

**F. No. 21-MFPI/11-Mega Food Park
Government of India
Ministry of Food Processing Industries
Panchsheel Bhawan, August Kranti Marg
New Delhi-110049**

Subject:- Revised guidelines for Mega Food Park Scheme w.e.f. 21.07.2016.

1. Background

- 1.1. Based on extensive feedback and consultations with various stakeholders, the earlier Scheme of Food Parks during the 10th Five Year Plan was revised and reformulated as the Mega Food Parks Scheme (MFPS) during the 11th Five Year Plan. The guidelines of the Scheme were notified initially on 24.10.2008. On the basis of learning experience over a period of time and for more effective implementation of the Scheme, these guidelines were modified time to time and consolidated on 19.12.2009, 17.11.2011, 01.10.2012 and 10.02.2014.
- 1.2. The Scheme is being implemented by the Ministry to develop Mega Food Parks in the country. CCEA has approved 42 Mega Food Parks during 11th & 12th Plan (5 projects in first phase, 10 projects in second phase, 15 projects in third phase and 12 projects in fourth phase).
- 1.3. The revised Scheme guidelines after incorporating all the modifications approved till date are given below. These guidelines will be applicable to all the projects to be approved under the Scheme, against any fresh Expression of Interest (EoI) floated after 21.07.2016.

2. Objectives of the Scheme

- 2.1. The primary objective of the MFPS is to provide modern infrastructure facilities for the food processing along the value chain from the farm to the market. It will include creation of processing 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 and will facilitate food processing units to meet environmental and safety standards.
- 2.2. The expected outcome is increased realization for farmers, creation of high quality processing infrastructure, reduction in wastage, capacity building of producers, processors and creation of an efficient supply chain along with significant direct and indirect employment generation.

3. Salient Features of the Scheme

- 3.1. The Scheme aims to facilitate the establishment of a strong food processing industry backed by an efficient supply chain, which would include collection centers, 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 centers, etc.

- 3.2. 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 of investor(s), which may vary from region to region. CPC would be supported by Primary Processing Centers (PPC) and Collection Centers (CCs) in identified locations based on a techno-feasibility study, adequate to meet the raw material 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 the CPC.
- 3.3. It is expected that, on an average, each project may have around 25-30 food processing units with a collective investment of around Rs. 250 crore that would eventually lead to an annual turnover of about Rs. 450-500 crore and **creation of direct / indirect employment of about 5000 persons. Each MFP on being fully operational will also benefit about 25000 farmers.** 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.
- 3.4. The spirit of the guidelines of the Mega Food Parks Scheme is to facilitate setting up of only food processing industries. Accordingly, only food processing industries that make food products fit for human / animal consumption may be permitted to be set up in the Mega Food Parks. Packaging facilities of food products as ancillary to the food processing industries will also be eligible for setting up in the Mega Food Parks.

4. Pattern of Assistance

- 4.1 The Scheme shall provide a capital grant at the rate of 50 percent of the **eligible project cost*** in general areas and at the rate of 75 percent of eligible project cost in difficult and hilly areas i.e. North East Region including Sikkim, J&K, Himachal Pradesh, Uttarakhand and ITDP notified areas of the States subject to a maximum of Rs. 50 crore per project.

*The eligible project cost is defined as total project cost but excluding cost of land, pre-operative expenses and margin money for working capital. However, interest during construction (IDC) as part of preoperative expenses and fee to Project management consultant (PMC) up to 2% of the approved grant would be considered under eligible project cost.

- 4.2 In the interest of expeditious implementation of the projects, 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, office expenses & travel

expenses related to the scheme amounting up to 5% of the overall grant available, will be earmarked.

4.3 The project cost for the purpose of eligibility under this Scheme would consist of the following components:

I. Core Processing Facilities

4.3.1. **Central Processing Center:** Cost of civil work & equipments for common facilities like testing laboratory, cleaning, grading, sorting and packing facilities, dry warehouses, specialized storage facilities, cold storage including Controlled Atmosphere Chambers, Pressure Ventilators, variable humidity stores, pre-cooling chambers, ripening chambers etc., cold chain infrastructure including reefer vans, packaging unit, irradiation facilities, steam sterilization units, steam generating units, Food incubation cum development centers etc.

4.3.2 **Primary Processing Centers and Farm Proximate Collection Centers:** These shall have components like cleaning, grading, sorting and packing facilities (including equipment), dry warehouses, specialized cold stores including pre-cooling chambers, ripening chambers (including equipment), reefer vans, mobile pre-coolers, mobile collection vans etc.

4.3.3 The above mentioned facilities are only illustrative and the exact nature of facilities may vary from project to project based on specific requirements as appraised by the concerned bank. However, it is desirable to allocate at least 25 percent of the eligible project cost towards creation of above mentioned core processing facilities.

II. Factory buildings

4.3.4 Depending on demand in the area, the Mega Food Park may provide standard factory sheds for Micro and Small Enterprises (MSEs) which are to be built on a maximum of 10 per cent of the area of CPC as part of plug and play facilities for MSEs.

III. Enabling Basic Infrastructure

4.3.5 It will include site development including development of industrial plots, boundary wall, roads, drainage, water supply, electricity supply including captive power plant, effluent treatment plant, telecommunication lines, parking bay including traffic management system, weighbridges etc. at the PPC and CPC level. However, of the total proposed cost of captive power plant, cost not exceeding Rs.10 crore shall be considered as eligible project cost for grant assessment. Any additional cost towards setting up of captive power plant

would be required to be met exclusively from SPV's contribution through equity and debt. The SPV has to demonstrate a firm plan to ensure good quality and assured power supply to prospective units in the Park.

IV. Non-Core Infrastructure

4.3.6 It will consist of support infrastructure such as administrative buildings, training center including equipment, trade and display center, crèche, canteen, worker's hostel, offices of service providers, labour rest and recreation facilities, marketing support system, etc. However, the cost of non-core infrastructure facilities not exceeding 10 percent of the eligible project cost, would be eligible for grant purpose.

V. Project Implementation Expenses

4.3.7 This would include cost of hiring the services of domain consultants by the SPV's for preparation of DPRs, supply chain management, engineering/designing and construction supervision etc.

VI. Land

4.3.8 At least 50 acres of land for the project shall be arranged by the SPV either by purchase or on lease of at least 75 years. The registered value of such land would be taken as part of the project cost and contribution/share of the SPV. The GoI grant shall not be used for procurement/purchase of land. The land and/or infrastructure taken on lease for PPCs / CCs, the lease period should be at least 25 years.

5. Implementation Process

5.1. Special Purpose Vehicle (SPV)

5.1.1. The responsibility of execution, ownership and management of the Mega Food Park would vest with a Special Purpose Vehicle (SPV) registered under the Companies Act. However, State Government/ State Government entities/Cooperatives applying for the project under the scheme will not be required to form a separate SPV.

5.1.2. The Anchor Investor in the SPV holding majority stake, with or without other promoters of the SPV, will be required to set up at least one food processing unit in the park with an investment of not less than Rs. 10 crore. The Anchor Investor will have at least 51% stake in such processing unit(s). However, Setting up of alcoholic beverage unit as an anchor unit will not be allowed. State Government/ State Govt. entities/ Cooperatives will not be required to set up Anchor unit in the park.

5.1.3. The Food Processing unit(s) to be set up by the Anchor Investor in the Mega Food

Park will be completed and commissioned along with the commissioning of the Mega Food Park project by the SPV.

5.1.4. The preference for sanctioning assistance under the Scheme may be given to those SPVs which focus on processing of wide range of perishable products.

5.1.5. Only one Mega Food Park project will be sanctioned in a district.

5.1.6. No second proposal will be considered for sanction from the same promoter(s) within two years of the completion* of already allotted mega food park project. Thereafter, the allotment of second project from the same promoter(s) will be based on the assessment of performance of earlier allotted project.

*Completion of MFP means operationalization of CPC and PPC, allotment of at least 75% of total leasable area / plots, commencement of operations in at least 25% of the units and operationalization of Anchor unit.

5.2 Eligibility criteria for SPV / Implementing Agency (IA)

5.2.1 The main eligibility criteria of the SPVs / Implementing Agencies (IAs) of the project under the Scheme, are indicated below:

- i. SPV shall be a body corporate registered under the Companies Act. However, in case of State Government/ State Government entities/Cooperatives implementing the project, registration of a separate SPV under the Companies Act will not be necessary.
- ii. The promoter holding maximum equity in the SPV will be the lead promoter. The lead promoter will be primarily responsible for co-ordination with all stakeholders including with the Ministry of Food Processing Industries to ensure effective implementation of the project.
- iii. The combined net worth of the promoters/proposed shareholders of SPV should not be less than Rs.50.00 crore. Each member in SPV must have a net worth at least 1.5 times of his/her proposed equity contribution in order to ensure requisite contribution for the project from each shareholder.
- iv. The SPV needs to bring in at least 20 percent of the total project cost as equity in general areas and at least 10 percent of the total project cost in difficult and hilly areas i.e. North East Region including Sikkim, J&K, Himachal Pradesh, Uttarakhand and ITDP notified areas of the States. However, State Government / State Government entities will be required to contribute at least 10 percent of the total project cost of the Mega Food Park project, not necessarily, in the form of the equity.
- v. Central Government agencies becoming shareholders in the SPV, can only hold up to 26 percent of equity in the SPV. However, there will be no such restriction on State Govt./ State Govt. entities/ its Cooperatives.
- vi. SPVs / IAs are not permitted to sell the plots in Mega Food Parks. The plots can only be given on lease to other entrepreneurs for setting up of food processing units in the Park.

- vii. The common facilities in the park cannot be sold or leased out. They can only be offered to units on rental basis.
- viii. Every SPV / IA will publish the user charges/hiring rates for common facilities and lease rental rates for plots and factory buildings for MSEs in the Mega Food Park on their websites for wider information of the prospective investors. This information will also be made available to Ministry of Food Processing Industries and State Government concerned for uploading on their websites.

5.2.2 The Implementing Agency would be responsible for the following:

- i. To formulate the Detailed Project Report (DPR) and execute the project in a transparent, efficient and timely manner.
- ii. To procure/purchase land and ensure external infrastructure linkages for the project.
- iii. To obtain statutory approvals/clearances including environmental clearances, which are prerequisite for commencement and operation of the Project.
- iv. To achieve financial closure and ensure completion of the project.
- v. To own and maintain the common infrastructure including common facilities.
- vi. To receive grant-in-aid under the Scheme, and to ensure its utilization in a transparent and judicious manner.
- vii. To maintain proper accounts of the project implementation and the maintenance of infrastructure and common facilities after commissioning of the project.

5.3 Program Management Agency (PMA)

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

5.3.2 The envisaged role of PMA is as follows:

- i. To assist the Ministry in organizing workshops/media campaigns aimed at sensitizing the potential stakeholders about the scheme.
- ii. To assist the Ministry in inviting Expression of Interest for projects under the Scheme.
- iii. To assist the Ministry in selection of projects through evaluation/appraisal of techno-feasibility reports and DPRs submitted for Mega Food Park projects. Appraisal of the DPRs will include examination of financial viability and sustainability of Ownership & Management structure of the projects.
- iv. To assist in the evaluation of any amendments to the projects/DPRs.
- v. To assist the SPVs in achieving financial closure and obtaining necessary clearances from various authorities for the Project.

- vi. To assist the Ministry in release of the grant under the Scheme.
- vii. To monitor and report the progress of the Mega Food Park projects to the Ministry.
- viii. To maintain and update the database of the projects on monthly basis in the software decided by the Ministry.

5.4 Project Management Consultant (PMC)

5.4.1 In addition to the PMA, for ensuring smooth implementation of projects at ground level, Ministry has drawn up a panel of Project Management Consultants (PMC) with experience in preparation of DPRs for large projects and in project implementation. Any of these Ministry's empanelled agencies may be engaged by the SPVs for preparation of DPRs and for assistance in implementation and the cost of which would be considered as one of the eligible components of the project. However, such cost should not exceed 2% (inclusive of taxes) of the eligible grant amount of the project. The list of agencies empanelled by the Ministry is given at **Annexure-A**. The Ministry may revise the list from time to time.

5.4.2 In addition to assisting SPV in finalising business plan and preparing Detailed Project Report for the project, which would meet the guidelines of the Scheme and requirements of banks/financial institutions providing term loan for the project, the envisaged role of PMC, inter-alia, would be as follows:

- i. Detailed engineering and design including preparation of detailed cost estimates for various project components/facilities,
- ii. Assistance to SPV in preparation of a procurement policy, bid documents and selection and appointment of contractors/equipment suppliers in a transparent manner, for project construction and supply of plant and machinery,
- iii. Monitoring and overseeing the work output of the contractors/equipment suppliers in compliance of the terms and conditions of the contracts/appointments with the objective of ensuring quality, completeness and compatibility of the work carried out in relation to the Project,
- iv. Assistance to SPV in preparing all necessary documentation for submission to Ministry in order to facilitate release of funds sanctioned under Scheme
- v. Assistance to SPV in submission of Monthly Progress Reports to Ministry in prescribed format.

5.4.3 SPV would enter into an agreement with PMC as per Draft Agreement prepared by the Ministry and any change in PMC later needs to be approved by the Ministry.

5.4.4 While PMC would be working primarily with SPV for smooth implementation of

the project, the Ministry may, if required, directly seek reports from PMC on the aspects of project implementation.

5.5 Expression of Interest

- 5.5.1 In response to the notice inviting Expression of Interest (EoI) by Ministry for selection of Projects, a proposal for the proposed Mega Food Park will be submitted by the promoters/SPV. An illustrative list of points to be covered in the proposal along with EoI is provided at **Annexure- B**. The proposal will be evaluated by the Ministry through the PMAs.
- 5.5.2 The proposal would have tentatively identified the locations of the CPC and PPCs, availability of land, potential investors for food processing units in the park, proposed level of investment including the estimated project cost and the proposed means of finance, the number and type of food processing units, and requisite backward and forward linkages. The proposals having ownership and possession of suitable land with Change in Land Use (CLU) for the project will be given preference.

5.6 In-Principle Approval

- 5.6.1 The proposal submitted in response to the EoI will be evaluated by the Program Management Agency (PMA). The applicants will be invited to make a presentation of their proposals before the Technical Committee (TC).
- 5.6.2 The PMA will undertake evaluation on a scale of 100 points on the basis of EoI proposals while the TC will undertake independent evaluation on a scale of 50 points on the basis of the presentation made by the applicants. The final evaluation report along with the recommendations of the TC will be placed before the Inter-Ministerial Approval Committee (IMAC) for consideration of “In-Principle Approval” to the projects. The criteria for evaluation by PMA & TC are given at **Annexure- C** and **D** respectively.
- 5.6.3 If the SPVs / IAs fail to submit the requisite DPRs along with other documents needed for Final Approval, within 4 months from the date of issue of “In-Principle Approval”, the “In-Principle Approval” will be automatically cancelled, unless extension of time is granted by the Ministry.

5.7 Final Approval

- 5.7.1 Project will be accorded Final Approval on fulfillment of the following conditions:
- i. Submission of Detailed Project Report (DPR) consisting of technical,

commercial, financial and management aspect of the project and its appraisal/recommendations of the PMA and Technical Committee. The DPR should include cluster analysis depicting availability of raw materials, legible contour survey report and contour plan/maps of the proposed land, site analysis for element like soil analysis, flood history, onsite features etc. for realistic cost estimate of land development and construction, detailed master plan along with sectional drawings and building plan with legends giving clear picture/title of drawings and other relevant details, construction cost certified by Chartered Engineer, cost of plant and equipment backed with quotations from equipment and machinery suppliers etc. and its appraisal/recommendations of PMA and Technical Committee.

- ii. Submission of proof for possession of at least 50 acres of contiguous land by the SPV for the CPC. The land should have permission for change of land use for industrial /infrastructure purposes.
- iii. Submission of proof for incorporation of SPV and execution of Share Subscription Agreement (SSA) amongst the members of SPV, as per draft SSA to be given by the Ministry.
- iv. Plan to fund the project duly supported by proposed equity / contribution, clearly suggesting the contribution from each of the shareholders and sanction of term loan from the bank along with bank appraisal report.
- v. Proof of appointment of Project Management Consultant (PMC). The PMC for the project should be selected from the agencies empanelled by the Ministry.

6. Technical Committee and Project Inter Ministerial Approval Committee:

6.1 Technical Committee headed by the Additional / Joint Secretary (MoFPI) would scrutinize the proposals and Detailed Project Reports along with the appraisal notes of PMA, and provide its recommendations to the Inter-Ministerial Approval Committee. The other members of the Technical Committee shall be as follows:

- i. Representative of NITI Aayog- Member
- ii. Joint Secretary, MNRE or his nominee- Member
- iii. Economic Advisor, MoFPI- Member
- iv. Joint Secretary/Director (Finance) MoFPI- Member
- v. Principal Secretary / Secretary of the concerned State- Member
- vi. Financial Expert from a Bank/ Financial institution- Member
- vii. Representative of National Horticulture Board as Expert Member
- viii. Joint Secretary (MIDH), Department of Agriculture & Cooperation or his nominee- Member
- ix. Director, Mega Food Park, MoFPI- Member Secretary

6.2 The Inter-Ministerial Approval Committee (IMAC), headed by Hon’ble Minister of Food Processing Industries shall select the projects and grant “In-Principle” and “Final Approvals” to the projects. The IMAC will also monitor the implementation of the projects sanctioned under the Scheme. The members of the Committee shall be as follows:

- i. Hon’ble Minister of Food Processing Industries- Chairperson
- ii. Secretary, MoFPI- Member
- iii. Additional Secretary & Financial Advisor, MoFPI- Member
- iv. Additional / Joint Secretary, In-charge, Mega Food Park Scheme, MoFPI- Convener & Member
- v. Principal Secretary / Secretary (Industries / FPI) of the concerned State- Member
- vi. Joint Secretary (MIDH), Department of Agriculture & Cooperation, Ministry of Agriculture- Member
- vii. Joint Secretary, Ministry of Micro, Small and Medium Enterprises- Member
- viii. Joint Secretary , Department of Animal Husbandry, Dairying and Fisheries- Member
- ix. Joint Secretary, MNRE- Member
- x. Representative of NABARD as Financial Expert- Member
- xi. Representative of the Bank which has appraised by project- Member

7. Role of State Government

7.1 The role of the State Government is envisaged in the following areas:

- i. Providing assistance to SPVs in procurement/purchase of suitable land.
- ii. Providing all the requisite statutory clearances including permission for sub-leasing of land by SPV, wherever needed, for setting up the MFP and its components thereof and providing the necessary assistance for Power, Water, approach roads and other external infrastructure to the project
- iii. Providing flexible and conducive labour environment and consider special facilities like exemption of stamp duty, VAT/Sales Tax exemption etc. for the MFP and the units located in the MFP.
- iv. Monitor the implementation of project.
- v. Nominates a suitable officer to be appointed as Ministry’s nominee Director in the SPV.
- vi. Providing a fast track single window agency to facilitate clearances and permissions required for the project.

8. Dovetailing of Assistance and Revisions in Project Cost

8.1 Considering the complexities and challenges associated with a supply chain linked agricultural infrastructure projects of this nature, the SPV / IA may dovetail assistance available under various other schemes of Central and State Governments, which would improve the viability of the projects. While

dovetailing such assistance, it will be ensured that there is no duplication of assistance for the same component/activity of the project.

8.2 The revision in project cost after final approval of the project may be considered by the IMAC.

9. Release of Funds

9.1 Once the project is accorded Final Approval by the Inter-Ministerial Approval Committee (IMAC), the grant will be released by the Ministry subject to fulfillment of conditions prescribed for each installment as below:

9.1.1 First Installment of 30 percent of total grant under the Scheme will be released subject to fulfillment of following criteria:

- i. Establishment of Trust and Retention Account and signing of the TRA Agreement with any Schedule - A Commercial Bank and Regional Rural Banks (RRB). Draft TRA Agreement, clearly giving mode of account operation and duties/responsibilities of lending bank, SPV and PMC, would be shared by the Ministry with SPV / IA.
- ii. Appointment of Ministry's Nominee Director on the Board of the SPV. Representative of State Government will be appointed as a nominee of the Ministry. Tenure of the Ministry nominee will be co-terminus to the operationalization of the project.
- iii. Proof of increase in authorized capital of SPV to allow stipulated equity contribution as per approved means of finance for the project.
- iv. Expenditure certificate from Chartered Accountant confirming expenditure of at least 10 percent of the eligible project cost on the project components. Such expenditure shall be from the bank term loan and promoter's equity proportionately. However, State Governments and its entities will not be required to incur proportionate expenditure.
- v. Award of contracts worth at least equivalent to 30 percent of total project cost including at least 20 percent of approved components of basic enabling infrastructure.
- vi. Recommendation of PMA confirming the fulfillment of above conditions.

9.1.2 Second Installment representing 30 percent of approved grant assistance will be released to SPV subject to fulfillment of following criteria:

- i. Utilization Certificate for the 1st installment.
- ii. Proof of proportionate expenditure by SPV from term loan and equity equivalent to the grant amount released as 1st installment.
- iii. Proof of proportionate contribution by SPV from term loan and equity in TRA account, of the eligible project cost equivalent to percentage of grant to be released as 2nd installment.

- iv. Submission of documents as proof of possession of land for all PPCs along with construction schedule.
- v. Proof of commencement of construction of Standard Design Factory sheds for SMEs.
- vi. Proof of allotment of at least 25% of total allotable plots as per approved DPR.
- vii. Recommendation of PMA confirming the fulfillment of above conditions.

9.1.3 Third Installment representing 20 percent of approved grant assistance will be released to SPV subject to fulfillment of following criteria:

- i. Utilization Certificate for the grant released as 2nd installment.
- ii. Proof of proportionate expenditure by SPV from term loan and equity equivalent to the grant amount released as 2nd installment.
- iii. Proof of proportionate contribution by SPV from term loan and equity in TRA account equivalent to the grant amount to be released as 3rd installment.
- iv. Certificate from PMC confirming completion of at least 40 percent of construction of PPCs and proof of expenditure of at least 40 percent of the total proposed cost for PPCs as per approved DPR
- v. Certificate from PMC confirming completion of at least 50 per cent construction of Standard Design Factory sheds for SMEs.
- vi. Proof of allotment of at least 50% of total allotable plots as per approved DPR.
- vii. Recommendation of PMA confirming the fulfillment of above conditions.

9.1.4 Fourth and final Installment representing 20 percent of approved grant assistance will be released to SPV subject to successful completion of project and commencement of operations. The criteria for completion of project are as follows:

- i. Utilization Certificate for the grant released as 3rd installment.
- ii. Proof of expenditure of 100% envisaged contribution of SPV including term loan and equity on the approved project components.
- iii. Certificate from PMC confirming completion of the project as per approval.
- iv. Proof of allotment of at least 75 percent of total allotable plots as per approved DPR and commencement of operations in at least 25 percent of the units.
- v. Completion and Commissioning of the Processing unit(s) of the Anchor Investor in the Park.
- vi. Recommendation of PMA confirming the fulfillment of above conditions.

9.2 The fund released by Govt. of India shall be kept in a separate bank account as stipulated in Trust & Retention Account (TRA) Agreement.

- 9.3 In the event of SPV / IA withdrawing from executing the Project, SPV / IA shall return the amount of grants-in-aid released by MOFPI together with the interest accrued thereon, within a period of not more than 60 days of acceptance of its withdrawal by MOFPI. The accrued interest shall be calculated at the SBI Benchmark Prime Lending Rate prevalent at the time or 10% per annum, whichever is higher. In the event of failure of the SPV in refunding the grant amount along with interest within period specified, a penalty may be imposed by the Ministry.
- 9.4 SPV shall submit a Utilization Certificate (UC) of the amount of grant released by the Ministry as per provisions of General Financial Rules in the format given at **Annexure-E**.

10. Time Schedule:

- 10.1 The time schedule for completion and operationalization of project will be 30 months as detailed below from the date of issue of final approval letter unless extended by IMAC for the reasons to be recorded:

Sl. No.	Particulars	Time Period
1.	Final Approval to release of 1st instalment	6 months
2.	1st instalment to release of 2nd instalment	8 months
3.	2nd instalment to release of 3rd instalment	8 months
4.	3rd instalment to release of 4th and final instalment	8 months
	Total	30 months

- 10.2 The SPV shall make all possible efforts to complete the projects as per the stipulated timelines committed to while seeking approval for the project. In case of non-adherence to stipulated timeline, except in case of force de majeure or reasons beyond the control of SPV, the IMAC may consider imposing appropriate penalty in terms of reducing the grant amount, on case to case basis.

11. Project Monitoring and Evaluation

- 11.1 The Ministry will periodically review the progress of the projects under the Scheme. The PMA would devise a suitable project monitoring system and shall furnish monthly reports/returns to the Ministry on the progress of the approved projects.
- 11.2 The Implementing Agency / SPV of the successfully completed projects will submit the following documents every year to the MoFPI for next five years from the date of release of 4th and final installment of the approved grant:-
- Audited Annual Financial Statement of the SVP showing balance sheet, profit & loss account, schedule and notes to accounts of the Mega Food Park project separately.
 - Percentage capacity utilization of the CPC and PPC facilities.

- c) Status of functioning of each food processing unit setup in the MFP.
12. The decision of the IMAC shall be final and binding on all concerned parties on the interpretation of the provisions of these guidelines and the matters related / incidental thereto.
 13. **Court's Jurisdiction:** Any dispute on selection/ rejection and/ or implementation/ cancellation/ withdrawal of the proposal/ project under the scheme will be subject to Courts/ Tribunals having jurisdiction over Delhi.

Annexure-A**List of the empanelled Project Management Consultants (PMC) for Mega Food Parks Scheme
(This list will be updated from time to time with the approval of the Government)**

Sl. No.	Name and Address of PMC	Contact Person	Contact Details and Email
1.	IL&FS Cluster Development Initiatives Ltd., 2nd and 3rd Floor, NTBCL Building, Toll Plaza, DND Flyway, Noida-201301 Uttar Pradesh	Shri Ravi Ranjan Mishra, Senior Vice President	Mob: 9899277820/9971000250 Tel: 0124-2459200 Fax: 0124-2459201 Email: ravi.mishra@iflindia.com
2.	Wadia Techno-Engineering Services Ltd., Wing 'A', Raheja Point I, Pt. Jawaharlal Nehru Road, Vakola, Santacruz (East), Mumbai-400055	Shri Vicky Mansharamani, General Manager, CS & BD	Mob: 9820904082 Tel: 022-67339400 Fax: 022-26673193 Email: bd@wadiaengg.com, vicky.mansharamani@wadiaengg.com
3.	Grant Thornton India LLP, 21st Floor, DLF Square, Jacaranda Marg, DLF Phase-II, Gurgaon-122002	Shri Kunal Sood, Associate Director	Mob: 9849013872, 9971199600 Tel: 0124-4628000 Fax: 0124-4628001 Email: gv.subrahmanyam@in.gt.com ; kunal.sood@in.gt.com
4.	Technopak Advisors Pvt. Ltd., 4th Floor, Tower-A DLF Building B, DLF Cyber City, Phase-II, Gurgaon- 1222002	Shri Anupam Bajpai, Associate Vice President	Mob: 9650406699 Tel: 0124-4541111 Email: anupam.bajpai@technopak.com
5.	Darashaw & Company Pvt Ltd., 6th Floor, Express Building, 14th "E" Road, Near Government Law College, Churchgate (West) , Mumbai-400020	Shri Pradeep Kumar, Associate Vice President	Mob: 9987793711 Tel: 022-43022300/370 Email: pradeep-kumar@darashaw.com
6.	Global AgriSystem Pvt. Ltd. J-10, Green Park Main, New Delhi- 110016, India	Shri Rasik Patnaik General Manager, Business Development	Mob: 9540220689 Tel: 011-46360000 Email: rpatnaik@globalagri.com, consulting@globalagri.com ; ythakur@globalagri.com
7.	NABARD Consultancy Services Pvt. Ltd., New Delhi Corporate Office 24, Rajendra Place, 1st Floor NABARD Tower, New Delhi- 110125	Dr. B.R. Premi, AGM	Mob: 8108599440 Tel: 022-26539419 Fax: 022-26520199 Email: br.premi@nabcons.in

The list of the Points / Information to be covered in the EoIs / Proposals

(The objective of this Checklist is to facilitate the potential promoters to submit the proposal covering the salient features of the proposed Project, to enable the assessment of the project against the criterion as listed in Annexure- C & D)

1. Profiles of the Promoters who will be the key shareholders of the Proposed SPV

- 1.1. Names and brief profiles of the proposed promoters/shareholders of SPV along with their contact details.
- 1.2. Indicate the nature and location of existing operations of the Promoters.
- 1.3. Audited balance sheets for last 3 years or Chartered Accountant (CA) Certificates that would establish the net worth of each of the promoters. In case of companies, CA certificates need to be certified by their statutory auditors.
- 1.4. A brief note as to why the promoters are keen to undertake the Mega Food Park project, their vision etc.
- 1.5. In case the SPV is already registered, the details of the SPV including shareholding pattern.
- 1.6. Any other relevant information that would establish the credentials and suitability of the promoters in the context of the Scheme.

2. Profile of the Proposed Project

- 2.1. Rationale for proposed cluster/location in terms of availability of agricultural produces and marketable surplus, with focus on perishable produces.
- 2.2. Proposed Area and availability of requisite land for establishment of central processing center(CPC), primary processing centers (PPCs) and collection centers (CCs) along with tentative layout of the CPC and a typical PPC/ CC.
- 2.3. In case of CPC, selection of site needs to be justified in terms of connectivity and availability of basic infrastructure including power, water, approach road etc.
- 2.4. In case of land being available with promoter(s), proof of possession of land in form of sale deed/lease deed (CLU if applicable).
- 2.5. Details of the proposed core processing facilities (both at CPC and PPCs) and rationale for their selection in terms of availability of raw materials/market and type of food processing units being targeted.
- 2.6. Details of proposed enabling basic infrastructure including requirements of basic utilities like power, water, effluent treatment (both at CPC and PPCs) along with rationale in terms of overall business plan
- 2.7. Details of proposed non-core infrastructure (both at CPC and PPCs) and their justification
- 2.8. Above details for various project components should include area required, estimated capacities and costs for various facilities

- 2.9. Proposed strategy/methodology for building supply chain to ensure supply of raw materials, particularly fruits and vegetables, to the food processing units inside CPC, including estimated quantities
- 2.10. Proof of backward and forward linkages with verifiable details of the linkages, if any.
- 2.11. Estimated turnover of the proposed food processing industry units covered in the project, after successful execution of the project
- 2.12. Estimated direct and indirect employment generation out of implementation of the project, and other impact on the industry and farm produce in the project area
- 2.13. Investment details, mix of the products and processes and area requirement of the processing unit(s) to be set up by the Anchor Investor in the park.
- 2.14. Any other related information.

3. Project Financials and Business Plan

- 3.1. Summary of estimated cost of each of the eligible components of the project for funding by Government as outlined in the Scheme
- 3.2. Proposed means of finance to fund the project: equity, debt etc
- 3.3. The amount of grant support needed for the project, as per the Scheme
- 3.4. Tie-ups with Financial Institutions/Banks, if any, for funding of the Project
- 3.5. Proposed Business Plan –Estimated revenue sources and assumptions, Estimated operating costs and assumptions, Projected profit and loss statements, balance sheets and cash flows based on these assumptions
- 3.6. Key financial indicators such as IRR, DSCR based on above financial assumptions

4. Documents in support of networth:

- a. The net-worth in case of Companies would be calculated based on the definition of net-worth in the Companies Act 2013. However, the re-valuation reserves may be considered as part of the net-worth only if the same is reflected in the Audited Balance Sheet of the Company and continue to be reflected in the Audited Balance Sheet of the Company.
- b. In case of land / building forming part of the networth, the ownership documents, duly authenticated by the competent State Revenue Authority shall be submitted. The valuation of the immovable assets on the basis of circle rates (as on date of application) declared by the concerned State Government should be duly certified by the competent State Revenue Authority.
- c. In case of investment in shares of the listed companies, proofs of the market value of the share at the time of calculation of the value of the investment shall be submitted.
- d. In case of investment in unlisted companies, the latest audited financial statements alongwith complete schedules and notes forming part thereof, duly certified by the

Statutory Auditors shall be submitted in order to calculate the value of shares in that company.

- e. The miscellaneous assets shall be clearly specified and basis of calculation of their value, duly certified by the concerned Govt. approved valuer shall be submitted.
 - f. The above valuation must be carried out within a period of 30 days preceding EOI bid submission date.
 - g. In the case of proposed SPV shareholders, if there is cross holding of the net-worth amongst the Members (e.g. both a company as well as the shareholders that company are the proposed SPV shareholders), the net-worth of the company would be considered in full, however, net-worth of the individual would be considered only to the tune after discounting its shareholding in the company which is a proposed SPV shareholder.
5. The applicant / promoter has to submit an Undertaking affirming:
- a) that the SPV / Group company (as defined in the Company Law) as well as the applicant company itself has / has not obtained any financial assistance for a food processing project in the past from MFPI. If yes, then complete details are required to be furnished.
 - b) that the SPV / applicant company has not obtained/applied for or will not obtain any grant/subsidy from any Ministry/Department of Central Govt/GOI organization/agencies and State Govt for the same activity / components. If yes, then complete details are required to be furnished.

Criteria for Assessment/ Evaluation of EoIs/ Proposals by PMA

Sl. No.	Criteria	Max. Score	Reference Documents to be reviewed
A.	Land	40	
A 1	Possession of Appropriate Land	25	
a)	Complete title and possession of 50 acres or more land in the name of SPV along with CLU	25	CLU and Land Ownership Documents
b)	Complete title and possession of 50 acres or more land in the name of SPV	20	Ownership documents
c)	Allotment letter from State Govt. Agencies to the SPV or its member(s)	15	State Govt. land allotment letter
d)	50 acres or more land available with one or more promoters	10	Ownership documents
e)	Agreement to Sale/Purchase 50 acres or more Land	5	Copy of Agreement
f)	Land identified, but not acquired	0	
A 2	Location of Land	15	
a)	Proof of Water and Power Connection (2.5 marks each)	5	Letter/Certificate from respective Municipal body/Govt. authority
b)	Availability of Approach Road	5	Letter from local body confirming the availability of approach road
c)	Distance from NH/ SH (within 5 kms)	2	Certification from Tehsildaar/Local revenue department and Site coordinates
d)	Nearness of CPC location from domestic consumption center/ exports i.e. Metro/ Tier 1 cities/ Ports (within 50 kms)	2	Copy of map
e)	Distance from APMC Market from CPC (with in 50 kms)	1	
B	Viability of Cluster	10	
B 1	Days of Operations of the Core Facility	5	Revenue Model, crop seasonality matrix and data on marketable surplus of the focused crops in the catchment area
a)	300 and above days	5	''
b)	251 to 300 days	3	''
c)	200 to 250 days	2	''
d)	Less than 200 days	0	

B 2	Availability of raw material within 100 km of the project site	5	”
a)	Availability of surplus perishable raw material	3	”
b)	Area under cultivation of perishable	2	”
C	Details of Promoters	40	
C 1	Networth of promoters whose proposed shareholding in SPV is 26% or more	15	Audited Balance Sheet/ CA Certificate/ Related Net-worth Documents
a)	More than 200 crore	15	
b)	Rs 151 cr - Rs 200 cr	12	
c)	Rs 101 Cr - Rs 150 Cr	10	
d)	Rs 50 Cr - Rs 100 Cr	5	
C 2	Existing Linkages of Promoters	15	
(i)	Existing Backward Linkage	5	Documents in support of linkage like ownership, existing facilities
a)	Project in the same region/ catchment with existing backward linkages	5	Ownership documents
b)	Project in different region/ catchment with existing backward linkages in the proposed project area	3	Ownership documents
c)	No existing backward linkages	0	
(ii)	Existing Forward Linkages	10	Details of linkages with supporting documents
a)	Existing forward linkages	10	
b)	No existing forward linkages	0	
C 3	Food Processing Experience	10	Balance Sheet of existing operations
a)	Turnover > Rs.10 crore	10	”
b)	Turnover from Rs.1 crore to Rs.10 crore	5	”
D	Anchor Investment Unit	10	
a)	More than 20 Crore	10	Undertaking along with project profile
b)	Rs 15 Crore to 20 Crore	5	Undertaking along with project profile
c)	Less than 15 Crore	0	
	Total	100	

Criteria for Evaluation of Technical Presentation by Technical Committee (TC)

Sl. No.	Criteria	Max. Score	Reference Documents to be reviewed
A	Proposed Project Model	15	
A 1	Synchronization of Core Processing facilities with focused crops	10	DPR/ Cluster Analysis and Project Components
a)	Common Processing Facilities at CPC and PPC in synchronization with focused crops	10	”
b)	Common Processing Facilities at CPC or PPC in synchronization with focused crops	5	”
c)	No synchronization	0	
A 2	Eligible Investment in PPC/CC	5	
a)	More than 20% of eligible project cost	5	DPR/ Project Cost
b)	10-20% of eligible project cost	3	”
c)	Less than 10%	1	”
B	Investment in Mega Food Park	30	
B 1	Focus on Perishables (as % age of total investment in Core Processing Facilities)	15	DPR/ Project Cost and Components
a)	More than 40%	15	”
b)	30-40%	10	”
c)	10-30%	5	”
B 2	Total Eligible Investment in the MFP	15	DPR/ Project Cost
a)	More than Rs 150 Crore	15	”
b)	Rs 130 Cr - Rs 150 Cr	10	”
c)	Rs 100 Cr - Rs 129 Cr	5	”
C	Special Strength	5	
a)	Any promoter with shareholding of 26% and more having existing export operations in food products	2	Supporting documents
b)	Any foreign food processor investor in the SPV as promoter (with shareholding 26% and more)	2	Supporting documents
c)	State Govt. support for the project	1	letter from state government confirming necessary support to the project
	Total	50	

Format for Utilization Certificate

FORM GFR 19-A

[See Rule 212(1)]

Sl. No.	Letter No. and Date	Amount
	Total	

Certified that out of Rs..... of grants-in-aid sanctioned during the year.....in favour of..... Under Ministry of Food Processing Industries Letter No. given in the margin and Rs.....on account of unspent balance of the previous year, a sum of Rs.....has been utilized for the purpose of.....for which it was sanctioned and that the balance of Rs..... remaining unutilized at the end of the year has been surrendered to Government (*vide* No....., dated.....)/will be adjusted towards the grants-in-aid/ equity payable during the next year.....

2. Certified that I have satisfied myself that the conditions on which the grants-in-aid/ equity was sanctioned have been duly fulfilled/are being fulfilled and that I have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned.

Kinds of checks exercised:

- 1.
- 2.
- 3.

Signature.....
 Designation.....
 Date.....