rs. 25,000 / ha	Maximum of Rs. 12,500/- per ha. (50% of cost for meeting the expenditure on planting material and cost of material for INM/IPM etc).
	(b) Perennial spices (black pepper, cinnamon, clove and nutmeg)	Rs. 40,000ha	Maximum of Rs. 20,000/- per ha (@50% of cost for meeting the expenditure on planting material and cost of material for INM/IPM etc).



V. Aromatic Plants (For a maximum area of 4 ha per beneficiary)			
	(a) Cost intensive aromatic plants (patchouli, geranium, rosemary etc)	Rs. 75,000/ ha	50% of cost, subject to a maximum of Rs.37,500/- per ha, for meeting the expenditure on planting material and cost of material for INM/IPM etc. Rs.12,500/- per ha, for meeting the expenditure on planting material and cost of material for INM/IPM etc.
	(b) Other aromatic plants	Rs. 25,000/ha	50% of cost, subject to a maximum of Rs.12,500/- per ha, for meeting the expenditure on planting material and cost of material for INM/IPM etc.
VI. Plantation crops (For a maximum area of 4 ha per beneficiary)			
	Cashew and Cocoa including replanting	Rs. 40,000/ha	Maximum of Rs. 20,000/- per ha (50% of cost for meeting the expenditure on planting material and cost of material for INM/IPM etc) in 3 installments of 60:20:20 subject to 46 survival rate of 75% in second year and 90% in third year for a maximum area of 4 ha per beneficiary.
3.	Rejuvenation/ Replacement of senile plantation.	Rs.30,000/ ha	50% of the total cost subject to a maximum of Rs.15,000/ha limited to 2 ha per beneficiary. Actual cost to be claimed based on the nature and requirement of the crop to be rejuvenated.
4.	Creation of Water resources		This will be implemented in conjunction with NREGS.
	(a) Community tanks/on farm ponds/on farm water reservoirs with use of plastic/RCC lining.	Rs. 15 lakh /unit in plain areas, Rs.17.25 lakh/unit in hilly areas.	100% of cost for 10 ha of command area, with pond size of 100m x 100m x 3 m or any other smaller size on pro rata basis depending upon the command area, owned & managed by a community/farmer group. Cost for non-lined ponds/tanks only in black cotton soils will be 33% less. Assistance under NHM will be restricted to the cost of plastic / RCC lining. However, for non MNREGS beneficiaries, assistance on entire cost including construction of pond/tank as well as lining can be availed under NHM.
	(b) Water harvesting system for individuals for storage of water in 20mx20mx3m ponds /dug wells @ Rs.100/- cum	Rs. 1.20 lakh/unit in plain areas, Rs.1.38 lakh/unit in hilly areas for maximum command area at 2 ha.	50% of cost including lining. For smaller size of the ponds/dug wells, cost will be admissible on pro rata basis. Maintenance to be ensured by the beneficiary.



5.	Protected Cultivation		
	1. Green House structure		
	(a) Fan & Pad system	Rs. 1465/Sq.m	50% of the cost limited to 1000 Sq.m per beneficiary.
	(b) Naturally ventilated system		
	(i) Tubular structure	(i) Tubular structure	50% of the cost limited to 1000 Sq.m per beneficiary.
	(ii) Wooden structure	Rs. 515/Sq.m	50% of the cost limited to 2 units (each unit not to exceed 500 Sq.m per beneficiary.
	(iii) Bamboo structure	Rs. 375/Sq.m	50% of the cost limited to 5 units (each unit not to exceed 200 Sq.m) per beneficiary.
	2. Plastic Mulching	Rs. 20,000/ha	50% of the total cost limited to 2 ha per beneficiary.
	3. Shade Net House		
	(i) Tubular structure	Rs. 600/Sq.m	50% of cost limited to 1000 Sq.m per beneficiary.
	(ii) Wooden structure	Rs. 410/Sq.m	50% of cost limited to 5 units (each unit not to exceed 200 Sq.m) per beneficiary.
	(iii) Bamboo structure	Rs. 300/Sq.m	50% of cost limited to 5 units (each unit not to exceed 200 sqmt) per beneficiary.
	4. Plastic Tunnels	Rs.30/Sq.m	50% of cost limited 1000 sqmt per beneficiary.
	5. Anti Bird/Anti Hail Nets	Rs.20/per Sq.m	50% of cost limited to 5000 Sq.m per beneficiary.
	6. Cost of planting material of high value vegetables grown in poly house.	Rs.105/Sq.m	50% of cost limited to 500 Sq.m per beneficiary.
	7. Cost of planting material of flowers for poly house	Rs.500/Sq.m	50% of cost limited to 500 Sq.m per beneficiary.



6.	Precision Farming development and extension through Precision Farming Development Centers (PFDCs)	Project based	100% of cost to PFDCs.
7.	Promotion of Integrated Nutrient Management(INM)/ Integrated Pest Management (IPM)		
	(i) Sanitary and Phytosanitary infrastructure (Public Sector)	Rs. 500 Lakh/unit	100% of cost
	(ii) Promotion of IPM/INM	Rs. 2000/ha	50% of cost subject to a maximum of Rs 1000/ha limited to 4.00 ha/beneficiary.
	(iii) Disease forecasting unit (Public Sector)	Rs. 4 lakh/ unit	Maximum up to Rs. 4 lakh/unit
	(iv) Bio control lab	Rs.80 lakhs/ unit	Maximum up to Rs. 80 lakh/unit for Public Sector and Rs.40.00 lakh as credit linked back ended subsidy to Private Sector.
	(v) Plant Health Clinic	Rs. 20 lakhs/ unit	Maximum up to Rs. 20 lakh/unit for Public Sector and Rs.10.00 lakh as credit linked back ended subsidy to Private Sector.
	(vi) Leaf /Tissue analysis lab	Rs. 20 lakh/ unit	Maximum up to Rs. 20 lakh/unit for Public Sector and Rs.10.00 lakh as credit linked back ended subsidy to Private Sector.
8.	Organic Farming		
	(i) Adoption of Organic Farming	Rs. 20,000/ha	50% of cost limited to Rs.10000/ha for a maximum area of 4 ha. per beneficiary, spread over a period of 3 years involving an assistance of Rs.4000/- in first year and Rs.3000/- each in second & third year. The programme to be linked with certification.
	(ii) Organic Certification	Project based	Rs. 5 lakh for a cluster of 50 ha which will include Rs.1.50 lakh in first year, Rs. 1.50 lakh in second year and Rs. 2.00 lakh in third year.
	(iii) Vermi compost Units /organic input production unit	Rs. 60,000/ unit for permanent structure and Rs. 10,000 /unit for HDPE	50% of cost conforming to the size of the unit of 30'x8'x2.5' dimension of permanent structure to be administered on pro-rata basis. For HDPE Vermibed, 50% of cost conforming to the size of 96 cft (12'x4'x2') to be administered on pro-rata basis.



9.	Certification for Good Agricultural Practices (GAP), Including infrastructure	Rs. 10,000/ha	50% of the cost.
10.	Pollination support through beekeeping		
	(a) Production of nucleus stock (Public sector)	Rs. 10 lakh	100% of the cost.
	(b) Production of bee colonies by bee breeder	Rs.6 lakh	50% of cost for producing min. of 2000 colonies / year
	(c) Honey bee colony	Rs. 1400/colony of 4 frames	50% of cost limited to 50 colonies / beneficiary.
	(d) Hives	Rs. 1600/hive	50% of cost limited to 50 colonies / beneficiary.
	(e) Equipment including honey extractor (4 frame), food grade container (30 kg), net, etc.	Rs. 14,000/set	50% of the cost limited to one set per beneficiary
11.	Horticulture Mechanization		
	(a) Power operated machines/tools including Power Saw & Plant Protection equip. etc.	Rs.35,000/- per set	50% of cost limited to one set per beneficiary.
	(b) Power Machines (upto 20 BHP) with rotavator / equipment	Rs. 1.20 lakh per set	50% of cost limited to one set per beneficiary.
	(c) Power machines (20 HP & above including accessories / equipments	Rs. 3/- lakh per set	50% of cost limited to one set per beneficiary.
	(d) Import of new machines & tools for horticulture for demonstration purpose (Public sector)	Rs. 50/- lakh per machine	100% of the total cost.



12.	Technology Dissemination through demonstration/ Front Line Demonstration (FLD)	Rs. 25 lakh per project	75 % of cost in farmers field and 100% of cost in farms belonging to Public Sector, SAUs etc.
13.	Human Resource Development (HRD)		
i.	Hrd For Supervisors & Entrepreneurs	Rs. 20 lakh/ training	100% of the cost in first year. In subsequent years, cost of infrastructure not to be claimed.
	(b) HRD for Gardeners	Rs. 15 lakh/ training	100% of the cost in first year. In subsequent years, cost of infrastructure not to be claimed.
	(c) Training of farmers		
	(i) Within the District	Rs. 400/day per farmer excluding transport	100% of the cost
	(ii) Within the State	Rs. 750/day per farmer excluding transport	100% of the cost.
	iii) Outside the State	(Rs. 1000/ day per farmer excluding transport	100% of the cost.
ii.	Exposure Visit of Farmers		
	(i) Within the District	Rs. 250/day per Farmer excluding transport	100% of the cost.
	(ii) Within the State	Rs. 300/day per farmer excluding transport	100% of the cost.
	(iii) Outside the State	Rs. 600/day per farmer excluding transport	100% of the cost.
	(iv) Outside India	Rs. 3 lakh/ participant	Project Based. 100% of air/rail travel cost.



	(e) Training / study tour of technical staff/ field functionaries		
	(i) Within the State	Rs.200/day per participant plus TA/DA, as Admissible	100% of the cost.
	(ii) Study tour to progressive States/ units (group of minimum 5 participants)	Rs.650.00/day per participant plus TA/DA, as admissible	100% of the cost.
	(iii) Outside India	Rs. 5 lakh/ participant	100% of the cost on actual basis.
iii.	Integrated Post Harvest Management		
	1. Pack house/ On farm collection & storage unit	Rs. 3 Lakh/ per unit with size of 9Mx6M	50% of the capital cost.
	2. Pre-cooling unit	Rs. 15 lakh for 6 MT capacity	Credit linked back-ended subsidy @ 40% of the cost of project in general areas and 55% in case Hilly & Scheduled areas for individual entrepreneurs.
	3. Mobile pre cooling unit	Rs. 24 lakh/unit for 5 MT capacity	-do-
	4. Cold storage units (Construction/ expansion/ Modernization)	Rs. 6000/MT for 5000 MT capacity	Credit linked back-ended subsidy @ 40% of the capital cost of project in general areas and 55% in case of Hilly & Scheduled areas in respect of only those units which adopt new technologies which are energy efficient with provision of insulation, humidity control and fin coil cooling system with provision of multi chambers. Technical standards, parameters and protocol issued by the Department to be adopted.
	5. C.A/M.A. Storage units	Rs. 32,000/ MT for 5000 MT capacity	-do-
	6. Refer vans/ containers	Rs. 24 lakh/ unit for 6 MT capacity	-do-



	7. Primary/ Mobile / Minimal processing unit	Rs. 24 lakh/unit	-do-
	8. Ripening chamber	Rs. 6000/MT for 5000 MT capacity	-do-
	9. Evaporative / low energy cool chamber (8 MT)	Rs.4 lakh /unit	50% of the total cost.
	10. Preservation unit (low cost)	Rs.2 lakh /unit for new unit and Rs.1 lakh /unit for upgradation	50% of the total cost.
	11. Low cost onion storage structure (25 MT)	Rs.1 lakh per unit	50% of the total cost.
	12. Pusa Zero energy cool chamber (100 kg)	Rs. 4000 per unit	50% of the total cost.
iv.	Establishment of Marketing Infrastructure For Horticultural Produce		
	1. Terminal markets	Rs.150 crore/ private	25% to 40% (limited to Rs.50.00 crore) as Public-Private Partnership mode through competitive bidding, in accordance with operational guidelines issued separately.
	2. Wholesale markets	Rs.100 crore/ project	Credit linked back-ended subsidy @ 25% of the capital cost of project in general areas and 33.33% in case of Hilly & Scheduled areas for individual entrepreneurs.
	3. Rural Markets/ Apni mandies/Direct markets	Rs. 20 lakh/ unit	Credit linked back-ended subsidy @ 40% of the capital cost of project in general areas and 55% in case of Hilly & Scheduled areas for individual entrepreneurs.
	4. Retail Markets/outlets	Rs. 10 lakh/unit	Credit linked back-ended subsidy @ 40% 51 (environmentally controlled) of the capital cost of project in general areas and 55% in case of Hilly & Scheduled areas for individual entrepreneurs.
	5. Static/Mobile Vending Cart/platform with cool Chamber	Rs. 30,000/unit	50% of total cost.



	6. Functional Infrastructure: for collection, sorting/grading, packing units etc.	Rs. 15 lakh/unit	Credit linked back-ended subsidy @ 40% of the capital cost of project in general areas and 55 % in case of Hilly & Scheduled areas for individual entrepreneurs.
	7. Quality control/analysis lab	Rs. 200 lakh/unit	100% of the total cost to public sector and 50% of cost to private sector as credit linked back ended subsidy.
	8. Market extension, quality awareness & market led extension activities for fresh products.	Rs. 3 lakh per event	100% assistance to State Government / SHM/Public Sector Agencies.
v.	Special Interventions		
	Tackling of emergent /unforeseen requirements of SHMs	Rs. 10 lakh per project	50% of cost based on project proposal.
vi.	Mission Management		
I.	State Level		
	1. State & Districts Mission Offices and implementing agencies for administrative expenses, field consultants, project, preparation, computerization, contingency etc.	5% of total annual expenditure on the basis of appraised needs to State Horticulture Mission (SHM) /implementing Agencies	100%assistance.
	2. Institutional Strengthening - hiring of vehicles, purchase of hardware/software etc		
	3. Seminars, conferences, workshops, exhibitions, Kisan Mela, horticulture shows, honey festivals etc.		
	a) State level	Rs. 3 lakh /event	100% assistance subject to a maximum of Rs.3.00 lakh per event of two days.



	b) District level	Rs. 2 lakh/event	100% assistance subject to a maximum of Rs.2.00 lakh per event of two days.
	4. Technical Support Group (TSG) at State Level for hiring Experts/staff, studies, monitoring & evaluation, mass media, publicity, video conference etc.	Project based, subject to a ceiling of Rs. 50 lakh per annum/state	100% of cost.
II.	National Level		
	1. Technical Support Group (TSG) at National Level for hiring experts/consultants, studies, Seminar/Conference/ Workshops, training, contingencies, monitoring & evaluation, mass media, publicity, video conference etc.	Rs. 5 crore per annum	100% of cost.
	2. Technical Collaboration with International agencies like FAO, World Bank, ADB, Bilateral cooperation, International exposure visits/ training of officials etc.	Project based. On actual cost basis.	100% of cost

#Note : The release of back ended subsidy need not be credit linked for the institutions like Public Sector Units, Panchayats, Cooperatives, Registered Societies /Trusts and Public Limited Companies, provided they can meet the remaining share of the project cost, out of their own resources



**HORTICULTURE MISSION FOR NORTH EAST
AND HIMALAYAN STATES (HMNH)**
Department of Agriculture & Co-operation





Horticulture Mission for North East and Himalayan States (HMNH)

Government of India has approved the implementation of Technology Mission for Integrated Development of Horticulture in North Eastern States including Sikkim, Jammu & Kashmir, Himachal Pradesh and Uttarakhand (TMNE) during XI Plan. As per the approval of GOI, the scheme will herein after be implemented in the name of Horticulture Mission for North East & Himalayan States (HMNH), in which, some new components have been added and cost norms of various components have been revised. For the purpose of release of funds, the SFAC is the fund routing agency.

The details of cost norms & pattern of assistance under HMNH during XIth plan are as under:



COST NORMS AND PATTERN OF ASSISTANCE UNDER HORTICULTURE MISSION FOR NORTH EAST AND HIMALAYAN STATES DURING XI PLAN

S.No.	Item	Maximum Permissible cost	Pattern of Assistance#
A. MINI MISSION-I			
1.	Seed and Planting material –Production and supply of parental lines, quality seeds, rootstocks, motherstocks (scion blocks)	Rs.15 lakh/project	Project based – 100% for public sector.
2.	Technology Standardization /refinement and dissemination	Rs.20 lakh/project	Project based – 100% for public sector.
3.	Acquisition of technologies including import of planting material from other countries	Rs.10 lakh/project	Project based – 100% for public sector.
4.	Imparting training through on farm trials / front line demonstrations	Rs.5 lakh/project	Project based – 100% for public sector.
B. MINI MISSION – II			
1. Production of planting material			
(i)	Model nursery / Big Nursery (2-4 ha)	Rs.6.25 lakh/ha	100 % of the cost for Public sector and 50% for private sector having production capacity of 50,000 plants per ha per year. Assistance could be availed upto Rs. 25.00 lakh by public sector and Rs. 12.50 lakh by private sector for an area of 4 ha.
(ii)	Small nursery (1ha)	Rs.6.25 lakh	100 % of the cost for Public sector and 50% for private sector having production capacity of 50,000 plants per ha per year for 1 ha.
(iii)	Setting up of TC Units	Rs.100 lakh/unit	100 % of the to Public sector and 50% of cost to private sector units having production capacity of 15 lakh plants of mandated crops for which protocols are available for commercial use.
(iv)	Rehabilitation of existing Tissue Culture (TC) units	Rs. 15 lakh per unit to-as Project based activity	100% of the cost to public sector and in case of private sector 50% of the cost.



(v)	True Potato Seed Center	Rs. 25 lakh per center	100% of the cost to public sector and 50% of the cost to private sector.
(vi)	Progeny and Herbal Gardens	Rs. 5 lakh/unit	100% of the cost to public sector and in case of private sector @ 50% of the cost.
(vii)	Seed production for vegetables and Rhizomatic spices		
a)	Open pollinated crops	Rs. 30,000/ha	For public sector 100% for private sector, 75% of the cost, limited to 5 ha. Output target of seed for each crop will be fixed by the individual state for each beneficiary, before releasing funds.
b)	Hybrid seeds	Rs. 1,33,000/ha	For public sector, 100% and for private sector, 75% of the cost limited to 2 ha. Output targets of seed for each crop will be fixed by the individual State for each beneficiary, before releasing funds.
(viii)	Import of planting material for trial and demonstration purpose (By State Government, Growers' Associations recognized by NHB/MOA, PSU)	Rs. 10 lakh	100% of the cost for state Government/ PSUs and 75% of the cost to Recognized Growers' Association.
(ix)	Seed infrastructure for handling, processing, packing, storage etc. of seeds of horticulture crops.	Rs. 200 lakh	100% of the cost to public sector and 75% of cost to private sector.
2.	Area expansion under Hort. Crops		
I.	Fruits (for a maximum area of 4 ha per beneficiary)		
(i)	Cost Intensive Crops		
a)	Fruit crops like Grapes, Strawberry, Kiwi, Passion fruit, etc.	Rs. 1,00,000/ha	75% of the cost i.e. Rs. 75000/ha in 3 installments of 60:20:20 subject to survival rate of 75% in 2nd year and 90% in 3rd year.
b)	Fruit crops like TC Banana & Pineapple	Rs. 1,00,000/ha	75% of the cost i.e. Rs. 75000/ha in 2 installments of 75:25.
c)	Fruit crops like Banana sucker & Papaya	Rs. 70,000/ha	75% of the cost i.e. Rs. 52500/ha in 2 installments of 75:25.



(ii)	High density planting (apple, pear, peach, mango, guava, litchi, ber, etc.)	Rs. 80,000/ha	75% of the cost i.e. Rs. 60000/ha in 3 installments of 60:20:20 subject to survival rate of 75% in 2nd year and 90% in 3rd year.
(iii)	Fruit crops other than cost intensive crops using normal spacing	Rs. 40,000/ha	75% of the cost i.e. Rs. 30000/ha in 3 installments of 60:20:20 subject to survival rate of 75% in 2nd year & 90% in 3rd year.
II.	Vegetable (for maximum area of 2 ha per beneficiary)		
(i)	Open pollinated	Rs. 30,000/ha	75% of the cost i.e. Rs. 32500/ha.
(ii)	Hybrid	Rs. 45,000/ha	75% of the cost i.e. Rs. 33750/ha.
III	Mushroom		
(I)	Integrated mushroom unit consisting of composting, spawn production unit and training	Rs.50 lakh/unit	100% of the project cost for public sector 50% for Private sector.
(ii)	Spawn making unit	Rs. 15 lakh/unit	100% of the cost to public sector and 50% of the cost to private sector.
(iii)	Compost making unit	Rs.20 lakh/unit.	100% of the cost to public sector 50% of the cost to private sector.
IV.	Flowers (for a maximum area of 2 ha per beneficiary)		
(I)	Cut flowers	Rs. 70,000/ha	75% of the cost i.e. Rs. 52500/ha. Provision of protected cultivation can also be availed in addition to the above.
(ii)	Bulbous flowers	Rs. 90,000/ha	75% of the cost i.e. Rs. 67500/ha. Provision of protected cultivation can also be availed in addition to the above.
(iii)	Loose Flowers	Rs. 24,000/ha	75% of the cost i.e. Rs. 18000/ha.
(iv)	Model Floriculture Centre	Rs. 100 lakh per centre	100% of the cost to public sector.
V.	Spices (for a maximum area of 4 ha per beneficiary)		
(I)	Seed spices and Rhizomatic spices	Rs. 25,000/ha	75% of the cost i.e. Rs. 18750/ha.



(ii)	Perennial spices (black pepper, cinnamon, clove and nutmeg)	Rs. 40,000/ha	75% of the cost i.e.Rs. 30000/ha.
(iii)	Cost intensive spices viz. Saffron	Rs. 80,000/ha	75% of the cost i.e. Rs. 60000/ha.
VI.	Aromatic Plants (for a maximum area of 4 ha per beneficiary)		
(i)	Cost intensive aromatic plants (patchouli, geranium rosemary, etc.)	Rs. 75,000/ha	75% of the cost i.e. Rs.56250/ha.
(ii)	Other Aromatic Plants	Rs. 25,000/ha	75% of the cost i.e.Rs. 18750/ha.
3.	Rejuvenation / Replacement of senile plantations	Rs. 30000/ha	50% of the cost subject to a maximum of Rs. 15000/ha limited to 2 ha per beneficiary.
4.	Creation of water sources		
(i)	Community tank/on farm pond / on farm water plastic / RCC lining	Rs. 17.25 lakh/ unit	100% of the cost for 10 ha of command area, with size of 100m x 100m x 3m or any other size reservoirs with use of depending upon pro rata basis, owned & managed by a community / farmer group. Cost for non-lined ponds/ tanks only in black cotton soils will be 33% less. Assistance under the mission will be restricted to the cost of plastic / RCC lining. However, for non NREGA beneficiaries, assistance on entire cost including construction of pond as well as lining can be availed.
(ii)	Water harvesting system for individuals- for storage of water in 20mx20mx3m pond / tube wells / dug wells	Rs. 1.38 lakh / unit	75% of the cost i.e. Rs.1.03 lakh per beneficiary
5.	Protected Cultivation		
I	Green House Structure		
a)	Fan and pad system	Rs. 1465/Sq.m	50% of the cost limited to 1000 Sq.m per beneficiary
b)	Naturally ventilated system		



(i)	Tubular Structure	Rs. 935/Sq.m	50% of the cost limited to 1000 Sq.m per beneficiary
(ii)	Wooden Structure	Rs. 515/Sq.m	50% of the cost limited to 1000 Sq.m per beneficiary
(iii)	Bamboo Structure	Rs. 375/Sq.m	50% of the cost limited to 1000 Sq.m per beneficiary
II	Plastic Mulching	Rs. 20,000/ha	50% of the cost limited to 2 ha per beneficiary
III	Shade Net House		
(i)	Tubular Structure	Rs. 600/sq.m	50% of the cost limited to 1000 Sq.m per beneficiary
(ii)	Wooden Structure	Rs. 410/sq.m	50% of the cost limited to 1000 Sq.m per beneficiary
(iii)	Bamboo Structure	Rs. 300/Sq.m	50% of the cost limited to 1000 Sq.m per beneficiary
IV	PlasticTunnels	Rs. 30/sq.m	50% of the cost limited to 5000 sq.m per beneficiary
V	Anti Bird / Anti Hail Nets	Rs. 20/Sq.m	50% of the cost limited to 5000 sq.m per beneficiary
VI	Cost of planting material of high value vegetables grown in poly house	Rs. 105/sq.m	50% of the cost limited to 500 sq.m per beneficiary
VII	Cost of planting material of high value flowers for poly house	Rs. 500/sq.m	50% of the cost limited to 500 sq.m per beneficiary
6.	Precision Farming development and xtension through Precision Farming Development Centers (PFDCs)	Project based	100% of the cost to PFDCs
7.	Promotion of INM/IPM		
(I)	Sanitary and Phytosanitary Infrastructure (Public Sector)	Rs.500 lakh/unit	100% of the cost.



(ii)	Promotion of INM/IPM	Rs. 2000/ha	50% of cost subject to a maximum of Rs. 1000/ha limited to 4 ha/beneficiary.
(iii)	Disease forecasting unit (public sector)	Rs. 4 lakh/unit	100% of the cost
(iv)	Bio Control Lab	Rs. 80 lakh/unit	100% of the cost to public sector and 50% of the cost to private sector
(v)	Plant Health Clinics	Rs. 20 lakh/unit	100% of the cost to public sector and 50% of the cost to private sector
(vi)	Leaf/Tissue analysis labs.	Rs. 20 lakh/unit	100% of the cost to public sector and 50% of the cost to private sector
8.	Organic Farming		
(i)	Adoption of organic farming	Rs. 20,000/ha	50% of cost limited to Rs. 10000/ha for a maximum area of 4 ha per beneficiary, spread over a period of 3 years involving assistance of Rs. 4000/- in first year and Rs. 3000/- each in second & third year. The programme to be linked with certification.
(ii)	Organic Certification	Project based	Rs. 5 lakh for a cluster of 50 ha which will include Rs. 1.50 lakh in first year, Rs. 1.50 lakh in second year and Rs. 2.00 lakh in third year.
(iii)	Vermi-compost unit	Rs. 60,000/unit for permanent structure and Rs. 10,000/unit for HDPE Vermibed	50% of cost conforming to the size of the unit of 30'x8'x2.5' dimension of permanent structure to be administered on pro-rata basis. For HDPE Vermibed, 50% of cost conforming to the size of 96 cft (12'x4'2') to be administered on pro-rata basis.
9.	Certification for GAP, including infrastructure	Rs. 10,000/ha	50% of the cost
10.	Center of Excellence for Horticulture	Rs. 500 lakh/centre	100% of the cost.
11.	Pollination Support through Bee Keeping		
(i)	Production of nucleus stock (Public Sector)	Rs. 10 lakh	100% of the cost.
(ii)	Production of bee colonies by bee breeder	Rs. 6 lakh	50% of cost for producing minimum of 2000 colonies / year.



(iii)	Honey bee colony	Rs. 1400 per	50% of cost limited to 50 colonies / beneficiary colony of 4 frames
(iv)	Hives	Rs. 1600 per hive	50% of cost limited to 50 hives / beneficiary
(v)	Equipment including honey extractor (4 frame), food grade container (30 kg), net,	Rs. 14,000 per set	50% of the cost limited to one set per etc. beneficiary.
12.	Horticulture Mechanization		
(i)	Power operated machines / tools including Power Saw and Plant Protection equipments etc.	Rs. 35,000/set	50% of cost limited to one set per beneficiary.
(ii)	Power Machines (upto 20BHP) with rotavator / equipment.	Rs. 1.20 lakh/set	50% of cost limited to one set per beneficiary.
(iii)	Power machines (20 HP & above) including accessories / equipments	Rs. 3 lakh/set	50% of cost limited to one set per beneficiary.
(iv)	Import of new machines & Tools for horticulture for demonstration purpose (Public sector)	Rs. 50 lakh/ machine	100% of the total cost.
13.	Human Resource development (HRD)		
(i)	Training of Farmers including women.		
a)	within the district	Rs. 400/day per farmer excluding transport.	100% of the cost.
b)	Within the State	Rs. 750/day per farmer excluding transport.	100% of the cost.
c)	Outside the State	Rs. 1000/day per farmer excluding transport.	100% of the cost.
(ii)	Exposure visit of farmers including women		



a)	Within the district	Rs. 250/day per farmer excluding transport.	100% of the cost.
b)	Within the State	Rs. 300/day per farmer excluding transport.	100% of the cost.
c)	Outside the State	Rs. 600/day per farmer excluding transport.	100% of the cost.
d)	Outside India	Rs. 3 lakh/ participant.	Project based. 100% of air /rail travel cost.
(iii)	Training / study tour of Technical officers / field functionaries involved in implementation of the scheme at central / state level including women.		
a)	within the State	Rs.200/day per participant plus TA/DA, as admissible.	100% of the cost.
b)	Study tour /training in progressive states / units (group of minimum 5 participants) including women.	Rs.650/day per participant plus TA/DA, as admissible	100% of the cost.
c)	Outside India	Rs. 5 lakh/ participant.	100% of the cost on actual basis.
(iv)	Information dissemination through publicity, printed literature etc and local advertisements.	Rs. 0.40 lakh per block	100% of the total cost.
(v)	Development of technology packages in electronic form to be shared through IT network.	Rs. 1.00 lakh per district.	100% of the total cost.



(vi)	Technical Collaboration with International agencies like FAO, World bank etc.	Project based, on actual cost.	100% assistance.
14.	Special Interventions		
I.	Special interventions: such as land development, transportation on case to case basis (from farm-gate to processing units / market places and transportation centers) projects of need based.	Rs. 200 lakh	Project based and restricted to 10% of outlay for the State proposal under the scheme.
II.	Tackling of emergent/ unforeseen requirements of State Government/ implementing agencies.	Rs. 10 lakh	100% of the total cost.
15.	Mission Management		
(i)	Project management including additional manpower & project preparation cost, Institutional strengthening, hire / purchase of vehicle, hardware / software etc.	Project based	100% assistance.
(ii)	Technical Support Group (TSG) at Head Quarter at TM Cell and at SHM	Project based	100% of the total cost
(iii)	Seminars, Conferences, exhibitions, Kissan Mela, Horti. Expo, Honey Festivals etc.		
a)	State Level Event	Maximum of Rs.3 lakh/ event	100% of cost limited to Rs. 3.00 lakh per event to public sector / State Governments / SAUs / Research institutions / Recognized Growers Association by MOA.
b)	District Level Event	Maximum of Rs.2 lakh/ event	100% of cost limited to Rs. 2.00 lakh per event to public sector / State Governments / SAUs / Research institutions / Recognized Growers Association by MOA.



16. Support to Technology Mission Cell at DAC HQ			
(I)	Technical Support Group i.e. evaluation/ monitoring/ printing campaign/data base generation/ services/ infrastructure to TM cells / other misc. activities etc.	Project based	100% of the cost, maximum limit of Rs. 500.00 lakh.
C. MINI MISSION – III			
1. Post Harvest Management			
(i)	On farm collection and sorting unit (pack house)	Rs. 3 lakh/unit with size of 9Mx6M.	50% of the capital cost.
(ii)	Pre-cooling unit	Rs. 15 lakh for 6MT capacity	Credit linked back-ended subsidy @ 50% of the cost of project.
(iii)	Mobile pre cooling unit	Rs. 24 lakh/ unit for 5 MT capacity	Credit linked back-ended subsidy @ 50% of the cost of project.
(iv)	Cold storage units (construction / expansion / Modernization) with insulation, humidity control, fin foil cooling system with multi chamber.	Rs. 6000/MT for 5000 MT capacity	Credit linked back-ended subsidy @ 50% of the cost of project.
(v)	Integrated CA chamber with facilities like pre cooling, cleaning, sorting & grading etc.	Rs. 70,000/MT for maximum up to 5000 MT capacity	Credit linked back-ended subsidy @ 50% of the cost of project.
(vi)	C.A Storage units	Rs. 32,000/MT for 5000 MT capacity.	Credit linked back-ended subsidy @ 50% of the capital cost of project.
(vii)	Reefer vans / containers	Rs. 24 lakh/unit for 6 MT capacity	Credit linked back-ended subsidy @ 50% of the cost of project.
(viii)	Primary/Mobile /Minimal	Rs. 24 lakh/unit. processing unit	Credit linked back-ended subsidy @ 50% of the cost of project.
(ix)	Ripening chamber	Rs. 6000/MT for 5000 MT capacity	50% of the cost of project.



(x)	Evaporative / low energy cool chamber (8 MT)	Rs. 4.00 lakh per unit.	50% of the total cost.
(xi)	Preservation unit (low cost)	Rs. 2.00 lakh/unit for new unit and Rs. 1.00 lakh/unit for upgradation.	50% of the total cost.
(xii)	Low cost onion storage structure (25 MT).	Rs. 1.00 lakh / unit	50% of the total cost.
(xiii)	Pusa Zero energy cool chamber (100 kg)	Rs. 4000 / unit	50% of the total cost
(xiv)	Integrated project on production and post harvest management of horticultural crops.	Rs.50.00 lakh	50% of the project cost.
2.	Establishment of Marketing Infrastructure for horticultural produce in Governemnt/ Private/Cooperative sector		
(i)	Terminal Markets	Rs. 150 crore/ project	25% to 40% (limited to Rs.50.00 crore) as Public-Private Partnership mode through competitive bidding, in accordance with operational guidelines issued separately.
(ii)	Wholesale Markets	Rs. 100 crore	Credit linked back-ended subsidy @ 33.33% of the capital cost of the project.
(iii)	Rural Markets / Apni mandies/Direct markets	Rs. 20.00 lakh/ unit	50% of the capital cost.
(iv)	Retail Markets / outlets (environmentally controlled).	Rs. 10.00 lakh / unit	50% of the capital cost.
(v)	Static / Mobile Vending Cart / platform with cool chamber.	30,000/unit	50% of the total cost.
(vi)	Functional Infrastructure:		
a)	For collection, grading, etc.	Rs. 15 lakh	50% of the total cost.
b)	Quality control/analysis lab	Rs. 200 lakh	100% of the total cost to public sector and 50% of the cost to private sector.



(vii)	Market extension, quality awareness & market led extension activities for fresh products.	Rs. 3 lakh/event	100% assistance to State Government /SHM/ Public Sector Agencies
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Note: The release of back ended subsidy need not be credit linked for the Institutions like Cooperatives, Registered Societies / Trusts and Public Sector Unit, provided they can meet the remaining share of the project cost out of their own resources.

For more details please contact:

Ministry of Agriculture

Department of Agriculture and Cooperation

Krishi Bhawan, New Delhi

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www.nhm.nic.in



NATIONAL HORTICULTURE BOARD
Department of Agriculture & Co-operation





National Horticulture Board

1. Introduction

National Horticulture Board (NHB) was set up by the Government of India in 1984 as an autonomous society under the Societies Registration Act 1860. Board has its Head Quarter in Institutional Area, Sector 18, Gurgaon (Haryana). The Managing Director is the Principal Executive of NHB who implements various schemes under overall supervision and guidance of the Board of Directors of NHB as well as the Department of Agriculture & Co-operation, Ministry of Agriculture, Government of India. NHB is implementing following schemes:

General Guidelines for all the Schemes

1.1 Procedure for filing applications

Detailed procedure for filing applications for financial assistance under all schemes, including on-line applications, cost of application, inspection of projects, scrutiny norms and procedure for scrutiny of project proposals, communication of various sanctions and approvals and record keeping shall be as prescribed by the Board of Directors from time to time.

- 1.2 Procedure for in principle approval, appraisal of projects by NHB and sanction of financial assistance. Giving in-principle approval of Letter of Intent (LoI), appraisal of project proposals, finalizing normative cost of model projects and their components, sanction of financial assistance etc. shall be carried out as per the procedure prescribed by the Board of Directors from time to time.

1.3 Date of coming in to force:

The Scheme guidelines are effective from 1st May 2010.

1.4 Eligible Organizations

Unless otherwise specified, organizations/promoters, such as NGOs, Association of Growers, Individuals, Partnership/Proprietary Firms, Companies, Corporations, Cooperatives, Agricultural Produce Marketing Committees, Marketing Boards/ Committees, Municipal Corporations/ Committees, Agro-Industries Corporations, SAU's and other concerned R&D organizations are eligible to get assistance under all the NHB schemes.

- 1.5 The details of components and pattern of assistance under various schemes are given in their respective Chapters. The schemes of NHM and NHB will be mutually exclusive and benefit can be claimed only from one scheme for one project.

Components, which are assisted under any other central scheme, such as APEDA, MFPI, NMPB etc., shall not be eligible for NHB assistance.



Guidelines for Specific Schemes

SCHEME-1

Development of Commercial Horticulture through Production and Post Harvest Management of Horticulture Crops

Description of components and Pattern of Assistance

I. Production related components

Credit linked projects relating to establishment of hi-tech commercial production units involving any of the following items are eligible for assistance under this component :-

- i. High quality commercial horticulture crops
- ii. Indigenous crops / produce, herbs, spices
- iii. Aromatic & Medicinal Plants
- iv. Seed & Nursery
- v. Bio-Technology, micro-biology, bio-chemistry, bio-diversity & tissue culture
- vi. Protected cultivators
- vii. Bio-pesticides
- viii. Organic fertilizers, organic foods, bio-dynamic farming, vermi-compost
- ix. Establishment of Hort. Health clinics / laboratories
- x. Hydroponics, Aeroponics
- xi. Beekeeping and its products
- xii. Mushrooms and its products
- xiii. Nuts and its products

Pattern of Assistance

Credit linked back-ended subsidy @ 20% of the total project cost limited to Rs 25 lakh per project in general area and Rs 30.00 lakh in NE Region, Hilly and Scheduled areas. However, for capital intensive and high value crops under protected cultivation and open air cultivation of date palm, olive and saffron subsidy will be @ 25% of project cost with ceiling of Rs.50 lakh (33% of project cost with ceiling of Rs.60 lakh for scheduled and hilly areas).

General conditions

- i. The above assistance shall be available for projects covering area above four hectares (above 10 acres) in case of open cultivation, and more than 1000 sq. meter in case of protected cultivation.
- ii. Credit component as means of finance of the project should be term loan from banking or non banking financial institutions and should be at least 15 % more than the admissible rate of subsidy.
- iii. Projects relating to setting up of new production units shall be appraised to ensure and enable entrepreneur to incorporate essential hi-tech components in the form of planting material, plantation, irrigation, fertigation, precision farming, on farm
- iv. PHM/ primary processing related infrastructure, GAP etc.; and to that extent, the project shall be integrated in nature.
- v. Normative cost of various components shall be prescribed by NHB.

II. PHM/Primary Processing related components

Credit linked projects involving the following items are eligible for assistance under this component:-

- i. Washing, drying, sorting, grading, waxing, packing, palletizing, freezing units etc.
- ii. Pre-cooling units / Cool Stores
- iii. Reefer Van / Containers
- iv. Specialized Transport Vehicle
- v. Retail outlets
- vi. Auction platform
- vii. Ripening / curing chamber
- viii. Market yards / rope ways
- ix. Irradiation / Vapour Heat Treatment unit
- x. Primary processing of products



- (fermentation, extraction, distillation, juice vending, pulping, dressing, cutting, chopping, dehydration etc.)
- xi. Natural colour and dyes extraction
 - xii. Essential oils, perfumery and cosmetics out of horticulture products
 - xiii. Products out of horticulture waste
 - xiv. Horticulture ancillary industry for promoting indigenous manufacturing of horticulture related farm tools & machineries, equipments, plastics containers, packaging etc.
 - xv. Adoption of Quality Assurance Systems (HACCP, TQM, ISO, Euro-GAP etc.)
 - xvi. Plastic Crates and Bins, Cartons, Aseptic Packaging and Nets
- ii. Subsidy @ 50% as per prescribed norms will be available for crates and nets (shed and anti-hail only) in integration with commercial horticulture projects of production as one time assistance. Subsidy for crates shall be released only after its actual purchase at appropriate stage, which shall be at stage of fruiting / harvesting. Accordingly, release of subsidy for crates shall be made separately at appropriate stage later.
 - iii. As financial assistance for plastic crates / bins is given at producers' end itself and it is aimed to increase producer's share in consumer-end price of horticulture produce; assistance for plastic crates / bins shall be considered along with a new, credit-linked project of pack-house / ripening or curing chamber / cold storage unit/ primary processing unit or their suitable combination when Producers' Company / Registered Growers Association / PSU is the promoter of such projects. The proposal shall be considered on merit in view of business model of the project, stocking & stacking system and actual need. But for this, the crates must be integral part of fixed capital investment under such credit linked projects and should be appraised by the lending Bank accordingly. Committee of NHB shall formulate formula for assessing admissible number of crates / bins in respect of any such project.

Pattern of Assistance

Credit linked back-ended subsidy @ 40% of the total project cost limited to Rs 50 lakh per project in general area and @ 55% of project cost limited to Rs 60.00 lakh in Hilly and Scheduled areas. Pattern of assistance for plastic crates will be 50% of the total cost.

General conditions for PHM/PP projects

- i. Primary Processing and Post Harvest Management related projects shall be implemented either as on-farm projects linked with individual projects of area expansion of commercial horticulture or as a common facility for cluster of new projects of commercial horticulture and existing orchards / farms. Projects relating to introduction of new plant/ machinery/ equipment to effect automation, introduction of latest processing technology etc. in existing PHM infrastructure may also be considered; however, components covered by regular repairs & maintenance and replacement of old plant & machineries on attaining near zero book value is not to be incorporated. PHM components such as pack-house will be eligible for enhanced rate of subsidy only when infrastructure is as per prescribed level of technology, if any.
- iv. Shade nets and anti hail nets shall be considered as one time assistance for credit linked project for the benefit of existing commercial horticulture projects of fruit orchards qualifying area norm of above 4 Ha. Assistance in case of CFB Cartons, Aseptic Packaging, Punnets / Poly bags etc shall be available on merit for launching a new horticulture product during its first year and for introduction of horticulture products in a market as one time assistance.
- v. Benefit of exclusive components of cold storage scheme shall also be available to the promoters over and above the assistance that will be provided under Commercial Horticulture Scheme to set up integrated projects for production and PHM components.



- vi. Selection of units for promotion of indigenous manufacturing of items covered by item II
- vii. (xiv) shall be decided on merits by a Committee of NHB.
- viii. Credit component as means of finance of the project should be term loan from banking or non banking financial institutions and should be at least 15 % more than the admissible rate of subsidy.
- ix. Projects relating to setting up of new production units shall be technically and financially appraised to ensure and enable entrepreneur to incorporate latest available technology to take care of quality of produce, economy in cost of production, energy saving, safety and environmental concerns.
- x. Projects under this scheme component may be integrated as part of new Production Related projects or in integration with existing Production Related projects set up with or without assistance under NHB schemes and falling under category of Production related Components; certain components may be on-farm and other may be off-farm; in addition, such projects may be set up by a service provider/ trader / processors with proper backward linkage with production of fresh horticulture produce.
- xi. Normative cost for various components shall be prescribed by NHB from time to time.

NOTE: Detailed instructions for making application for LOI, formats and other relevant Information are given on www.nhb.gov.in

SCHEME-2

Capital Investment Subsidy Scheme for construction/ expansion/ modernization of Cold Storages/Storages of Horticulture Produce

Description of components and Pattern of Assistance

Components: - Credit linked projects relating to Cold Storages including Controlled Atmosphere (CA) and Modified Atmosphere (MA) Stores, pre-cooling units, other Storages for onion, etc., their modernization are eligible for assistance under this component.

Pattern of Assistance: - The assistance will be as credit linked back-ended subsidy @ 40% of the capital cost of project in general areas and 55% in case of Hilly & Scheduled Areas for a maximum storage capacity of 5000 MT per project for item (i) to (iv) below: -

General conditions for cold storage projects

- i. Multi-chamber cold storages with mezzanine floors of RCC and or wooden structure for products not requiring precooling, temperature range 0°C plus to 16°C or above with fin-coil cooling system, with control system for humidity (RH 80% to 95% in general and 65%-70% for onion & garlic or appropriate level for seed storage etc) and appropriate handling of stored commodity with safety system against accidents of fire, leakage of refrigerant etc. Minimum of two chambers, Standard insulation material, with civil structure, insulations and cooling system as per prescribed Standards - @ Rs 6,000 per MT
- ii. Multi-chamber and Multi-Product cold storage for whole range of horticulture produce but without pre-cooling system (temperature range from -2°C or lower to +16°C plus (with temperature, humidity and CO2 control (RH= 80% to 95% for F&V in general and 65%-70% for onion & garlic or appropriate level for seed storage etc), fin-coil cooling system and energy saving devices for peak and lean load period, heat exchanger with CO2



- control system, appropriate technology for control of microorganism / dust mite and mechanical handling of stored commodity such as racks, pallets & forklift / stacker (as per site conditions); bags/ bins and crates/ CFB boxes and also safety devices against accident.
- a) With civil structure/ pre-fabricated engg. Structure, insulation, cooling system etc as per prescribed standards excluding cold storage with mezzanine floors @ Rs 7000/- per MT
 - b) With civil structure/ pre-fabricated engg. structure, insulation, cooling system etc. as per prescribed standards (excluding cold storage with mezzanine floors) and having on-farm or off-farm pack house facility of washing/ de-sapping (as per requirement), drying, sorting, grading, waxing, packing etc and pre-cooling @ Rs 8000/- per MT.
- iii) Modernization of Cold Storages
- a) Up gradation of thermal insulation
 - b) Up gradation of cooling system, refrigeration, air flow, electric installation, handling devices, safety devices etc. Project based @ maximum 1000/MT for (i) and up to Rs. 2000/MT for (ii) above Benefit of (i) and (ii) above may go together for complete modernization.
- iv) CA Storages (@ Rs 32,000 per MT)
- v) Credit components as means of finance of the project should be term loan from banking or non banking financial institutions and should be at least 15% more than the admissible rate of subsidy.
- vi) Only such projects under this component shall be eligible to get financial assistance as per revised norms, which meet prescribed minimum technical standards; this shall be ascertained as per implementation protocols prescribed in this regard.
- vii) Rack, pallets and design-appropriate system for mechanized handling are incorporated in above type designs.
- viii) In respect of projects, which have addition of components or technically recommended different combinations of components of pre-cooling, pack house etc, the normative cost shall be worked out by the Committee of the Board.
- ix) NHB assistance is available only when notified latest technical standards and protocol for the purpose by the Ministry of Agriculture are followed by the beneficiary.

NOTE: Detailed instructions for making application for LOI, formats and other relevant information are given on www.nhb.gov.in



SCHEME-3

Technology Development and Transfer for promotion of Horticulture

The components on which financial assistance is provided by NHB for Technology Development and Transfer for promotion of Horticulture are as follows:

- i. Introduction of New Technology
- ii. Visit of progressive farmers
- iii. Promotional and Extension Activities
- iv. Technical knowhow from India/Abroad
- v. Technology Awareness
- vi. Organising / participation in seminars / symposia / exhibitions
- vii. Udyan Pandit
- viii. Publicity and Films
- ix. Awareness for technology up gradation and markets
- x. Honorarium to scientists for effective transfer of technology.
- xi. Accreditation and Rating of Horticulture Nurseries
- xii. Mother Plant Nurseries for pedigreed planting material for fruit crops
- xiii. Assistance for Common Facilities in Horticulture Parks/ Agri Export Zones etc.

For further details please login www.nhb.gov.in

SCHEME-4

Market Information Service for Horticulture Crops

Objectives

- a. To generate information on wholesale prices, arrivals and trends in various markets of the country for important fruits, vegetables & flowers etc and also on retail prices for increased number of selected markets
- b. To analyze the trends of arrivals, prices and other related factors of the selected fruit and vegetables such as stock in storage, crop stand etc and generate Market Intelligence Reports
- c. To establish a nation-wide communication network for speedy collection and dissemination of market information data for its efficient and timely utilization.
- d. To prepare farmers' advisory and issue the same for the benefit of producer farmers especially by making use of statistics so generated and collected for optimizing returns to the producers
- e. To collect and disseminate information on international prices prevailing in potential foreign markets
- f. To collect and compile horticulture database and strengthen existing system of 'Crop Estimation Survey-Fruits & Vegetables' (CES-F&V) as far as possible

Implementation

Coverage of markets by NHB shall be increased from present 36 fruits and vegetables markets to 100 markets. This would be done by outsourcing existing marketing/professional agencies/ unemployed Agriculture graduates or recognized/ established brokers in Mandi etc. at a fixed monthly remuneration (including transport) per month as decided by the Board plus actual expenses on transmission of information to NHB (fax, internet and telephone). The NHB would identify these markets in consultation with concerned State Govts. An exclusive cell shall be set up at NHB, Gurgaon for on-line receipt, data entry, analysis, dissemination and web-site management. The work relating to this proposed MIS cell shall also be undertaken by outsourcing services of selected professional agency.



SCHEME-5

Horticulture Promotion Service

Under this component, specialized studies and surveys shall be carried and study / survey reports shall be brought out for use by targeted beneficiaries. In addition, technical laboratories shall be set up or cause to be set up and also provide technical services including advisory and consultancy services. This shall be done by NHB with or without services of outsourced experts.

Components

- i. Review the present situation of horticulture development in particular area/ State
- ii. Identify constraints in horticulture development and suggest remedial measures
- iii. Develop short term and long term strategies for systematic development of horticulture,
- iv. Develop primary/secondary data of various aspects on horticulture,
- v. Provide consultancy services, expert services & establishing labs etc. in pursuance thereof,
- vi. Conduct technical scrutiny and certification of cold chain infrastructure as per implementation protocol for Technical Standards for cold storages etc.
- vii. Preparing reports relating to export competitiveness in the area of fresh horticulture produce,
- viii. Any other component of expert services provided by NHB addressing to identified needs of the sector

Pattern of Assistance for above components 100% cost of the study shall be borne by the Board.

Nodal Organizations

- i) NHB itself
- ii) State Governments/UT's & organizations under it,
- iii) Central Government Organizations/agencies
- iv) Other organizations such as Quality Council of India/ NHRDF etc.

For further details contact:

National Horticulture Board

Ministry of Agriculture, Government of India
85, Institutional Area, Sector - 18
Gurgaon - 122015 (Haryana)
Tel.: 0124-2342992, 2347441, 2342989-90
Fax : 2342991 Email: info@nhb.gov.in
<http://www.nhb.gov.in>



SMALL FARMER'S AGRIBUSINESS CONSORTIUM (SFAC)

Department of Agriculture & Co-operation





Small Farmer's Agribusiness Consortium (SFAC)

Background

The Small Farmer's Agribusiness Consortium (SFAC), a registered society, functioning under department of agriculture and cooperation, Government of India. The SFAC is operating two Schemes i) Horticulture mission for North- East & Himalayan States (HMNH) as a fund routing agency and ii) scheme for Agribusiness Development through venture capital assistance and project development facility. The brief detail of Venture Capital Assistance scheme is as follows:

Scheme for Agribusiness Development through venture capital assistance and project development facility

1. Venture Capital: to promote investments in Agri business projects with the participation of nationalised banks, SBI, and its subsidiaries/IDBI

- a) Venture capital for agribusiness up to 10 % of the total project cost or 26% of the total project equity or rupees 75 lakhs whichever is lower.

Provided that for projects located in North –Eastern & Hilly states (Uttarakhand, Himachal Pradesh & J&K), the quantum of venture capital will be the lowest of the following:

- 25% of the total project cost assessed by the bank
 - 40% of the project equity
 - Rs 75 lakhs whichever is lower
- b) In special cases, higher venture capital can be considered by SFAC to deserving projects on merit and to projects that are located in remote and backward notified districts. North – Eastern and hilly states and in projects recommended by state

agencies subject to maximum of Rs 3 crores

2. Project Development Facility (PDF): To provide financial assistance to farmers, producer group, agripreneure unit in Agri export zones, organisations and agriculture graduates for the preparation of bankable detailed project reports (DPR).

3. Eligibly criteria for funding:

- a) Project should be in agriculture or elite sector basically perishables namely horticulture, floriculture, medicinal and aromatic plant, minor forest produce, apiculture and fisheries. However, poultry and dairy projects will not be covered under the scheme
- b) Project should provide assured markets to farmers /producer groups
- c) Project should encourage farmers to diversity into high value crops to increase farm incomes
- d) Project should be accepted by bank (mentioned above) for grant of term loan.

For further details:

Small Farmer's Agri- Business Consortium

NCUI Auditorium Building, 5h Floor,

3 Siri Institutional Area,

August Kranti Marg, Hauz Khas,

New Delhi - 110016, India.

Tel: 91-11-26862365, 26966017, 26966037, 26966039

Fax: 91-11-26862367

Email: info@sfacindia.com, sfac@nic.in



DIRECTORATE OF MARKETING & INSPECTION (DMI)
Department of Agriculture & Co-operation





Directorate of Marketing & Inspection (DMI)

The Directorate of marketing and inspection implements the agricultural marketing programmes of the Union Government under the supervision and control of Union Ministry of Agriculture. It aims at bringing integrated development of marketing of agricultural and allied produce in the country. It is headed by Agricultural Marketing Adviser to the Government of India (AMA). The Directorate of Marketing & Inspection (DMI) is implementing the following schemes:

SCHEME 1

Gramin Bhandaran Yojana (Revised Operational Guidelines)

1. Background

There has been a felt need in the country to provide the farming community with facilities for scientific storage so that wastage and produce deterioration are avoided and also to enable it to meet its credit requirement without being compelled to sell the produce at a time when the prices are low.

2. Salient Features

Eligible Organizations

- i) The project for construction of rural godowns can be taken up by individuals, farmers, Group of farmers/growers, Partnership/ Proprietary firms, Non-Government Organizations (NGO's), Self Help Groups (SHGs), Companies, Corporations, Co-operatives, Local Bodies other than Municipal Corporations, Federations, Agricultural Produce Marketing Committees, Marketing Boards and Agro

Processing Corporations in the entire country. Assistance for renovation of rural godowns will, however, be restricted to godowns constructed by cooperatives only.

Location

- ii) Under the scheme, the entrepreneur will be free to construct godown at any place, as per his/her commercial judgment except for the restriction that it would be outside the limits of Municipal Corporation area. Rural godowns constructed in the Food Parks promoted by the Ministry of Food Processing Industries shall also be eligible under the scheme for assistance.

Size

- iii) Capacity of a godown shall be decided by an entrepreneur. However, subsidy under the scheme shall be restricted to a minimum capacity of 100 tonnes and maximum capacity of 10,000 tonnes. No maximum ceiling on subsidy in the case of projects of rural godowns of Cooperatives assisted by NCDC.
- iv) Rural godowns of smaller size upto 50 tonnes capacity will also be eligible for subsidy under the scheme as a special case based on viability analysis depending on the topography/special requirement of the State/Region. In hilly areas*, rural godowns of smaller size upto 25 tonnes capacity will also be eligible for subsidy. For this, NABARD will issue appropriate guidelines.

**where the project site is located at a height of more than 1000 meters above mean sea level.*



Credit Linked Assistance

- v) Subsidy under the scheme is linked to institutional credit and will be available to only such projects as are financed by Commercial Banks, Regional Rural Banks, State Cooperative Banks (SCBs), State Co-operative Agricultural and Rural Development Bank (SCARDBs), Agricultural Development Finance Companies (ADFCs), North Eastern Development Finance Corporation (NEDFI), Urban Cooperative Banks etc. Loan to the entrepreneurs from banks for the construction of godowns would carry an adequate long-term repayment period.
- vi) Assistance under the scheme shall be available on capital cost of construction of godown including the cost of allied facilities like boundary wall, internal road, platform, internal drainage system, weighing, grading, packaging, quality certification, warehousing facilities which are functionally required to operate the godown.

Pledge Loan Facility

- vii) The farmers keeping their produce in the godowns shall be eligible to avail pledge loan on hypothecation of their produce. The terms and conditions governing pledge loans viz. margin, rate of interest, period of pledge, amount etc. will be as per the guidelines issued by RBI/NABARD and as per normal banking practices followed by the financial institutions.

Training

- viii) A general awareness programme on the scheme for the farmers and a training programme for the entrepreneurs for construction, maintenance and operation of rural godowns will be organized by the National Institute for Agricultural Marketing, Jaipur (NIAM) and other National/State level Institutions.

Implementation Period

- ix) Implementation of the scheme shall be continued beyond 31.03.2007 upto 31.03.2012.
- x) The modified scheme will be applicable to all new projects for construction / renovation of rural godowns in respect of which loans are sanctioned on or after 26/06/2008 upto 31/3/2012.

Subsidy

- xi) Rate of subsidy shall be:-
 - (a) 33.33% of the capital cost of the project in case of projects located in North – Eastern States, hilly areas and those belonging to Women Farmers/ their self help groups / co-operatives and SC/ST entrepreneurs & their self-help groups/ Co-operatives subject to a maximum ceiling on subsidy of Rs.62.50 lakh. No maximum ceiling on subsidy in the case of cooperatives assisted by NCDC;
 - (b) 25% of the capital cost of the project to all categories of farmers (Other than Women Farmers), agriculture graduates, cooperatives and State/ Central Warehousing Corporations subject to a maximum ceiling on subsidy of Rs. 46.87 lakh. No maximum ceiling on subsidy in the case of cooperatives assisted by NCDC;
 - (c) 15% of the capital cost of the project to all other categories of individuals, companies & corporations etc., subject to a maximum ceiling on subsidy of Rs. 28.12 lakh; and
 - d) 25% of the capital cost of the project for renovation of godowns of cooperatives with assistance from NCDC.
- xii) Capital cost of the project for the purpose of subsidy under the scheme shall be calculated as follows:



- a) For godowns up to 1000 tonnes capacity – Project cost as appraised by financing Bank or actual cost or Rs 2500/- per tonne of storage capacity, whichever is lower;
- b) For godowns exceeding 1000 tonnes capacity – Project cost as appraised by Bank or actual cost or Rs 1875/- per tonne of storage capacity, whichever is lower. However, for godowns exceeding 10,000 tonnes capacity, the subsidy would be restricted to that admissible for capacity of 10,000 tonnes only, subject to the relaxations made under para 3 (xviii) above for projects of the cooperatives;
- c) For renovation of godowns by cooperatives with assistance from NCDC - project cost as appraised by Bank / NCDC or actual cost or Rs.625/- per tonne of storage capacity, whichever is lower.
- xiii) No beneficiary shall draw subsidy for the godown project or any of its component from more than one source.
- xiv) The capacity of godown shall be calculated @ 0.4 M.T. per cu. mtr.

3. Pattern of Assistance

i) For Projects for Which Subsidy Routed Through Nabard

Pattern of funding

	Projects located in States/areas other than NE States/ hilly areas, and projects not belonging to women farmers/ SC/ ST entrepreneurs & their self-help groups/ Cooperatives		Projects located in NE States/ hilly areas**/ & projects belonging to Women Farmers***/ SC/ST entrepreneurs & their self help groups/ Co-operatives****
Source of finance	Farmers@, agriculture Graduates, Cooperatives and State/ Central Warehousing Corporations.	Individuals, Companies and Corporations etc.	
Owner's minimum contribution*	25%	25%	20%
Subsidy from the Government		25%	15% 33.33%
Term loan from eligible Financing institutions (Minimum)	50%	50%	46.67%

@Farmer is a person whose main source of income is from Agriculture.

* Cost of land not exceeding 10% of the project cost can form part of the owner's contribution.

** Where the project site is located at a height of more than 1000 meters above mean sea level.

*** In case of partnership/ co-ownership, the ownership of women partners/ members shall be to the extent of 50% or more in the project to consider an application under the category of women farmer.

**** SC/ST Cooperative to be certified by the concerned officer of the State Government.

**ii) For Projects for Which Subsidy Routed Through NCDC**Pattern of funding

For Cooperatives located in the States/ areas other than NE States/ hilly areas, and projects not belonging to women farmers/SC/ST entrepreneurs & their self-help groups/ cooperatives.

From NCDC to State Government Society		From State Government to society	
Term loan	- 65%	Term loan	- 50%
Subsidy	- 25%	Share Capital	- 15%
		Subsidy	- 25%
		Society Share	- 10%

For Cooperatives located in NE States/ hilly areas/ & projects belonging to Women Farmers/ SC/ST entrepreneurs & their self-help groups/ Co-operatives.

From NCDC to State Government Society		From State Government to society	
Term loan	- 56.67%	Term loan	- 50.00%
Subsidy	- 33.33%	Share Capital	- 06.67%
		Subsidy	- 33.33%
		Society Share	- 10.00%

Through Cooperative Banks / directly to Cooperative Societies

S.No.	Source of Finance	Cooperatives located in the States/ areas other than NE States/ Hilly areas and cooperatives not belonging to women farmers/ SCs/ STs/ their self-help groups	Cooperatives located in NE States/ Hilly areas* and for Women Farmers/ their self help groups / co-operatives and SC/ST entrepreneurs & their Co-operatives
i)	Promoter's contribution (Minimum)**	25%	20%
ii)	Subsidy from the Govt	25%	33.33%
ii)	Term loan (Minimum)	50%	46.67%

* Where the project site is located at a height of more than 1000 meters above mean sea level .

** Cost of land not exceeding 10% of the project cost can form part of the owner's contribution.

4. Time Limit for Completion

A time limit of 15 months is prescribed for completion of the project from the date of disbursement of first installment of loan. However, if reasons for delay are justified, a further grace period upto 6 months may be allowed by the participating bank. If the project is not completed within stipulated period, the benefit of subsidy shall not be available and advance subsidy has to be refunded forthwith.

SCHEME 2

Development/ Strengthening of Agricultural Marketing Infrastructure, Grading and Standardization

1. Background

This scheme has been formulated to develop marketing infrastructure in the country to cater to the post-harvest requirement of production and marketable surplus of various farm products. This scheme is reform linked and assistance for development of infrastructure projects will be provided in those States/Union Territories which permit setting up of agricultural markets in private and cooperative sectors and allow direct marketing and contract farming.

2. Salient Features of the Scheme

Scheme Linked to Reforms

- (i) The scheme will be implemented in those States which amend the APMC Act, wherever required, to allow direct marketing and contract farming and to permit setting up of markets in private and cooperative sectors.
- (ii) Credit linked back-ended subsidy shall be provided on the capital cost of general or commodity specific infrastructure for marketing of agricultural commodities and for strengthening and modernization of existing agricultural markets, wholesale, rural periodic or in tribal areas. State Agricultural Produce Marketing Boards/ Committees or other State agencies will be free to decide as to the quantum of loan or invest their own funds in lieu of loan as per their requirement.

Marketing Infrastructure

- (iii) 'Marketing Infrastructure' for purpose of the scheme may comprise of any of the following:

- (a) Functional infrastructure for collection/ assembling, drying, cleaning, grading, standardization, SPS (Sanitary & Phytosanitary) measures and quality certification, labeling, packaging, ripening chambers, retailing and wholesaling, value addition facilities (without changing the product form) etc. Transportation facility will not be covered under the scheme. However, reefer vans, or any other refrigerated vans used for transporting agricultural produce, which are essential for maintaining cold supply chains, shall be eligible for assistance under the Scheme.
- (b) Market user common facilities in the project area like shops/offices, platforms for loading/ unloading/ assembling and auctioning of the produce, parking sheds, internal roads, garbage disposal arrangements, boundary walls, drinking water, sanitation arrangements, weighing & mechanical handling equipments, etc.;
- (c) Infrastructure for Direct marketing of agricultural commodities from producers to consumers/processing units/bulk buyers, etc.
- (d) Infrastructure for supply of production inputs and need-based services to the farmers;
- (e) Infrastructure (equipment, hardware, gadgets, etc) for E-trading, market intelligence, extension and market oriented production planning; and
- (f) Mobile infrastructure for post-harvest operations (excluding transport equipment) will be eligible for assistance under the scheme. However, exclusion of transport equipment shall not affect the development of cold chain infrastructure and reefer vans, or any



other refrigerated vans used for transporting agricultural produce, which are essential for maintaining cold supply chains, shall be eligible for assistance under the Scheme.

Eligible Persons

- (iv) The assistance will be available to individuals, Group of farmers/ growers/ consumers, Partnership/ Proprietary firms, Non-Government Organizations (NGOs), Self Help Groups (SHGs), Companies, Corporations, Autonomous Bodies of the Government, Cooperatives, Cooperative Marketing Federations, Local Bodies, Agricultural Produce Market Committees & Marketing Boards in the entire country.
- (v) Bank assisted projects of State agencies, including projects refinanced/co-financed by National Bank for Agriculture and Rural Development (NABARD) for strengthening/modernization of existing marketing infrastructure would also be eligible for assistance under the scheme.

Credit Linked Assistance

- (ix) Assistance under the scheme would be credit linked and subject to sanction of the infrastructure project by Commercial/ Cooperative/ Regional Rural Banks based on economic viability and commercial considerations. However, the stipulation of credit linkage and sanction of the infrastructure project by the Commercial/ Cooperative/ Regional Rural Banks will be optional for the infrastructure project taken up by the State Marketing Boards/ APMCs and other State agencies.
- (x) Assistance under the scheme shall be available on capital cost of the project only. Banks/National Cooperative Development Corporation (NCDC) will, however, be free to finance other activities/working capital requirement to meet various requirements of the farmers/entrepreneurs.

Subsidy

- (xi) Rate of subsidy shall be 25% of the capital cost of the project. In case of North Eastern States, in the States of Uttarakhand, Himachal Pradesh, Jammu & Kashmir, hilly and tribal areas, and to entrepreneurs belonging to Scheduled Caste (SC)/Scheduled Tribe (ST) and their cooperatives, the rate of subsidy shall be 33.33% of the capital cost of the project.
- (xii) Maximum amount of subsidy shall be restricted to Rs.50 lakh for each project. In the case of North Eastern States, hilly and tribal areas, in the States of Uttarakhand, Himachal Pradesh, Jammu & Kashmir and to entrepreneurs belonging to SC/ST and their cooperatives, maximum amount of subsidy shall be Rs.60 lakh for each project.
- (xiii) In respect of infrastructure projects of State Agencies, there will be no upper ceiling on subsidy to be provided under the scheme.
- (xiv) The amount of Central Assistance/subsidy availed of for the project or any of its components from any other Central Scheme shall be deducted from the amount of subsidy admissible under this scheme.



3. Pattern of Assistance

i) For Projects Financed Through Banks/Nabard

Pattern of funding

Source of finance	Other than NE States, States of Uttarakhand, Himachal Pradesh, Jammu & Kashmir, hilly and tribal areas*/SC & ST Entrepreneurs and their cooperatives	NE States, States of Uttarakhand, Himachal Pradesh, Jammu & Kashmir, hilly and tribal areas*/ SC & ST entrepreneurs and their cooperatives
Subsidy from Central Government	25%	33.33%
Institutional loan from commercial/cooperative banks etc.	Minimum 50%	Minimum 46.67%
Owner's contribution**	Rest of the project cost	Rest of the project cost

* Hilly area is a place at an altitude of more than 1,000 meters above mean sea level.

*Tribal areas are areas notified/declared as tribal area by the Central/concerned State Government

**Cost of land not exceeding 10% in rural areas and 20% in municipal areas of the project cost can form part of the owner's contribution.

ii) For Projects Financed through NCDC

Pattern of funding

For cooperatives in all States other than in north-eastern states, States of Uttarakhand, Himachal Pradesh, Jammu & Kashmir, hilly and tribal areas & SC/ST cooperatives.

From NCDC to State Government Society		From State Government to society	
Term loan	- 65%	Term loan*	- 50%
Subsidy	- 25%	Share Capital*	- 15%
		Subsidy	- 25%
		Society Share	- 10%

For cooperatives in north-eastern states, States of Uttarakhand, Himachal Pradesh, Jammu & Kashmir, hilly and tribal areas & SC/ST cooperatives.

From NCDC to State Government Society		From State Government to society	
Term loan	- 56.67%	Term loan*	- 50.00%
Subsidy	- 33.33%	Share Capital*	- 06.67%
		Subsidy	- 33.33%
		Society Share	- 10.00%

***Minimum term loan 50% (Share Capital of State Government will proportionately vary with increase in term loan)**

**Through Cooperative Banks / directly to Cooperative Societies**

Source of finance	Other than NE States, States of Uttarakhand, Himachal Pradesh, Jammu & Kashmir, hilly and tribal areas* and SC & ST cooperatives	NE States, States of Uttarakhand, Himachal Pradesh, Jammu & Kashmir, hilly and tribal areas*/ SC & ST and cooperatives
Subsidy from the Government	25%	33.33%
Term	Minimum 50%	Minimum 50%
Promoter's contribution**	Rest of the project cost	Rest of the project cost

* Hilly areas is a place at an altitude of more than 1,000 meters above mean sea level.

*Tribal areas are notified/declared as tribal area by the Central/concerned State Government.

**Cost of land not exceeding 10% in rural areas and 20% in municipal areas of the project cost can form part of the promoter's contribution.

In case of union territories

Assistance is provided directly to the society on guarantee of central Government on pattern as above.

In case of national level / multi-state societies / other societies Assistance is provided to society on mortgage of fixed assets.

- The subsidy (25% or 33.33% as the case may be) shall be subject to the limits laid down under the scheme. The quantum of term loan may be enhanced accordingly.
- The minimum share of society shall be 10% of cost. In case societies are able to contribute more than 10%, the quantum of term loan/state Government share capital could be reduced accordingly.
- The subsidy shall be provided as an interest free loan during construction period and shall be converted into subsidy on completion of project to the satisfaction of NCDC.

4 Pattern of Funding

For projects taken up by the State Marketing Boards/APMCs and other State Agencies.

Subsidy / Owner's	All States other than NE States, States of Uttarakhand, Himachal Pradesh, Jammu & Kashmir, hilly and tribal areas.	NE States, States of Uttarakhand, Himachal Pradesh, Jammu & Kashmir, hilly and tribal areas.
Subsidy from the Government	25%	33.33%
Term	0 to 50%	0 to 50%
Owner's Contribution	Rest of the project cost	Rest of the project cost



5. Institutional Lending

A. Eligible financing institutions

The eligible financing institutions under the scheme are:

- (i) Commercial banks, regional rural banks (RRBs), state cooperative banks (SCBs), state cooperative agricultural and rural development bank (SCARDBs), agricultural development finance companies (ADFCs), north-eastern development finance corporation (NEDFI), and such other institutions which will be eligible for refinance from NABARD.
- (ii) Cooperative societies and cooperative banks recognized by NCDC in accordance with its eligibility guidelines.

B. Term Loan

- (i) Minimum 50% of the project cost (46.67% in case of NE states, States of Uttarakhand, Himachal Pradesh, Jammu & Kashmir, hilly and tribal areas and for entrepreneurs belonging to SC/ST and their cooperatives) can be raised as term loan from the financing banks. As the subsidy is back-ended, eligible amount of the subsidy (25%/33.33%) would initially be allowed as term loan to the beneficiary. The repayment schedule will be drawn on the total loan amount (including subsidy) in such a way that the subsidy amount is adjusted after liquidation of net bank loan (excluding subsidy).

(i-A): The stipulation of raising minimum above term loan will not be applicable to the infrastructure projects taken up by State Marketing Boards and other State agencies and they will be free to decide the quantum of loan for the project, according to the requirement. They may even fund the project up to 75% of

the project cost, with zero credit component, utilizing internal resources/ own funds.

- (ii) Repayment period will depend upon the cash flow and will be up to 11 years including a grace period of two years. The first annual installment will fall due after 24 months from the date of first disbursement.
- (iii) Rate of interest to borrowers on term loan shall be at PLR of the bank (or the lead bank) as per RBI guidelines. Interest will be chargeable from the date of the first disbursement of loan.
- (iv) The financial institution may also provide working capital separately for undertaking business by entrepreneurs.
- (v) NCDC may follow its own norms for period of term loan, its repayment, moratorium, interest rates, etc.

6. Time Limit for Completion

A time limit of 18 months is prescribed for completion of the project from the date of disbursement of the first installment of loan by the financial institution or from the date of approval of the project by the Committee. However, in case of large integrated agricultural marketing infrastructure projects involving total outlay of Rs.2 crore or more and requiring phasing, a time limit of maximum of 36 months may be prescribed for completion of the project from the date of disbursement of the first installment of loan by the financial institution.

7. Strengthening of Agmark Laboratories of Directorate of Marketing and Inspection

The civil and electrical infrastructure of the Central Agmark Laboratory at Nagpur and six Regional Agmark Laboratories functioning in the Departmental premises shall be suitably improved with maintenance of necessary supplies and



without affecting the normal functions of these labs, a portion of such premises shall be used to facilitate setting up of testing facilities as per Codex requirements through a tie-up with outside professional laboratories on rental or revenue sharing basis, whichever is found advantageous, subject to fixation of rates of testing services by such agencies in consultation with the Department.

8. General Awareness and Training Programme

General awareness, publicity and training programmes for farmers, market functionaries and entrepreneurs in construction, maintenance and operation of infrastructure projects as also agricultural marketing in general including grading and standardization, shall be taken up through Ch. Charan Singh National Institute of Agricultural Marketing (NIAM), Jaipur and other national and state level institution/ Universities. NIAM would also arrange for consultancy services for setting up of a "Project Development Facility" to catalyze investment credit in agri-infrastructure projects.

For more details contact:

Directorate of Marketing & Inspection

Ministry of Agriculture

Department of Agriculture & Cooperation

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Faridabad, Haryana

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**AGRICULTURAL & PROCESSED FOOD PRODUCTS
EXPORT DEVELOPMENT AUTHORITY (APEDA)
Ministry of Commerce**





Agricultural & Processed Food Products Export Development Authority (APEDA)

Introduction

The Agricultural and Processed Food Products Export Development Authority (APEDA) was established by the Government of India under the Agricultural and Processed Food Products Export Development Authority Act passed by the Parliament in December, 1985. APEDA is a premier organisation assisting in development of export in agricultural and food products in country. A number of schemes have been taken up by APEDA for providing assistance for various beneficiaries/organisations. These are as under:

Scheme 1 **Scheme for Research and Development**

Components	Pattern of Assistance
Component 1	
Assistance for technology development through R & D efforts with research institution under Government/ Public Sector	100% in case of APEDA
Component 2	
Assistance to recognized exporters associations of APEDA to support relevant research and development for export enhancement through R & D organizations in co-operative/private sector	Upto 50% of the total cost of the project subject to a ceiling of Rs 20 lakh



Scheme 2

Scheme for Infrastructure Development

Components	Pattern of Assistance
PART I	
Establishment of common infrastructure facilities by APEDA or any other Government or Public Sector agency like Airport Authority of India or PortTrust etc.	100% grant-in-aid
PART II	
1. Assistance for purchase of specialised transport units for animal products horticulture and floriculture sector	25% of the cost subject to a ceiling of Rs.2.50 lakh per beneficiary.
2. Assistance to exporters / producers / growers/ Cooperative organization and federations for horticulture and floriculture sector for:	
i) Mechanisation of harvest operation of the produce.	25% of the cost subject to a ceiling of Rs.5.00 lakh per beneficiary.
ii) Setting up of sheds for intermediate storage and grading / storage / cleaning operation of produce.	25% of the cost of equipment subject to a ceiling of Rs.5.00 lakh per beneficiary.
iii) a) Setting up of mechanized handling facilities including sorting, grading, washing, waxing, ripening, packaging & palletisation etc.	25% of the cost of equipment subject to a ceiling of Rs.10.00 lakh per beneficiary.
b) Setting up of both pre cooling facilities with proper handling system as well as cold storage for storing.	25% of the cost of equipment subject to a ceiling of Rs.10.00 lakh per beneficiary.
c) Providing facilities for preshipment treatment such as fumigation, X-ray screening, hot water dip treatment, Water softening Plant.	25% of the cost of equipment subject to a ceiling of Rs.10.00 lakh per beneficiary
d) Setting up of integrated post harvest-handling system (pack houses / green houses with any two or more of the above facilities).	25% of the cost subject to a ceiling of Rs.25.00 lakh per beneficiary.
e) Setting up of vapor heat (treatment, electronic beam processing or irradiation facilities.	50% of the cost subject to a ceiling of Rs.25 lakh per beneficiary.
f) Assistance for setting up of environment control system e.g. pollution control, effluent treatment etc.	25% of the cost subject to a ceiling of Rs.25 lakh per beneficiary.
g) Setting up of specialised storage facilities such as high humidity cold storage deep freezers, controlled atmosphere (CA) or modified atmosphere (MA) storage etc.	25% of the cost subject to a ceiling of Rs.10 lakh per beneficiary.



Scheme 3

Scheme for Quality Development

Components	Pattern of Assistance
A. Promotion of Quality and Quality Control	
Component 1	
Assistance etc. for setting up/strengthening laboratories	25% of the cost subject to a ceiling of Rs 20 lakh per beneficiary. Quality standards should be adhered to for availing the subsidy
Component 2	
Assistance of installing quality management, quality assurance and quality control systems such as ISO series, HACCP, TQM, KOSHER, BRC, GAP, Organic Certification and ERP based traceability etc. including consultancy, quality improvement and certification etc.	50% of the cost subject to a ceiling of Rs 5 lakh per beneficiary
Component 3	
Activities related to standardization and quality control such as preparation of quality assurance manuals, guidelines, documents, standards, upgradation and recognition of labs for export testing, certifying exporters as premium quality exporters etc. pesticide management program, national and international standardization activities	100% for APEDA
Component 4	
Upgradation and recognition of labs for export testing	50% of the cost for private labs; 100% for the Central Government labs; and 75% for State Govt /University labs The above is subject to a ceiling of Rs50 lakh
Component 5	
Testing of water, soil, residues of pesticide, veterinary drugs, hormones, toxins, heavy metal contaminants in agricultural produce/products "including all fruits and vegetables, processed fruits and vegetables, other processed foods, floriculture, animal products, cereals etc.	50% of the total cost subject to a ceiling of Rs 5000/- per sample (pre-negotiated price with APEDA) in case where residue monitoring activity is proposed by APEDA
B. Capacity Building & Organisation Management	
Component 1	
Assistance for upgradation of technical and managerial skills through on spot training in India/abroad	100% of cost of the programme organized by APEDA subject to a ceiling of Rs 1.5 lakh per representative (not more than three from single organization)



Component 2	
Assistance for organizing seminars/group activities including study tour within the country and for bringing out information literature	50% of the total cost subject to a ceiling of Rs 1 lakh for national seminar and Rs 2 lakh for international seminar
Component 3	
Seminars organized by APEDA	100%
Component 4	
Assistance programme for international study tour sponsored or organized by APEDA and association of exporters	100% in case of APEDA sponsored activities only



Scheme 4

Scheme for Market Development

Components	Pattern of Assistance
A. Packaging Development	
Component 1	
* Activity for development of packaging standards and design * Up-gradation of already developed packing standards	100% for APEDA internal scheme
Component 2	
Assistance to exporters for use of packaging material as per standards and specifications developed or adopted by APEDA	Assistance to registered exporters of fresh fruits & vegetables, flowers and eggs @ 25% of the total cost of packaging material subject to a ceiling of Rs 5 lakh
B. Feasibility Studies, Surveys, Consultancy and Database Up-gradation	
Component 1	
Development and dissemination of market information with base on products, infrastructure etc.	100% to be implemented by APEDA
Component 2	
Assistance for conducting feasibility studies etc.	50% of the total cost subject to a ceiling of Rs 5.00 lakh per beneficiary in accordance with MDA/MAI guidelines
Component 3	
Assistance for conducting surveys, feasibility studies etc. for the common benefit of a number of exporters who may be the members of the Associations/Boards/ Apex Bodies etc/belonging to a group being assisted/serviced by Governemnt/Semi-Government Organisation	Assistance will be in line with the guidelines of MDA Scheme
C. Export Promotion and Market Development	
Component 1	
Supply of material, samples, product literature, development of website, advertisement etc. for publicity and market promotion for fairs/events organized /sponsored by APEDA	100% to be implemented by APEDA
Component 2	
Publicity and promotion through preparation of product literature, publicity material, advertisement, film etc. by APEDA.	100% to be implemented by APEDA



Component 3	
Brand publicity (Product specific Indian Brands) through advertisement etc. Brand promotion for those brands which are of Indian origin , advertisement in international print/electronic media, website development etc.	25% of the total cost subject to a ceiling of Rs 50.00 lakh in a year on reimbursement basis subject to auditing of the accounts. Not to be extended to an exporter beyond 3 consecutive years. Norms for providing assistance would be framed by APEDA
Component 4	
Export promotion by APEDA for undertaking activities like buyer-seller meet, product promotion, exchange of delegations, participation in exhibitions/fairs/events etc.	100% of the cost for APEDA For exporters, assistance would be provided in the pattern of MDA guidelines
Component 5	
Generic publicity of Indian agricultural and processed products	100% of the cost for APEDA For exporters, assistance would be provided on the pattern of MDA guidelines.

For further details contact to:

**Agricultural & Processed Food Products Export Development Authority
(Ministry of Commerce & Industry, Governemnt of India)**

NCUI Building 3, Siri Institutional Area, August Kranti Marg, New Delhi - 110 016

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MINISTRY OF FOOD PROCESSING INDUSTRIES (MFPI)





Ministry of Food Processing Industries

The schemes relating to Agriculture, Horticulture and food processing being implemented by Ministry of Food Processing Industries are as under:

Scheme - 1

Scheme of Technology /Upgradation / Establishment / Modernization of Food Processing Industries

Objectives of the Scheme

- To provide a thrust and wider coverage for good processing sector in the country.
- To upgrade the existing processing capabilities through modernization and technology Upgradation.
- To create additional processing capabilities by helping in establishment of new processing units.
- To add value to and enhance shelf life of Agri produce.

Quantum of Grant – in Aid

- For General Areas: - Grant in aid up to 25% of the cost of plant & machinery and technical civil work subjects to a maximum of Rs. 50.00 lakh.
- For different Area :- It includes North Eastern states, J & K, Uttarakhand, Himachal Pradesh, Sikkim, A & N Islands, Lashadweep and ITDP areas. Grant – in – aid up to 33.33% of the cost of plant & machinery and technical civil work subjects to a maximum of Rs. 75.00 lakh.

Pattern of Assistance

Release in two equal installments.

First installment

- When unit has utilized 50% of total term loan and 50% of promoter's contribution as per means of finance.
- Submission of Bank Certificate regarding above utilization.
- Affidavits to the effect that the firm or any of its affiliate concern has not availed any grant earlier under the scheme and has not applied for any subsidy/grant for the same purpose and activity from any Government agency.

Second installment

- When the unit has utilized 100% term loan and 100% of promoter's contribution.
- Submission of Bank Certificate regarding above utilization and indicating the date of start of commercial production of the unit.
- .When the unit has utilized full amount of 1st installment of grant-in-aid and submitted a utilization certificate for the same.

Documents required for release of 1st Installment

1. Surety Bond - in prescribed for to be executed by the beneficiary company on non-judicial stamp paper of not less than Rs. 100.
2. Affidavit – in prescribed for to be executed by the beneficiary company on non-judicial stamp paper of not less than Rs 100/-.



3. Bank Certificate – in the prescribed format.

These documents have to be send to the Ministry immediately through focal point bank after branch has recommended the first installment of grant on the e – portal.

Documents required for release o 2nd installment

1. Utilization certificate – in prescribed for of GFR -19- A duly certified by the C.A and countersigned by the Bank and promoter of the beneficiary company.
2. Chartered Account Certificate – in prescribed format for the actual expenditure incurred on the project showing earns of finances, 100% utilization of promoter’s contribution, term loan and 1st installment of MOFPE grant.
3. Bank Certificate – in the prescribed format.

These documents have to be sent to the Ministry immediately through focal point bank after branch has recommended the firs installment of grant on the e-portal.

Scheme - 2

Scheme for Cold Chain, Value Addition and Preservation Infrastructure

1. Background

The Integrated Cold Chain infrastructure scheme of 11th Plan consolidates the Scheme for Integrated Cold Chain, Value added Centers, Packaging Center and Irradiation Facilities of the Tenth Five Year Plan, based on extensive feedback and consultations with stakeholders. The present proposal is to revise the scale and quantum of financial assistance besides inducting flexibility to cover components like pre-cooling, mobile cooling, reefer vans etc. to cover the whole range of food items including horticulture crops.

2. Objectives

The objective of the scheme is to provide integrated and complete cold chain and preservation infrastructure facilities without any break, from the farm gate to the consumer. Pre-cooling facilities at production sites, reefer vans, and mobile cooling units also need to be assisted under the Integrated Cold Chain projects. Integrated cold chain and preservation infrastructure can be set up by individuals or groups of entrepreneurs with business interest in cold chain solutions and also by those who manage supply chain. They will enable linking groups of producers to the processors and market through well equipped supply chain and cold chain.

3. Salient features

The scope of components of Integrated Cold Chain, Value Added Centre,

Packaging Centre and Irradiation Facilities has been broadened to allow flexibility in project planning. The Scheme will have the following components:



- a. Minimal Processing Centre at the farm level and this centre is to have facility for weighing, sorting, grading waxing, packing, pre-cooling, Controlled Atmosphere (CA) / Modified Atmosphere (MA) cold storage, normal storage and IQF.
- b. Mobile pre-cooling vans and reefer trucks.
- c. Distribution hubs with multi product and multi CA /MA chambers cold storage /Variable Humidity Chambers, Packing facility, CIP Fog treatment, IQF and blast freezing.
- d. Irradiation facility.

To avail financial assistance, any two of the components, from (a), (b) or (c) above will have to be set-up by the units. Considering the functional nature of the facility, Irradiation facility can be treated as a stand alone one for the purpose of availing grant.

To provide integrated and complete cold chain facilities without any break from the farm gate to the consumer, Pre-cooling facilities at production sites, reefer vans, and mobile cooling units has been covered under the Integrated Cold Chain facilities projects. Stand alone facilities, except irradiation facility will not be considered for assistance. Horticulture produces has also been included for support under Integrated Cold Chain Facilities. Value addition Centres may also include infrastructural facilities including processing / multi-line processing / collection centres, etc. for horticulture including organic produce, marine, dairy, meat and poultry, etc. Irradiation facilities may also cover warehousing, cold storage facilities etc. for storage of raw material and finished products for efficient utilization of the facility.

4. Pattern of assistance

Financial assistance (grant-in-aid) of 50% the total cost of plant and machinery and technical civil works in General areas and 75% for NE region and difficult areas (North East including Sikkim and J&K, Himachal Pradesh and Uttarakhand) subject to a maximum of Rs 10 Crore.

5. Pattern of release of grant

5.1 The grant-in-aid amount will be admissible for payment only after the private investor has paid his share fully as per the following schedule:-

- a) 1st instalment of 25% of the total grant under the scheme will be released after ensuring that 25% of the promoters contribution and 25% of the term loan has been spent on the project.
- b) 2nd instalment of another 50% of the total grant under the scheme will be released after ensuring that utilization of first instalment of grant and 75% of promoters contribution and 75% of term loan have been spent on the project. Utilization certificate of the first instalment shall be submitted by the promoter at the time of making claim for the second instalment.
- c) 3rd and final instalment of remaining 25% of the grant assistance will be released after ensuring that the utilization of the second instalment and 100% of promoters contribution and 100% of term loan has been invested on the project and the project has achieved completion and commercial operation has started. Utilization certificate of the second instalment shall be submitted by the promoter at the time of making claim for the 3rd and final instalment.

5.2 The implementation schedule for the project would be about 18 months from the date of the approval of each project.

Scheme - 3

Mega Food Parks (MFPS)

1. Background and Objectives of the Scheme

- a) Based on extensive feedback and consultations with various stakeholders the earlier Scheme of Food Parks under the 10th Five Year Plan has been revised and reformulated as Mega Food Parks Scheme (MFPS) for the 11th Five Year Plan period.
- b) MFPS is expected to facilitate the achievement of the Vision 2015 of Ministry of Food Processing Industries to raise the processing of perishables in the country from the existing 6% to 20%, value addition from 20% to 35% and the share in global food trade from 1.5% to 3% by the year 2015.
- c) The primary objective of the MFPS is to provide adequate / excellent infrastructure facilities for food processing along the value chain from the farm to market. It will include creation of infrastructure near the farm, transportation, logistics and centralized processing centers. The main feature of the scheme is a cluster based approach. The scheme will be demand driven, pre marketed and would facilitate food processing units to meet environmental, safety and social standards.
- d) The expected outcome is increased realization for farmers, creation of high quality rural processing infrastructure, reduction in wastage, capacity building of the producers and processors and creation of an efficient supply chain along with significant direct and indirect employment generation.

2. Salient Features of the Scheme

- a. The scheme aims to facilitate the establishment of a strong food processing industry backed by an efficient supply chain, which would include collection centres, primary processing centers and cold chain infrastructure. The food processing units, under the scheme, would be located at a Central Processing Centre (CPC) with need based common infrastructure required for processing, packaging, environmental protection systems, quality control labs, trade facilitation centres, etc.
- b. The extent of land required for establishing the CPC is estimated to be between 50- 100 acres, though the actual requirement of land would depend upon the business plan, which may vary from region to region. CPC would be supported by farm proximate Primary Processing Centers (PPC) and Collection Centres (CCs) in identified locations based on a techno-feasibility study, adequate to meet the requirements of the CPC. The land required for setting up of PPCs and CCs at various locations would be in addition to land required for setting up CPC.
- c. It is expected that on an average, each project will have around 30-35 food processing units with a collective investment of Rs 250 crores that would eventually lead to annual turnover of about Rs 450-500 crores and creation of direct and indirect employment to the extent of about 30,000. However, the actual configuration of the project may vary depending upon the business plan for each Mega Food Park. The aggregate investment in CPC, PPCs and CCs should be proportionate and commensurate to the size of the total project keeping in view the economies of scale. The Scheme is co-terminus with the 11th Plan period. However, projects which have received the final approval under the scheme shall continue to receive the grant support and benefits of the scheme.



3. Pattern of Assistance

- 3.1 The scheme envisages a one time capital grant of 50% of the project cost (excluding land cost) subject to a maximum of Rs. 50 crores in general areas and 75% of the project cost (excluding land cost) subject to a ceiling of Rs. 50 crores in difficult and hilly areas i.e. North East Region including Sikkim, J&K, Himachal Pradesh, Uttarakhand and ITDP notified areas of the States.
- 3.2 Considering the complexities of the scheme, the Ministry would engage a Program Management Agency (PMA) to provide management, capacity building, coordination and monitoring support. For meeting the cost of the above and also other promotional activities by the Ministry, a separate amount, to the extent of 5% of the overall grants available, is earmarked.
- 3.3 The project cost for the purpose of eligibility under this scheme would consist of the following components:
 - 3.3.1 Core Processing Facilities:
 - 3.3.2 Factory buildings:
 - 3.3.3 Enabling Basic Infrastructure:
 - 3.3.4 Non-Core Infrastructure:
 - 3.3.5 Project Implementation Expenses:
 - 3.3.6 Land

4. Implementation Process

4.1 Special Purpose Vehicle (SPV)

- 4.1.1 The responsibility of execution, ownership and management of the Mega Food Park would vest with a Special Purpose Vehicle (SPV) in which Financial Institutions/Banks, organized retailers, processors, service providers, producers, farmer organizations and other related stakeholders would be the equity holders.

4.2 Program Management Agency (PMA)

- 4.2.1 The Ministry will appoint a Program Management Agency (PMA) to assist it in implementation of the Scheme. The PMA will be a reputed pan India institution with extensive experience in project development, management, financing and implementation of cluster infrastructure projects.

5. Time Schedule

The time schedule for completion and successful operationalization of project will be 24 months from the date of release of first installment of the grant by the Ministry or within the extended timeframe as granted by the IMAC.

For more details please contact:

Ministry of Food Processing Industries

Panchsheel Bhavan, August Kranti Marg,

New Delhi-110 049

Tel.: 011-26492475

Fax: 011-26493228

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NATIONAL MISSION ON MEDICINAL PLANTS
National Medicinal Plant Board Department of AYUSH





National Horticulture Mission

Introduction

The Centrally Sponsored Scheme of “National Mission on Medicinal Plants” has been approved with a total outlay of Rs. 630 Crores for implementation during the 11th Plan. During the 11th Plan, the Central Government’s contribution will be 100%. During the 12th Plan, however, the State Government’s contribution is proposed to be suitably enhanced, based on the mid-term review of the scheme. The scheme is being implemented in a mission mode to organically link different components under the scheme and thus give a strategic push to the Sector during the 11th Plan.

Mission Objectives

Support cultivation of medicinal plants which is the key to integrity, quality, efficacy and safety of the AYUSH systems of medicines by integrating medicinal plants in the farming systems, offer an option of crop diversification and enhance incomes of farmers.

Mission Strategy

The Mission has adopted an end-to-end approach covering production, post harvest management, processing and marketing. This is being achieved by promoting cultivation of medicinal plants in identified clusters/zones within selected districts of states having potential for medicinal plants cultivation and to promote such cultivation following Good Agriculture and Collection Practices (GACPs) through synergistic linkage with production and supply of quality planting material, processing, quality testing, certification, warehousing and marketing for meeting the demands of the AYUSH industry and for exports of value added items.

Mission Structure

The National Mission on Medicinal Plants is being implemented by National Medicinal Plants Board (NMPB), Department of AYUSH. The Mission has a two tier structure at National and State Level.

Eligibility

For Cultivation

- i. Growers, farmers, cultivators.
- ii. Growers Associations, Federations, Self Help Groups, Corporates, Growers cooperatives.

For Processing and Post harvest Management Infrastructure

- i. Government /Non Government organizations, federations, Cooperatives, Industry with R & d unit duly registered and recognized as such by the appropriate authority with a minimum three years of experience in the field.
- ii. Entrepreneurs, Industries etc.
- iii. NABL accredited laboratories.
- iv. R&D institutions & Universities.

Pattern of Financial Assistance

The component wise pattern of assistance admissible under the scheme is as under:



S.No.	Programme	Estimated Cost	Admissible Assistance
1	Nursery		
	a) <u>Public Sector</u>		
	i) Model Nursery (4ha.)	Rs. 20 lakhs	Maximum of Rs. 20.00 lakhs
	ii) Small Nursery (1ha.)	Rs. 4 Lakhs	Maximum of Rs. 4.00 lakhs
	b) <u>Private Sector</u>		
	i) Model Nursery (4ha.)	Rs. 20 lakhs	Maximum of Rs. 20.00 lakhs
	ii) Small Nursery (1ha.)	Rs. 4 Lakhs	Maximum of Rs. 4.00 lakhs
2	Cultivation		
	i) Species that are highly endangered and in high demand by AYUSH industry		75% of the cost of cultivation
	ii) Species that are endangered and sources of supply are declining.		50% of the cost of cultivation
	iii) Other species in demand by AYUSH industry and for exports.		20% of the cost of cultivation
	iv) The weighted average of subsidy for 93 plants as per list at Annexure - II		30%
3	Post Harvest Management		
	i) Drying shed	Rs. 5 lakhs	100% assistance for SHGs/Cooperatives/public Sector and 50% for Private
	ii) Storage godown	Rs. 5 lakhs	100% assistance for SHGs/Cooperatives/public Sector and 50% for Private
4.	Processing and Value Addition		
	i) Processing unit	Rs. 200 lakhs	25% of the project cost subjects to a maximum of Rs 50 lakhs
	ii) Setting up testing laboratories	Rs. 100 lakhs	30% of the project cost subjects to a maximum of Rs. 30 lakhs
	iii) Market promotion	Rs. 10 lakhs	50% of the project cost
	iv) Market Intelligence	Project based	Project based
	v) Buy back intervention	Project based	Project based
	vi) Marketing infrastructure	- For rural mandi = Rs 10 lakhs - For district mandi = Rs 200 lakhs	Project based. 100% assistance to Public/SHGs/ Cooperatives



vii) Testing charges/ reimbursement	50% of testing charges subject to Rs. 5,000/-	
viii) Organic /GAP certification	Rs. 5 lakhs for 50 ha.	As per NHM
ix) Crop insurance	50% of premium	
5 Management		
i) State and District level organizations implementing the programme including additional manpower		5% of the total annual expenditure on the basis of appraised need. The salary of the contractual staff and project management consultant for each components of the scheme to be paid under the scheme.
ii) Project preparation cost and other administrative cost including hiring of transport, Travel Expenses, office expenses hardware/ software etc.	Project based	Within 5% available for management support
iii) Other expenses including exposure visits within the country and abroad.	Project based	Within 5% available for management support

For further details please contact:

National Medicinal Plants Board
Department of AYUSH
Ministry of Health & Family Welfare
Government of India

Chandralok Building, 36, Janpath
New Delhi - 110001

Tel.: 011-23319255, 011-23319360

www.nmpb.nic.in





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Confederation of Indian Industry
Since 1895

The Confederation of Indian Industry (CII) works to create and sustain an environment conducive to the growth of industry in India, partnering industry and government alike through advisory and consultative processes.

CII is a non-government, not-for-profit, industry led and industry managed organisation, playing a proactive role in India's development process. Founded over 115 years ago, it is India's premier business association, with a direct membership of over 8100 organisations from the private as well as public sectors, including SMEs and MNCs, and an indirect membership of over 90,000 companies from around 400 national and regional sectoral associations.

CII catalyses change by working closely with government on policy issues, enhancing efficiency, competitiveness and expanding business opportunities for industry through a range of specialised services and global linkages. It also provides a platform for sectoral consensus building and networking. Major emphasis is laid on projecting a positive image of business, assisting industry to identify and execute corporate citizenship programmes. Partnerships with over 120 NGOs across the country carry forward our initiatives in integrated and inclusive development, which include health, education, livelihood, diversity management, skill development and environment, to name a few.

CII has taken up the agenda of "Business for Livelihood" for the year 2010-11. Businesses are part of civil society and creating livelihoods is the best act of corporate social responsibility. Looking ahead, the focus for 2010-11 would be on the four key Enablers for Sustainable Enterprises: Education, Employability, Innovation and Entrepreneurship. While Education and Employability help create a qualified and skilled workforce, Innovation and Entrepreneurship would drive growth and employment generation.

With 64 offices and 7 Centres of Excellence in India, and 7 overseas in Australia, China, France, Singapore, South Africa, UK, and USA, and institutional partnerships with 223 counterpart organisations in 90 countries, CII serves as a reference point for Indian industry and the international business community.

Confederation of Indian Industry

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