

**F. No. 16-MFPI/14-Mega FP**  
**Government of India**  
**Ministry of Food Processing Industries**  
**Panchsheel Bhawan, August Kranti Marg**

New Delhi, dated 19<sup>th</sup> May, 2017

**IMPORTANT NOTICE**

**Subject: Approval of Government of India on new Central Sector Scheme – SAMPADA (Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters)- reg.**

The undersigned is directed to inform that Government of India (GOI) has approved a new Central Sector Scheme – SAMPADA (Scheme for Agro-Marine Processing and Development of Agro-Processing Clusters) with an allocation of Rs. 6,000 crore for the period 2016-20 coterminous with the 14<sup>th</sup> Finance Commission cycle. The SAMPADA will be implemented by Ministry of Food Processing Industries (MoFPI).

2. SAMPADA is a comprehensive package which will result in creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet. It will not only provide a big boost to the growth of food processing sector in the country but also help in providing better prices to farmers and is a big step towards doubling of farmers income, creating huge employment opportunities especially in the rural areas, reducing wastage of agricultural produce, increasing the processing level and enhancing the export of the processed foods.

3. The following schemes will be implemented under SAMPADA:

- (i). Mega Food Parks (on going)
- (ii). Integrated Cold Chain and Value Addition Infrastructure (on going)
- (iii). Creation / Expansion of Food Processing & Preservation Capacities (new)
- (iv). Infrastructure for Agro-processing Clusters (new)
- (v). Creation of Backward and Forward Linkages (new)
- (vi). Food Safety and Quality Assurance Infrastructure (on going)
- (vii). Human Resources and Institutions (on going)

The brief details of each scheme are enclosed for ready reference. However, the detailed operational guidelines of each of the schemes are being uploaded on Ministry's website: [www.mofpi.nic.in](http://www.mofpi.nic.in)

4. SAMPADA is expected to leverage investment of Rs. 31400 crore, handling of 334 lakh MT agro-produce valuing Rs. 1,04,125 crore, benefit 20 lakh farmers and generate 5,30,500 direct/ indirect employment in the country by the year 2019-20.

5. It is, therefore, requested to give wide publicity to the schemes of SAMPADA so that full advantage of the benefits available under SAMPADA can be availed by various stakeholders.



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To,

1. The Chief Secretaries of all the States / UTs
2. The Secretary, Department of Expenditure, Ministry of Finance, North Block, New Delhi
3. The CEO, NITI Aayog, Yojana Bhawan, Sansad Marg, New Delhi
4. The Secretary, Department of Financial Services, 3<sup>rd</sup> Floor Jeevan Deep Building, Sansad Marg, New Delhi-110001
5. The Secretary, Department of Commerce, Ministry of Commerce & Industry, Udyog Bhawan, New Delhi
6. The Secretary, Department of Industrial Policy & Promotion, Udyog Bhawan, New Delhi
7. The Secretary, Department of Agriculture & Cooperation and Farmers Welfare. Ministry of Agriculture, Krishi Bhawan, New Delhi
8. The Secretary, Department of Animal Husbandry, Dairying & Fisheries, Ministry of Agriculture, Krishi Bhawan, New Delhi
9. The Secretary, Ministry of Micro, Small and Medium Enterprises, Udyog Bhawan, New Delhi
10. The Secretary, Department of Consumer Affairs, Krishi Bhawan, New Delhi
11. The Joint Secretary, Cabinet Secretariat, Rashtrapati Bhawan, New Delhi
12. The Joint Secretary, Prime Minister's Office, South Block, Raisina Hill, New Delhi

**Copy to:**

1. The Vice Chancellor, National Institute of Food Technology Entrepreneurship and Management (NIFTEM), Plot No. 97, Sector 56, HSIIDC Industrial Estate, Kundli, Sonapat, Haryana 131028
2. The Director, Indian Institute of Food Processing Technology (IIFPT), Pudukkottai Road, Thanjavur, Tamil Nadu 613005
3. PS to Hon'ble Minister, FPI
4. PS to MOS, FPI
5. PSO to Secretary, FPI
6. PS to JS&FA / JS (PG) / JS (AP) / EA (RM)
7. Dir (VS) / Dir (KBS) / Dir (JK) / Dir (Media) / DS (AN) / DS (GDS) / DS (SKV) / US (PKM) / US (SKS) / US (RZ) / US (Finance) / US (SB) / US (TKZ) / US (VKB) / US (HKP) / DD (SSA) / DD (AK) / DIA (SS) / SMO (GS) / MO (JPD) / AD (SNA) AD (BN) / AD (SK) / SIO (AM) / AO (Budget) / MO (KKA)

## Brief details of the schemes under SAMPADA

### 1. Scheme for Mega Food Park

(a) **Objectives of the Scheme:** The objectives of the scheme are as follows:

- i. To provide modern infrastructure for food processing units in the country.
- ii. To ensure value addition of agricultural produce including dairy, fisheries etc.
- iii. To establish a sustainable raw material supply chain for each cluster.
- iv. To facilitate induction of the latest technology.
- v. To address the need of small and micro food processing enterprises by providing plug & play facilities.
- vi. To provide an institutional mechanism for producers, processors, and retailers to work together to build the supply chain.

(b) **Pattern of financial assistance:**

Grant-in-aid @ 50% of eligible project cost in general areas and @ 75% of eligible project cost in NE Region and difficult areas subject to maximum of Rs.50 crore per project.

(c) **Implementing Agency:**

The Mega Food Park project is implemented by a Special Purpose Vehicle (SPV) which is a Body Corporate registered under the Companies Act. However, State Government, State Government entities and Cooperatives are not required to form a separate SPV under the revised guidelines. Possession of at least 50 acres of contiguous land by the SPV for the CPC with conversion for industrial /infrastructure use is required. Subject to fulfillment of the conditions of Scheme Guidelines, the funds are released to the SPVs.

(d) **No. of projects:**

It is an on-going scheme. The total 42 projects have been taken up in the country, out of which 8 have been made operational including 3 completed projects. The remaining 34 projects will be completed during the period of scheme with an allocation of Rs. 1500 crore. The scheme will continue to be implemented with the same structure and pattern of assistance. New projects will be considered on completion of ongoing projects

### 2. Scheme for Cold Chain and Value Addition Infrastructure

(a) **Objective of the Scheme:**

To arrest post-harvest losses of horticulture & non-horticulture produce by providing financial assistance in setting up integrated cold chain, preservation and value addition infrastructure facilities without any break from the farm gate to the consumer

(b) **Pattern of financial assistance:**

The scheme will continue to be implemented with same components with a revised pattern of financial assistance as follows:-

- (i). For storage infrastructure including pack houses, pre-cooling units, ripening chamber and transport infrastructure, grant-in-aid @ 35% for General Areas and @ 50% for North East States, Himalayan States, ITDP Areas & Island of the total cost of plant & machinery and technical civil works will be provided.



- (ii). For value addition and processing infrastructure including frozen storage/ deep freezers associated and integral to the processing, grant-in-aid @ 50% for General Areas and @ 75% for North East States, Himalayan States, ITDP Areas & Island will be provided.
- (iii). For irradiation facilities grant-in-aid will be provided @ 50% for General Areas and @ 75% for NE region and Difficult Areas.

The maximum grant-in-aid per project would be Rs. 10 crore per project.

**(c) Implementing agency:**

The integrated cold chain project is set up by Partnership/Proprietorship Firms, Companies, Corporations, Cooperatives, Self Help Groups (SHGs), Farmer Producer Organizations (FPOs), NGOs, Central/State PSUs, etc. subject to fulfilment of eligibility conditions of scheme guidelines.

**(d) No. of projects:**

It is an ongoing scheme. It is proposed to assist approximately 150 new projects against which 101 projects have been approved in March end 2017. The total number of new projects to be sanctioned may vary depending upon the budget allocation and the grant approved per project. The scheme will be implemented with a total allocation of Rs. 1650 crore.

### **3. Committed liabilities under infrastructure related Schemes**

The committed liabilities for infrastructure related schemes amount to Rs. 2602 crore. This includes Rs. 1300 crore for Mega Food Parks, Rs. 1092 crore for Integrated Cold Chain and Value Addition Infrastructure and Rs. 210 crore for other ongoing infrastructure projects.

### **4. Scheme for Creation / Expansion of Food Processing and Preservation Capacities**

**a) Objectives of the scheme:** The objectives of the scheme are as follows:

- (i) Creation/ expansion and / or modernization of processing / preservation capacities which will help in increasing the level of processing, value addition and thereby reduction of wastage.
- (ii) The setting up of new units and modernization/ expansion of existing unit will be covered under the scheme. The processing units undertake a wide range of processing activities depending on the processing sectors which results in value addition and/or enhancing shelf life of the processed products.

**b) Pattern of financial assistance:**

The scheme envisages financial assistance to food processing units in the form of grant-in-aid:

- 35% of the cost of Plant & machinery and technical civil works, subject to a maximum of Rs. 5.00 crore in general areas
- 50 % of the cost of Plant & machinery and technical civil works, subject to a maximum of Rs. 5.00 Crores in North East States and difficult areas

### **c) Implementing Agency:**

Scheme will be implemented through organizations such as Central & State PSUs / Joint Ventures / Farmer Producers Organization (FPOs)/ NGOs / Cooperatives / SHG's / Pvt. Ltd companies / individuals proprietorship firms engaged in establishment/ upgradation/ modernization of food processing units.

### **d) No. of projects:**

It is a new scheme. It will be implemented with an allocation of Rs.1290 crore to take up 400 new projects with total allocation of Rs.1141 crore and to meet the committed liabilities of earlier Technology Upgradation Scheme of Rs. 149 crore. The grants-in-aid will be credit linked but not back ended.

## **5. Scheme for Infrastructure for Agro Processing Clusters**

### **(a) Objectives:**

- i. To create modern infrastructure for food processing closer to production areas.
- ii. To provide integrated and complete preservation infrastructure facilities from the farm gate to the consumer.
- iii. To create effective backward and forward linkages by linking groups of producers / farmers to the processors and markets through well-equipped supply chain.

### **(b) Salient features of the scheme:**

- (i) The scheme will have two basic components i.e. Basic Enabling Infrastructure (roads, water supply, power supply, drainage, ETP etc.) and Core Infrastructure/Common facilities (ware houses, cold storages, IQF, tetra pack, sorting, grading etc). Creation of common facilities in a cluster may vary depending upon requirements of food processing units existing outside the cluster or to be set up in a cluster.
- (ii) Minimum 5 food processing units with minimum investment of Rs. 25 crore will be set up in the cluster.
- (iii) Units will be set up simultaneous alongwith creation of common infrastructure.
- (iv) Such infrastructure facilities may be developed by:
  - a. The promoter(s) willing to set up own units in the cluster and also allow utilization of common infrastructure to other units in the area;
  - b. The promoter(s) willing to develop common infrastructure for use by the units to be set up in the food processing cluster by other entrepreneurs;
  - c. The promoter(s) willing to develop common infrastructure in the existing food processing clusters:

### **(c) Components of the Scheme:**

The scheme aims at development of modern infrastructure to encourage entrepreneurs to set up food processing units based on cluster approach. Accordingly, the scheme will have following components:

- (i) **Basic enabling infrastructure:** It will include site development including development of industrial plots, boundary wall, roads, drainage, water supply, electricity supply including power backup, effluent treatment plant, parking bay, weigh bridges, common office space etc. However, the cost of basic enabling infrastructure not exceeding 40 percent of the eligible project cost would be eligible for grant purpose.



- (ii) **Core infrastructure / common facilities:** The common facilities will be based on the needs of the units which will be set up in these clusters. The common facilities of capital intensive nature may include like testing laboratory, cleaning, grading, sorting and packing facilities, dry warehouse, cold storage, pre-cooling chambers, ripening chambers, steam generation boilers, IQF, specialized packaging, etc.

The above mentioned facilities are only illustrative and the exact nature of facilities may vary from project to project based on requirements of the units in the cluster and surplus agriculture / horticulture produce in the catchment area of the project.

**(d) Implementing Agencies:**

All implementing agencies / organizations such as Govt. / PSUs / Joint Ventures / NGOs / Cooperatives / SHGs / FPOs / Private Sector / individuals etc. will be eligible for financial assistance under the scheme.

**(e) Pattern of Assistance:**

The maximum admissible grant for each project would be 35% of eligible project cost in general areas and 50% of eligible project cost in North East States and difficult areas, subject to max. of Rs. 10.00 crore. The grants-in-aid will be credit linked but not back ended.

**(f) No. of projects:**

It is a new scheme. During the period of the scheme, about 100 Agro Processing Clusters are proposed to be taken up with an allocation of Rs. 750 crore. The grants-in-aid will be credit linked but not back ended.

**6. Scheme for Creation of Backward and Forward Linkages**

**(a) Objectives:**

- (i) To create an effective backward & forward linkages for perishable agri-horti produce through setting up of primary processing centres / collection centres at farm gate, distribution hub and retail outlets at the front end.
- (ii) To provide preservation facilities for enhancing shelf life of perishable agricultural produce resulting in better remunerative prices to farmers.

**(b) Salient features of the scheme:**

The Scheme is applicable to both perishable horticulture and non-horticulture produce such as: fruits, vegetables, dairy products and fish etc.

**(c) Components of the Scheme:**

The Scheme will have the following components:

- (i) Minimum Processing Facilities for perishable agri-horti produce at the farm level which may include facilities for weighing, cleaning, sorting, grading, packing, pre-cooling, Controlled Atmosphere (CA)/ Modified Atmosphere (MA), Cold Storage, Dry Warehouses and IQF.
- (ii) Distribution hub and retail outlets for perishable agri-horti produce.



- (iii) Mobile Pre-cooling trucks and reefer trucks which may be suitable for transportation for perishable agri-horti produce.

The facilities mentioned above are illustrative only. The exact nature of infrastructure will be decided on the basis of surplus agriculture / horticulture produce in the catchment area of the project.

**(d) Implementing Agencies:**

All implementing agencies / organizations such as Govt. / PSUs / Joint Ventures / NGOs / Cooperatives / SHGs / FPOs / Private Sector / individuals etc. will be eligible for financial assistance under the scheme.

**(e) Pattern of Assistance:**

The maximum admissible grant for each project would be 35% of eligible project cost in general areas and 50% of eligible project cost North East States and difficult areas subject to max. of Rs. 5.00 crore. The grants-in-aid will be credit linked but not back ended.

**(f) No. of projects:**

It is a new scheme. It is proposed to assist 50 projects with an allocation of Rs. 150 crore. The grants-in-aid will be credit linked but not back ended.

## **7. Scheme for Food Safety and Quality Assurance Infrastructure**

### **(I) Setting up/Up-gradation of Quality Control/ Food Testing Laboratories**

**a) Objectives:**

- i. To establish a surveillance system for monitoring the quality and composition of food.
- ii. To analyse the samples received from processing industry and other stakeholders.
- iii. To reduce the time for analysis of samples by reducing transportation time of samples.
- iv. To ensure compliance of international and domestic standards on food in case of exports as well as imports.

**b) Pattern of assistance:**

Central/State Government and their organizations/ Government universities (including deemed universities) are eligible for Grant-in-aid @ 100% of the cost of equipment and all other implementing agencies/private sector organizations/universities (including deemed universities) are eligible for Grant-in-aid @ 50% of cost of equipment in general areas and @70% for North East & difficult areas respectively. Grant-in-aid is also given for Technical Civil Work and Furniture & Fixtures

**c) Implementing agencies:**

Central/State Government and their organizations/ Government universities (including deemed universities) and all other implementing agencies/private sector organizations/universities (including deemed universities).

**d) No. of projects:**

It is an ongoing scheme. 40 ongoing lab projects with a committed liability of Rs. 50 crore will be completed and about 60 new projects with an allocation of Rs. 100 crore will be taken up. The total allocation for ongoing and new lab projects will be Rs. 150 crore. The number of projects may vary depending upon the budget allocation and grant approved per project.

**(II) Hazard Analysis & Critical Control Points (HACCP) / ISO Standards/Food safety/ Quality Management Systems**

**(a) Objectives:**

The main objectives of the scheme are to motivate the food processing industry for adoption of food safety and quality assurance mechanisms such as TQM including ISO 9000, ISO 22000, HACCP, GMP, GHP, to enable adherence to stringent quality and hygiene norms and thereby protect consumer health, enhance product acceptance by overseas buyers and keep Indian industry technologically abreast of international best practices.

**(b) Pattern of assistance:**

Grant-in-aid is given in the form of re-imbusement of expenditure towards implementation of HACCP/ ISO Standards / Food safety/ Quality Management Systems @ 50% in general area and @ 75% in NE Region and difficult areas of eligible project cost subject to maximum of Rs. 17 lakh and 22 lakh respectively.

**(c) Implementing Agencies:**

Central/State Government Organization, IITs, Universities and private sector in the field of food processing sector for implementation of HACCP/ ISO Standards / Food safety/ Quality Safety Management Systems

**(d) No. of projects:**

It is an ongoing scheme. 86 projects will be taken up with an allocation of Rs. 15 crore including committed liability of Rs. 1.53 crore for 9 ongoing projects. The number of projects may vary depending upon the budget allocation and grant approved per project.

**8. Scheme for Human Resources and Institutions**

**(I) Research & Development in Food Processing Sector**

**(a) Objectives:**

The Objective of the scheme is that end product/outcome/findings of R&D work should benefit food processing industry in terms of product and process development, efficient technologies, improved packaging, value addition etc. with commercial value alongwith standardization of various factors viz. additives, colouring agents, preservatives, pesticide residues, chemical contaminants, microbiological contaminants and naturally occurring toxic substances within permissible limits.





**(b) Pattern of assistance:**

**(i) For the Government organizations/universities/institutions:**

Grant-in-aid is given for 100% of cost of equipment, consumables and expenditure related to salaries for project staff specific to the project for maximum period of three years. Grant is released in three instalments.

**(ii) Funding pattern for Private organizations / universities / institutions**

Grant-in-aid is given to the tune of 50% of equipment cost only in general areas and 70% in North East States and difficult areas. Grant is released in three instalments.

**(c) Implementing Agencies:**

All Universities, IITs, Central/ State Government Institutions, Government Funded Organizations, R&D laboratories and CSIR recognized R&D Units in private sector are eligible to receive financial assistance for R&D projects under this scheme so as to improve the food processing sector.

**(d) No. of projects:**

It is an ongoing scheme. The scheme will be implemented with an allocation of ₹ 50 crore to meet the committed liability of ₹ 6.78 crore for 62 on-going projects and to take up about 100 new projects during the period of scheme.

**(II) Scheme for Promotional Activities, Advertisements, Publicity, Studies & Surveys**

**a) Objectives of the scheme:** The objectives of the scheme are as follows:

- (i) To organize, co-sponsor, participate in all India level seminars, workshops, fairs and exhibitions for food processing sector to encourage investment in food processing and to create awareness of plan schemes being implemented by the ministry.
- (ii) To commission studies/ surveys to assess, evaluate various aspects of food processing sectors and allied activities.
- (iii) To create awareness about schemes of the ministry through print/audio-visual media through advertisements and publicity materials.
- (iv) To organize road shows, development of software and investor facilitation activities to promote food processing sector.

**b) Pattern of financial assistance:**

- (i) Under the scheme component of Promotional Activities, for organizing all India level seminars, workshops, fairs and exhibitions for food processing sector grant in aid @ 50% of the cost of the event or maximum Rs. 5 lakhs would be provided. In case event is sponsored/ co-sponsored by the Ministry or where Ministry is participating directly through any designated apex agency or through its Institutes in domestic/international events, this limit would not apply.
- (ii) Under the scheme component of Studies/Surveys, the grant in aid shall be decided on merits of the proposal and nature of work to be executed or through bid process wherever applicable.



- (iii) Under the scheme component of Advertisement & Publicity, financial assistance will be provided on actual cost basis. The cost would be determined by following due procedure.

**c) Implementing Agency:**

- (i) Under the scheme component of Promotional Activities, for organizing all India level seminars, workshops, fairs and exhibitions will be implemented through apex industrial and trade bodies/associations. In some events sponsored/ co-sponsored by the Ministry or where Ministry is participating directly through any designated apex agency or through its Institutes in domestic/international events.
- (ii) Studies/ surveys would be commissioned by the Ministry, directly or through its organizations and boards or through selection of agency, after following due procedure.
- (iii) Activities under the advertisements and publicity will be implemented by the Ministry through selection of agency, after following due procedure or through its Institutes.

**d) Allocation of funds:**

The scheme will be implemented with an allocation of Rs. 30 crore out of which Rs.1.5 crore will be utilized for meeting the committed liabilities of ongoing events.

**(III) Skill Development**

**a) Objectives of the scheme:** The objectives of the scheme are as follows:

- (i) to provide sector specific skilled workforce from floor level workers, operators, packaging and assembly line workers to quality control supervisor etc in the various sectors of food processing industries.
- (ii) to contribute towards achieving the projected skilled human resources requirement as envisaged by National Skill Development Corporation (NSDC) in food processing sector i.e 17.8 million persons by the year 2022.

The new scheme has been proposed in place of hither to be discontinued scheme of Human Resource Development.

**b) Pattern of financial assistance:**

- (i) Development of course curriculum for training modules and its translation in English, Hindi and regional languages based on the qualification packs (QPs) validated by the NSDC as National Occupational Standards for different job roles in various sectors of food processing industries. Grant-in-aid would be available primarily to NIFTEM and IIFPT and also other eligible institutions to the extent of **Rs.5 lakhs per QP** for development of training module both in print and multimedia for each job role. **Rs.0.50 lakh per QP** would be available for the translation of already developed training modules in different languages for each job roles.
- (ii) Assistance for creation of infrastructure facilities for skill training centres. Grant in aid will also be provided at the rate of 50% of cost of plant & machineries required for training module subject to maximum of **Rs. 15 lakh** per training module and limited to two training modules per training centre.



**c) Implementing Agency:**

- (i) The scheme of Development of course curriculum for training modules and its translation in English, Hindi and regional languages based on the qualification packs (QPs) validated by the NSDC will be implemented by National Institute of Food Technology, Entrepreneurship and Management (NIFTEM) and Indian Institute of Food Processing Technology (IIFPT) and also other eligible institutions.
- (ii) The scheme for creation of infrastructure facilities for skill training centers will be implemented through food technology institutions under the UGC approved universities/ State universities and also NSDC recognized State owned skill training centres.

**d) Allocation of funds:**

The scheme will be implemented with an allocation of Rs.30.00 crore including committed liability of erstwhile HRD scheme of Rs.2.50 crore.

**(IV) Strengthening of Institutions**

**(a) National Institute of Food Technology, Entrepreneurship and Management (NIFTEM):**

The Ministry has established the NIFTEM at Kundli, District Sonapat, Haryana in May, 2012. NIFTEM has been declared a Deemed University under de novo category. NIFTEM is running the B. Tech., M. Tech. & Ph.D courses and undertakes R&D projects in the area of food technology. Under the scheme, funds will be provided to NIFTEM for creation of academic and administrative infrastructure like foreign student's hostel, sports facilities, hazardous chemical storage, effluent treatment plant, solid waste management system, residential units etc. Funds will also be provided to promote research activities, expand Village Adoption Program (VAP) and skill development in the food processing sector. An allocation of Rs. 100 crore has been made during the period of scheme.

**(b) Indian Institute of Food Processing Technology (IIFPT):**

The Ministry has upgraded IIFPT, Thanjavur, Tamil Nadu to a National level institute in February, 2008. IIFPT is running the B. Tech., M. Tech. & Ph.D courses and undertaking R&D projects in the area of food processing. Under the scheme funds will be provided to IIFPT for creation of infrastructure facilities including purchase of additional land (22.7 acres) for expanding campus and creation of academic and administrative infrastructure like machine fabrication and testing centre, sport complex, auditorium, opening training cum incubation centres and residential units etc. To enable the institute to expand its activities and programmes to meet the ever expanding need of food processing sector in the country, an allocation of Rs. 75 crore has been made during the period of scheme.

**Note:**

**(i) The number of projects to be taken up under various schemes mentioned above may vary depending upon the actual budget allocation and grants-in-aid approved per project during the period of Scheme.**

**(ii) For the purpose of the above mentioned schemes, the North East States will include Sikkim and difficult areas will include Himalayan States (i.e. Himachal Pradesh, Jammu & Kashmir and Uttarakhand), State notified ITDP areas & Islands.**

  
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