

Ministry of Food Processing
Highlights of Scheme for Integrated Cold Chain and Value Addition
Infrastructure
Under PRADHAN MANTRI KISAN SAMPADA YOJANA
(Application opens from 09.10.2023 to 22.11.2023 till 5 PM)

Eligible Entities

- Integrated cold chain and value addition infrastructure projects can be set up by Partnership/ Proprietorship Firms, Companies, Corporations, Cooperatives, Self Help Groups (SHGs), Farmer Producer Organizations (FPOs), NGOs, Central/State PSUs, etc. with business interest in cold chain solutions and also by those who manage supply chain.

- Proposal received from Scheduled Caste (SC) / Scheduled Tribe (ST) holding at least 51% of stakeholder in the entity, will be treated as SC/ST proposals.

Components of the Scheme

The scheme will have the following project components:

- (a) Farm Level Infrastructure**, which may include processing center, situated in the catchment area of the targeted produce. Location of FLI must be indicated in DPR and Bank Appraisal note as well.
- (b) Processing Centre (Mandatory Component)**- Indicative list is given below under 'Eligible facilities'
- (c) Distribution hub** - This shall have a modern multi-product, multi-temperature cold storage.
- (d) Refrigerated** vans/ refrigerated trucks/ insulated vans/mobile insulated tankers.
- (e) Irradiation facility**- This may be standalone component

To avail financial assistance under this scheme, the applicant will have to set up Farm Level Infrastructure as mentioned at (a) & (b) above and **any one** of the components from (c) and (d) above.

Irradiation facility will be treated as a standalone facility for the purpose of availing grant under the scheme.

Eligible facilities for calculation of grant

- (a) Mechanized sorting & grading line/ packing line/ staging cold rooms.
- (b) Cold Storage Unit(s) [Associated with value addition]
- (c) Controlled Atmosphere (CA) storage [Associated with value addition]
- (d) Frozen Storage/ Deep freezers [Associated with value addition]
- (e) IQF line, Tunnel/ Spiral/ Blast/ Plate Freezer, Vacuum Freeze Drying
- (f) Milk Chilling/ Bulk Milk Cooling/ Automatic Milk Collection Unit/ Milk Processing Unit (including packing) for which temperature control is necessary during some part of the processing.
Note: Maximum 10 Milk Chilling or Bulk Milk Cooling or Automatic Milk Collection Unit can be assisted per project
- (g) Poultry/ Meat/ Marine/ Fishery Processing Unit
- (h) Packaging line for chilled/ frozen/ temperature-controlled products
- (i) Food Irradiation unit
- (j) Refrigerated/ insulated transport
- (k) Pre-Cooling Unit(s)/ Mobile pre-coolers
- (l) Retail refrigerated carts, temperature controlled solar powered retail carts
Note: maximum 5 such carts can be considered per project
- (m) Reefer boats
Note: maximum 5 such boats can be considered per project
- (n) Refrigerated Containers including multi-modal container units,

(o) Renewable/ alternate energy technologies (solar, bio-mass, wind etc.) for the project.

Note: maximum permissible cost is ₹35 lakh per project

(p) Accessories/ support infrastructure/ utilities such as fixed racking system in Cold/ CA storage, forklifts, reach trucks, insulated fish boxes, dock levellers, mezzanine flooring, ETP, boiler, CIP unit, Slicer/ Dicer, sorting/ grading line, etc.

Note: CA Storage should be located near production areas. Otherwise, detailed justification to be given in the DPR (Detailed Project Report).

(q) In-house product testing laboratory

(r) Any other modern technology for temperature-controlled storage, processing, value addition and preservation infrastructure

(s) Toilets, septic tank, drainage and such other facilities

Eligibility Criteria

- Net worth shall not be less than 1.5 times of grant amount (not less than of grant amount for difficult areas/ST/SC/FPO/SHG)
- **Final / in-principle term loan sanction letter (indicating whether proposal is for expansion/up gradation/fresh) from a bank**
- **Date of sanction letter should not be earlier than the date of EoI**
- Term loan should not be less than 20% of total project cost (10% for difficult areas/ST/SC/FPO/SHG)
- Detailed appraisal note from the bank
- Equity infusion should not be less than 20% of total project cost (10% for difficult areas/ST/SC/FPO/SHG)
- **Value of land shall not be considered as part of project cost**
- **Unsecured loan shall not be treated as a part of equity**
- **Expansion/Upgradation of existing facility is not eligible under this scheme**
- Only one application shall be considered from an entity against EoI
- No second proposal shall be considered from the entity who has earlier availed grant under the scheme

- Entities who have availed grant under another scheme (other than CEFPPC scheme) of the ministry will be eligible for grant after 2 years from the date of commercial operation of the previous project
- Entity shall not be eligible for financial assistance for more than 2 projects during period of 10 years
- Non-refundable demand draft of Rs. 20,000/- (15,000/- for ST/SC entity) shall be payable to “PAY AND ACCOUNTS OFFICER, MINISTRY OF FOOD PROCESSING INDUSTRIES, NEW DELHI”
- Successful candidate shall submit a refundable bank guarantee of 5% of grant amount within 30 days of issue of approval letter by the ministry
- Minimum qualifying marks is 60 (45 for ST/SC proposals)
- **Grant amount @35% of eligible project cost (for difficult areas/ST/SC/FPO/SHG @50%), maximum Rs. 10 crores**
- No upward revision of approved grant shall be considered.
- **No grants-in-aid shall be payable on any expenditure, of any expenditure, of any nature whatsoever, made before the date of issuance of approval letter by the Ministry towards eligible components of the project. The same shall be verifiable from bank Statement / invoices to be submitted at the time of request for release of various instalments of grant-in-aid.**
- Dovetail assistance available under various schemes of central/states government's provided there should be no duplication of assistance for the same component/activity of the project.
- Project should be completed and operationalized within 24 months (30 months for difficult areas) from the issue of approval letter (extension may be granted after approval of competent authority).
- Grant shall be released in **three equal instalments**
- Registered land either on ownership basis or leasehold basis at least 15 years in the name of applicant firm.

Evaluation Criteria (Marking)

S. No	Criteria for Evaluation of Integrated Cold Chain Proposals	Max Marks
1	Adequate Volume and Wider Mix of Raw Materials (Suitability of Location, Project Site and Status of Possession of Land)	20
	Availability of raw materials	5
	a. Raw material availability backed by latest data (not later than 3 years old) published by Central/ State Government: 5 marks b. Raw material availability data not published but duly authenticated by concerned block/district/ state authority: 3 marks c. If no raw material data has been submitted by the applicant: 0 mark Note: Source of raw material availability should be clearly mentioned in the DPR	
	ii Suitability of project location(s) for proposed operations and their connectivity through road, railways etc. If land is in close proximity to state/national highway/freight corridors/golden quadrilateral/ sea port marks may be awarded, as follows:	5
	a. Within 2 Kms: 5 marks b. 2 to 5 Kms: 3 marks c. More than 5 to 10 Kms: 2 marks d. Above 10 Kms : 0	
	Status of project land	5
	a. Main facility land in possession of the Applicant with approval for industrial use: 10 marks b. Main facility land in possession of the Applicant without approval for industrial use: 5 marks	
	iv Availability of raw material (Days) to arrive capacity utilisation of the facility proposed:	5
	a. 300 days and above – 5 marks b. 200-300 days – 3 marks c. 100-200 days – 1 mark	
2	Experience in Cold Chain/ Food Processing:	10
	a. Already in cold chain <u>and</u> food processing business having annual turnover of ₹5 crore and above during previous year:10 marks b. If in cold chain <u>or</u> food processing business having annual turnover of ₹5 crore and above during previous year:7 marks c. If in cold chain <u>or</u> food processing business having annual turnover of less than ₹5 crore during the previous year:4 marks	
3	Economic Viability of the proposal	10
	Economic Viability of Project Based on Bank Appraisal (Key financial parameters viz. IRR, DSCR, RoI) (The average of score for IRR and DSCR would be considered. IRR and DSCR will be taken from bank appraisal note. In case, IRR and/ or DSCR are not given in the bank appraisal note then the same will be taken from the DPR.)	
	Max marks shall be given for IRR# [without grant] = 5 marks	
	a. 5 marks shall be given if IRR >20%	

- b. 3 marks shall be given if IRR is between 15%-20%
- c. 1 mark shall be given if IRR is between 10%-15%
- d. Nil marks shall be given if IRR is less than 10%

Max marks shall be given for DSCR = 5 marks

- a. 5 marks shall be given if DSCR > 2.5
- b. 3 marks shall be given if DSCR is between 2.0 and 2.5
- c. 1 mark shall be given if DSCR is between 1.5 and 2.0
- d. Nil marks shall be given if DSCR <1.5)

- 4 Project proposed to be set up in Districts having no projects sanctioned by the MoFPI in any of its scheme. 5
 - 5 The project proposed to be set up in States providing concessions/ benefits on the following: 5
 - (i) power tariff subsidy (1 mark)
 - (ii) Exemption form stamp duty on land (1 mark)
 - (iii) Capital subsidy (1 mark)
 - (iv) Interest subvention on loan (1 mark)
 - (v) Reimbursement of SGST (1 mark)
- [Supporting document to be submitted]

Proposed investment in Cold Chain Components 15

- 6 a. Proposals creating farm level infrastructure, distribution hub and processing at different locations along with reefer/ insulated vans. 15
- b. Proposals creating farm level infrastructure and distribution hub but have combined the processing facility either at farm level infrastructure or distribution hub along with reefer/ insulated vans. 10
- c. Proposals creating farm level infrastructure with or without processing along with reefer/ insulated vans. 5
- d. Proposals for setting up irradiation unit 15
- 7 Project proposing value addition/processing facilities such as IQF, vacuum freeze drying, spiral/tunnel/blast freezers, etc. for manufacturing of chilled/frozen value added products including value added fruits &vegetables/ meat/ fisheries/ RTE/ frozen products, etc. 10
- 8 Proposals with investment in reefer transport with capacity not less than 70 MT 5
- 9 Proposed Investment in Farm Level Infrastructure [Excluding Cost of Project Land] 10
 - a. Upto 30% of Project Cost: 5 marks
 - b. More than 30% to 50%: 7 marks
 - c. More than 50% : 10 marks
- 10 Leveraging of Investment in the Project 10

For General Areas

- a Proposed equity investment excluding land < 2 times of grant sought: 5 marks
- b. Proposed equity investment excluding land >= 2 times of grant sought: 10 marks

For Difficult Areas

- a. Proposed equity investment excluding land < grant sought: 5 marks
- Proposed equity investment excluding land >= grant sought: 10 marks
- b marks

Total 100

Ineligible items for calculation of Grant - in - Aid

- a. Compound Wall
- b. Approach Road / Internal Road
- c. Cost of Land & Site Development
- d. Administrative Office Building
- e. Canteen
- f. Labour rest room and quarters for workers
- g. Security / Guard Room or enclosure
- h. Non-technical civil works not related to the components of the scheme
- i. Margin Money, Working capital and Contingencies
- j. Fuel, Consumables, Spares and Stores
- k. Transport vehicle except controlled temperature vehicles like coolers and refrigerated / insulated / ventilated transport
- l. Pre – operative expenses
- m. Service Charges, carriage and freight charges or other such charges / fees
- n. Expenditure on painting of machinery
- o. Ac ducting, furniture, computers and allied office items
- p. Closed Circuit TV Cameras and Security System related equipment
- q. Consultancy fees, taxes, etc. on Plant & machinery
- r. Stationary Items
- s. Plant & Machinery not directly related to components of the scheme.
- t. Fly catchers, hand washers, laundry
- u. Reconditioned / Refurbished / Second Hand / Old Plant & Machinery
- v. Consumables (such as plastic crates, bins, pallets, etc.

Note:

The list is only indicative and the Project Approval Committee Constituted by the Ministry will be the final authority to decide on ineligibility or otherwise of items for purpose of grant-in –aid.

Hebe Financial Services Pvt Ltd
204, Ashiana Plaza, Budh Marg
Patna – 800001, Bihar
<http://hebe.net.in/>
Mail: hfspl_sg@yahoo.co.in
Ph: 0612-2200690/09934799000