

MEGA FOOD PARKS SCHEME (MFPS) GUIDELINES

(Consolidated as on 01/10/2012)

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 detailed guidelines for the Scheme were issued on 19.12.2009 and subsequently modified on 17.11.2011.
- 1.2. Based on the learning experience over a period of time and for more effective implementation of the Scheme, modifications have been approved in the Scheme guidelines from time to time.
- 1.3. The Scheme is being implemented by the Ministry to develop Mega Food Parks in the country. Ministry has given “In-principle” approval to 10 MFP projects in the 1st phase and 5 MFP projects in the 2nd phase. The list of 15 projects approved during 1st and 2nd phases is given at **Annexure A**. “In-principle” approval has also been given to 15 MFP projects in 3rd phase, list of these projects is given at **Annexure B**.
- 1.4. The consolidated Scheme guidelines after incorporating all the modifications approved till date are given below. These guidelines will be applicable to all the projects approved under the Scheme, unless specified in the respective paras.

2. Objectives of the Scheme

- 2.1. The primary objective of the MFPS is to provide state of the art infrastructure facilities for the food processing along the value chain from the farm to the 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.
- 2.2. MFPS is expected to facilitate the achievement of the ‘Vision 2015’ of the 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 country’s share in global food trade from 1.5% to 3% by the year 2015.
- 2.3. The expected outcome is increased realization for farmers, creation of high quality processing infrastructure, reduction in wastage, capacity building of producers and 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 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 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, 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 the CPC.
- 3.3. 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 an annual turnover of about Rs 450-500 crores and creation of direct and indirect employment to the extent of about 30,000 persons. 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 as ancillary to the food processing industries may also be allotted land in the Mega Food Parks. **(Modified w.e.f. 14.03.2012)**

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 crores per project.

* The eligible project cost is defined as total project cost minus cost of land, pre-operative expenses and margin money for working capital. However, Interest during Construction (IDC) as part of pre-operative expenses would be considered under the eligible project cost. **(Modified w.e.f. 17.11.2011)**

4.2 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, 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 development of industrial plots and cost of civil work & equipments for common facilities like testing laboratory, cleaning, grading, sorting and packing facilities, dry warehouses, specialized storage facilities 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 35 percent of the eligible project cost towards creation of above mentioned core processing facilities.

II. Factory buildings

It will consist of standard factory sheds for Micro and Small Enterprises (MSEs) which are 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

It will include 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. The SPV has to demonstrate a firm plan to ensure good quality assured power supply to prospective units in the Park.

IV. Non-Core Infrastructure

It will consist of support infrastructure such as administrative buildings, training center including equipments, trade and display center, crèche, canteen, workers' 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

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

VI. Land

Land for the project shall be purchased / arranged by the SPV. 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 of land.

Although the projects are expected to be formulated by the SPVs based on the felt needs, the projects with greater emphasis on establishment of core processing facilities and thereby directly enabling the establishment of food processing units would be given preference.

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) in which Financial Institutions/Banks, organized retailers, processors, service providers, producers, farmer organizations and other related stakeholders would be the equity holders. The preference for sanctioning assistance under the Scheme would be given to those SPVs in which industry units with the plans of processing wide range of perishable products will have major stake.

5.1.2. Eligibility criteria for SPV

The main eligibility criteria of the SPVs, which shall act as Implementing Agencies (IAs) of the projects under the Scheme are indicated below:

- i. SPV shall be a Body Corporate registered under the Companies Act.
- ii. Each SPV would have at least three entrepreneurs / business units, with the entrepreneurs being independent of each other and business units with no common directors.
- iii. 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. **(Modified w.e.f. 14.03.2012)**
- iv. At least 26 percent of equity of the SPV should be held by food processor(s) within the SPV.
- v.
 - a) The combined net worth of shareholders of the SPV should not be less than Rs.50 crore with food processor(s) having at least Rs. 10 crore of net worth.
 - b) Each member in SPV must have a net worth at least 1.5 times of their proposed equity contribution in order to ensure requisite contribution for the project. The clause v(b) is applicable only to 3rd phase projects. **(Modified w.e.f. 17.11.2011)**
- vi. 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.

- vii. Government agencies can also become shareholders in the SPV, if they so desire, holding up to a maximum of 26 percent of share capital so as to ensure private sector character of the SPV.

5.1.3. As Implementing Agencies, the SPVs 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 land and ensure external infrastructure linkages for the projects
- iii. To obtain key 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 project
- v. To own and maintain the common infrastructure
- vi. To receive the financial assistance under the Scheme, and its utilization in a transparent and judicious manner and maintain proper account

5.2. Program Management Agency (PMA)

5.2.1. 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.

5.2.2. The envisaged role of PMA is as follows:

- i. To assist the Ministry in organizing a series of workshops/media campaigns aimed at sensitizing the potential stakeholders about the MFPS.
- 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 financial closure.
- 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.

5.3. Project Management Consultant (PMC)

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 the required experience in preparation of DPRs for large projects and in project implementation. Any of these Ministry 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 ‘C’**

5.4. Expression of Interest

5.4.1. 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 ‘D’**. The proposal will be evaluated by the Ministry through the PMA, as per illustrative criteria finalized by the Ministry given at **Annexure ‘E’** so as to ensure the selection of the eligible and the most viable projects.

5.4.2. The proposal would have tentatively identified the locations of the CPC and PPCs, availability of land, availability of group of minimum 3 stakeholders who would be the potential shareholders of the proposed SPV, the 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 for the project will be given preference.

5.5. In-Principle Approval

The proposal submitted in response to the EoI will be evaluated by the Program Management Agency (PMA). The applicants will also make a presentation of their proposals before the Technical Committee (TC).

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 evaluation criteria for PMA & TC are placed at **Annexure E.1 and E.2** respectively. **(Modified w.e.f. 17.11.2011)**

If the SPVs fail to submit the requisite DPRs along with other requirements needed for Final Approval within 6 months from the date of according “In-Principle Approval”, the “In-Principle Approval” stands automatically cancelled, unless extension of time is granted by the Approval Committee (AC).

5.6. Final Approval

5.6.1. project will be accorded Final Approval by the Approval Committee (AC) 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 of little 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 conversion for industrial /infrastructure use. In case of land acquired by SPV on lease basis, the leased period should be for a minimum of 25 years.
- iii. Submission of proof for incorporation of SPV and execution of Share Subscription Agreement amongst the members of SPV.
- iv. Plan to fund the project, other than the grant portion - plan needs to be supported by proposed equity contribution clearly suggesting respective cash contribution from each of the shareholders in proportion to their equity holding and sanction letter of term loan from the bank through which term loan is being proposed, along with bank appraisal report.
- v. Proof of appointment of Project Management Consultant (PMC). The PMC for the project should be selected only from the agencies empanelled by the Ministry. **(Modified w.e.f. 17.11.2011)**

5.7. Technical Committee and Project Approval Committee:

5.7.1. Technical Committee headed by the Joint Secretary (MFPI) would scrutinize the proposals/EoIs and Detailed Project Reports along with the appraisal notes of PMA, and provide its recommendations/views to the Inter-Ministerial Approval Committee to enable the sanction of In-Principle and Final Approvals. The other members of the Technical Committee shall be as follows:

- i. Representative from the Ministry of Agriculture
- ii. Representative of APEDA
- iii. Representative of ICAR
- iv. Representative of the concerned State Government
- v. Director (Finance), MFPI
- vi. Director, MFPI- Convener

5.7.2. The Inter-Ministerial Approval Committee (IMAC), headed by Secretary (Food Processing Industries) would accord “In-Principle” and “Final Approvals” to the projects based on the recommendation/views of the Technical Committee. The AC shall regularly monitor the implementation of the projects sanctioned under the Scheme. The other members of the Committee shall be as follows:

- i. Additional Secretary & Financial Advisor, MoFPI
- ii. Advisor (Industry), Planning Commission
- iii. Joint Secretary, Ministry of Agriculture
- iv. Joint Secretary (PF-II), Department of Expenditure
- v. Joint Secretary, MFPI
- vi. Chairman, APEDA
- vii. Chairman, MPEDA
- viii. Director – MFPI - Member Secretary
- ix. Secretaries of the respective State Governments where the projects are located would be invited for the Approval Committee meeting.

6. The ongoing projects sanctioned under the earlier Scheme of Food Parks of the previous Five Year Plans will continue to be provided Government assistance, as per the provisions of the respective Scheme, out of the budget provision of Mega Food Parks Scheme.

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 of suitable land.
- ii. Providing all the requisite clearances, 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.

7.2. While approving the Mega Food Park projects, preference would be given to projects located in states which have or are in the process of providing encouraging / conducive and enabling environment in terms of Policy / regulatory framework (model APMC Act etc.), infrastructure and fiscal incentives for the food processing sector.

7.3. Providing a fast track single window agency to facilitate clearances and permissions required for the project

7.4. The State Government agencies like Infrastructure/Industry Development Corporations can also participate in the projects by way of subscribing to the equity of the SPV, if they so desire as per the norms stipulated in the Scheme.

7.5. The MFPs will be encouraged and assisted to seek approval of the projects under the Industrial Infrastructure Parks Scheme, 2002 and to avail of the benefits therein, provided the requisite conditions are met.

8. Dovetailing of Assistance and Revisions in Project Cost

- i. Considering the complexities and challenges associated with a supply chain linked infrastructure projects of this nature, the SPV 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.
- ii. The revision in project cost shall be approved by the IMAC. However, any revisions in the project cost upto 20 percent of the originally approved project cost without any change in scope of the project or project components shall be approved by the Secretary, after concurrence of the IFD. **(Modified w.e.f. 14.03.2012)**

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:

A. The conditions for release of funds to the 15 projects (Annexure 'A') approved during 1st and 2nd phase of scheme implementation are as under:

I. First Installment of 30 percent of total grant under the Scheme will be released in two tranches as 10 percent and 20 percent respectively.

The 1st tranche of the 1st installment amounting to 10 percent of the total grant amount will be released subject to fulfillment of following criteria:

- i. Incorporation of SPV.
- ii. Possession of land with SPV as per DPR requirements, and its conversion into industrial use, if needed.
- iii. Execution of Share Subscription Agreement
- iv. Establishment of Trust and Retention Account in a Schedule A Commercial Bank and signing of the TRA Agreement with the Bank
- v. Appointment of a nominee from the Ministry on the Board of the SPV. Tenure of the Ministry nominee will be co-terminus to the operationalization of the project.
- vi. Final approval of the project by AC
- vii. Proof of equity contribution of at least 10% by the SPV
- viii. Proof of appointment of PMC by the SPV
- ix. Recommendation of PMA confirming the above points (i) to (viii).

II. Second Tranche of First 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 in the 1st phase of First installment
- ii. Details of the contribution of the SPV towards its share of the project cost.
- iii. Sanction Letter for loan Component, in case SPV is taking term loans.
- iv. Award of contracts worth at least equivalent to 30% of the total project cost, excluding the land cost.

The release will be made within 30 days of the SPV requesting the same, upon completion of aforesaid conditions.

- III. Second installment of 30% of the total GOI share after the utilization of the 2nd tranche of the first installment and after further proportionate expenditure (equal to the GOI share released) has been incurred by the SPV on the project (excluding land cost). Utilization Certificate (UC) of the 1st Installment shall be submitted by the SPV at the time of making claim for the 2nd Installment.

The release will be made within 30 days of the SPV requesting the same, upon completion of aforesaid conditions.

- IV. Third installment of 30% of the total GOI share after the utilization of the 2nd installment and after further proportionate expenditure (equal to the GoI share released) has been incurred by the SPV on the project (excluding land cost). Utilization Certificate (UC) of the 2nd Installment shall be submitted by the SPV at the time of making claim for the 3rd Installment.

The release will be made within 30 days of the SPV requesting the same, upon completion of aforesaid conditions.

- V. Ten percent of the total GOI share as final grant assistance will be released after successful completion of the project and operationalization of the common facilities in the CPC as mentioned in the DPR. The Utilization Certificate of the 3rd Installment shall also be submitted by the SPV at the time of making claim for the final Installment.

The release will be made within 30 days of the SPV requesting the same, upon completion of aforesaid conditions.

B. The conditions for release of funds to the projects approved during 3rd phase of scheme implementation are as under: (modified w.e.f 17.11.2011)

- I. First Installment of 30 percent of total grant under the Scheme will be released in two tranches as 10 percent and 20 percent respectively. The 1st tranche of 1st installment 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.
 - ii. Appointment of Ministry's Nominee Director on the Board of the SPV. 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 SPV's equity contribution out of the eligible project cost.
 - v. Recommendation of PMA confirming the fulfillment of above conditions.
- II. Second Tranche of First 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 1st tranche of 1st installment.
 - ii. Proof of proportionate expenditure by SPV (including term loan and equity) out of eligible project cost equivalent to percentage of grant released as 1st tranche of 1st installment.
 - iii. Proof of proportionate contribution by SPV (including term loan and equity) out of eligible project cost equivalent to percentage of grant to be released as 2nd tranche of 1st installment.
 - iv. 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.
 - v. Recommendation of PMA confirming the fulfillment of above conditions.
- III. 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 grant released as 2nd tranche of 1st installment.
 - ii. Proof of proportionate expenditure by SPV (including term loan and equity) out of eligible project cost equivalent to percentage of grant released as 2nd tranche of 1st installment.
 - iii. Proof of proportionate contribution by SPV (including term loan and equity) out of eligible project cost equivalent to percentage of grant to be released as 2nd installment.
 - iv. Submission of documents in lieu of 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 percent of total allotable plots as per approved DPR.
 - vii. Recommendation of PMA confirming the fulfillment of above conditions.
- IV. Third Installment representing 30 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 (including term loan and equity) out of eligible project cost equivalent to grant released as 2nd installment.

- iii. Proof of proportionate contribution by SPV (including term loan and equity) out of eligible project cost equivalent to percentage of grant 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 per cent of total allotable plots.
- vii. Recommendation of PMA confirming the fulfillment of above conditions.

V. Fourth and final Installment representing 10 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% equity contribution of SPV including Term Loan on the approved project components.
- iii. Certificate from PMC confirming completion of the project as per approval.
- iv. Certificate from PMC confirming completion of Plug n' Play facility with 75% of the MSEs units, as proposed in business plan, allotted space under Plug n' Play facilities.
- v. Proof of allotment of at least 75 percent of total allotable plots and commencement of operations in at least 25 percent of the units.
- vi. Recommendation of PMA confirming the fulfillment of above conditions.

9.2 Separate account as Trust & Retention Account (TRA) shall be kept by the SPV for the funds released by Government of India.

9.3 In the event of an SPV withdrawing from executing a project before utilizing the Government assistance, the SPV should immediately return the Government assistance together with the interest accrued thereon, in accordance with provision laid under GFR 19 of Government of India.

9.4 Starting for its request to the Ministry for the release of the 2nd tranche of the 1st instalment of the grant, the SPV shall have to submit a Utilization Certificate (UC) for utilization of amount of grant released by the Ministry in its previous tranches/installments as per provisions of General Financial Rules. A format of the Utilization Certificate (UC) is given as per **Annexure 'F'**

10 Time Schedule

10.1 The time schedule for completion and successful operationalization of project will be 30 months from the date of issuance of Final Approval as per details given below: (modified w.e.f. 01.07.2012)

A. Time Schedule for completion of projects approved during the 1st and 2nd Phases

S. N.	Details of Instalments	Time Period
1	Final Approval to release of 1st tranche	2 months
2	Release of 1st tranche to release of 2nd tranche	8 months
3	Release of 2nd tranche to release of 2nd instalment	8 months
4	Release of 2nd instalment to release of 3rd instalment	6 months
5	Release of 3rd instalment to release of 4th instalment	6 months
	Total	30 months

B. Time Schedule for completion of projects approved during 3rd Phase

S. No.	Details of Instalments	Time Period
1	Final Approval to release of 1st tranche	4 months
2	Release of 1st tranche to release of 2nd tranche	6 months
3	Release of 2nd tranche to release of 2nd instalment	8 months
4	Release of 2nd instalment to release of 3rd instalment	6 months
5	Release of 3rd instalment to release of 4th instalment	6 months
	Total	30 months

Note: In the event of the SPV defaulting on the prescribed timeline in approaching the Ministry for release of any of the grant installments, the IMAC may consider imposing appropriate penalty on case to case basis except in case of force de majeure or reasons beyond the control of the SPV.

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. However, except in case of force de majeure or reasons beyond the control of SPV, any willful delay, not attributable to valid reasons beyond the control of the SPV, the Approval Committee (IMAC) may consider imposing appropriate penalty in terms of reducing the grant amount, on case to case basis.

11 Project Monitoring and Evaluation

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. In so far as interpretation of any of the provisions of these Guidelines is concerned, the decision of the Approval Committee (IMAC) shall be final.

Annexure A**List of 15 MFP projects approved during 1st and 2nd phase of scheme implementation****Phase 1**

S. No.	Name of the project	State	Date of Final Approval
1.	M/s Srimi Food Park Pvt. Ltd., Distt. Chittoor	Andhra Pradesh	27.03.2009
2.	M/s Patanjali Food & Herbal Park Ltd., Distt. Haridwar	Uttarakhand	27.03.2009
3.	M/s North East Mega Food Park Ltd., Distt. Nalbari	Assam	27.03.2009
4.	M/s Jharkhand Mega Food Park Pvt. Ltd., Distt. Ranchi	Jharkhand	27.03.2009
5.	M/s Tamil Nadu Mega Food Park Ltd., Distt. Dharmapuri	Tamil Nadu	16.03.2010
6.	M/s Jangipur Bengal Mega Food Park Pvt. Ltd., Distt. Murshidabad	West Bengal	16.03.2010
7.	M/s Integrated Food Park Pvt. Ltd., Distt. Kolar	Karnataka	27.03.2011
8.	M/s International Fresh Farm Products (India) Ltd., Distt. Ferozpur	Punjab	25.05.2011
9.	M/s Paithan Mega Food Park Ltd., Distt. Aurangabad	Maharashtra	-
10.	M/s Aditya Birla Nuvo Ltd., Distt. Sultanpur	Uttar Pradesh	-

Phase II

11.	M/s Keventer Food Park Infra Ltd., Distt. Bhagalpur	Bihar	30.11.2011
12.	M/s Sikaria Infra Projects Pvt. Ltd., Distt. Agartala	Tripura	30.11.2011
13.	M/s Anil Mega Food Park Pvt. Ltd., Distt. Vadodara	Gujarat	13.01.2012
14.	M/s MITS Mega Food Park Ltd., Distt. Rayagada	Odisha	16.04.2012
15.	M/s, Madhya Pradesh Mega Food Park Ltd., Distt. Khargone	Madhya Pradesh	27.08.2012

Annexure B

List of 15 MFP projects approved during 3rd phase of scheme implementation

S. No.	Name of the Project	State	Date of 'in-principle' approval
1.	M/s Sindhu Farms Mega Food Park Pvt. Ltd., Raipur	Chhattisgarh	06.09.2012
2.	M/s Goenka Infrastructure Pvt. Ltd., Abhishekhakkam	Puducherry	06.09.2012
3.	M/s Chhattisgarh Agro Mega Food Park Ltd., Raipur,	Chhattisgarh	21.09.2012
4.	M/s Greens Food Park India Pvt. Ltd., Pulwama	Jammu & Kashmir	21.09.2012
5.	M/s Soma New Towns (P) Ltd., Sirsa	Haryana	21.09.2012
6.	M/s Green Tech Mega Food Park Pvt. Ltd., Ajmer	Rajasthan	21.09.2012
7.	M/s Godavari Mega Aqua Park Pvt. Ltd., West Godavari	Andhra Pradesh	21.09.2012
8.	M/s Pristine Logistics & Infraprojects Pvt. Ltd., Khagaria	Bihar	21.09.2012
9.	M/s Gujarat Agro Infrastructure Mega Food Park , Surat,	Gujarat	21.09.2012
10.	M/s Poliyan Mega Food Park Pvt. Ltd., Una	Himachal Pradesh	21.09.2012
11.	M/s Satara Mega Food Park Pvt. Ltd., Satara	Maharashtra	21.09.2012
12.	M/s Huma Coastal Mega Food Park Pvt. Ltd., Ganjam	Odisha	21.09.2012
13.	M/s Himalayan Organic Mega food Park Ltd., South Sikkim	Sikkim	21.09.2012
14.	M/s Himalayan Food Park Pvt. Ltd., Udham Singh Nagar	Uttarakhand	21.09.2012
15.	M/s Bengal Mega Food Park Pvt. Ltd., Jalpaiguri	West Bengal	21.09.2012

Annexure C**List of the empanelled Project Management Consultants (PMC) for Mega Food Parks Scheme**

S. No.	Name and Address of PMC	Contact Person	Contact Details and Email
1	Andhra Pradesh Industrial Technical Consultancy Organization Ltd., Parisrama Bhavan, 8th Floor, Basheerbagh, Hyderabad-500004	Mr. Srinivasa Rao, M.D. Mr. Raghunadh Raju	23237333/23237981/ 23243611 Hyd1_apitco@sancharnet.in
2	D.T. Rathi & Co. Chartered Accountants, "Laxmi-Anand", Gandhi Putla SQ., Behind Renuka Mata Mandir, Central Avenue, Nagpur	Mr. D.T. Rathi, Proprietor	9372730210 dtrathi@dataone.in
3	Feedback Ventures Pvt. Ltd., Feedback House, 7 Local Shopping Center, Panchsheel Park, New Delhi-17.	Mr. Akhileshwar Sahay, President	42007508 akhileshwar@feedbackventures.com
4	ICICI Winfra, 2B Gorky Terrace, Kolkata-700017	Dr. Debasis Sengupta, M.D.	033-22808909 iwin@icicibank.com
5	IL&FS, 2nd Floor, Niryat Bhawan, Rao Tula Ram Marg, Opp. Army Hospital- Research and Referral New Delhi-110057	Dr. A. K. Krishna Kumar, Chief Operating Officer	Phone: +91-11-4600 2207, krishnakumar.ak@ilfsindia.com
6	Magus Consulting Pvt. Ltd. 5th Floor, Next to Railway Station, Ghatkoper(E), Mumbai-400077	Mr. Mayur Suchak, MD	9821038925, 022-67254702 mayursuchak@magusconsulting.biz
7	MITCON Consulting Services, Kubera Chambers, 1 st Floor, Dr. Rajendra Prasad Path, Shivaji Nagar, Pune- 411005	Dr. Pradeep Bavadekar, M.D.	020-25533309 drbavadekar@yahoo.com
8	Mott MacDonald A-20, Sector-2, Noida-201301 Uttar Pradesh	Mr. S.S. Acharya, Divisional Manager	9312601890 ss.acharya@mottmac_india.com
9	Rabo Bank, Rabo India Finance Ltd., Forbes Building, 2nd Floor, Charanjeet Rai Marg, Fort, Mumbai-400001.		022-22034567 rabobank@bom3vsnel.net.in
10	SREI Infrastructure Finance Ltd., Infrastructure Advisory Group Vishwakarma 86C, Topsia Road (South), Kolkata-700046	Mr. Saugata Maitra, Vice President- Infrastructure Advisory	(91 9830070624) 03339873861 advisory@srei.com
11	Technopak Advisors Pvt. Ltd., 4th Floor, Tower-A DLF Building B, DLF Cyber City, Phase-II, Gurgaon-1222002	Ms. Pratichee Kapoor Vice President	9910044086/9910502350 pratichee.kapoor@technopark.com

12	UP Industrial Consultants Ltd., 5th Floor, Kabir Bhawan, G.T. Road, Kanpur-208002	Mr. A. K. Bhatnagar, M.D	0512-2219969 headoffice@upico.com
13	Yes Bank, 7th Floor, Tower B, Building 8, DLF Cyber City, Gurgaon-122002	Mr. Girish Aivalli, Senior Vice President	9818141779, merchantbanking@yesbank.in
14	Grant Thornton Advisory Pvt. Ltd, New Delhi 21 st Floor, DLF Square, Jacaranda Marg, DLF Phase- II, Gurgaon – 122 002	Shri Kunal Sood, Associate Director	9971199600 kunal.sood@in.gt.com
15	Norr Advisors, Gurgaon SF-10, Second Floor, NIHO Scottish Mall, Sohna Road, Gurgaon-122005	Shari Ranjan Sinha, CEO	Tel No. 0124-2230150, Fax No. 0124-4308660 Mob. 9811431826 Email: ranjan.sinha@norradvisors.com
16	NABARD Consulting Services, Mumbai Plot No., C-24, G Block, 3 rd Floor, C-Wing Bandra Kurla Complex, Bandra (East) Mumbai	Shri M. K. Mudgal, CEO	022 26530037, Mob. 09619105116, Fax. No.022 26520199., Email: nabcons@nabard.org , nabconsho@gmail.com
17	Global Agri System Pvt. Ltd., New Delhi K-13A, Hauz Khas Enclave, New Delhi-16	Veerender S. Thakur, GM	Ph. 01146360000/34 Fax: 01126568510 Mob: 9810844020 Email: vthakur@globalagri.com
18	Abhyuday Project Management Consultants, Ahmedabad 211-212, 2 nd Floor, Patel Avenue, Near Gurudwara, S.G. Highway, Theleji, Ahmedabad 380 054, Gujarat	Shri Dhaval Raval, MD	Ph. 079 26856759, Fax. 2762 244773, Mob. 09904144773, Email: info@abhyudayprojects.com , dhavalrval@yahoo.co.in
19	Price Water House Cooper, Gurgaon 17 th Floor, Building 10C, DLF Cyber City, Phase II, Gurgaon-122002	Shri Sambitosh Mohapatra, Executive Director	Tel No. 0124-3306008, Fax: 0124-3306999 Mob No. 9899002871 Email id: ajay.kakra@in.pwc.com
20	SNC-Lavalin Engineering & Technology Pvt. Ltd, Mumbai. Mirchandani Business Park, 6 th Floor, Sakinaki, Andheri (E), Mumbai – 400072	Shri N. T. Balraj, MD	Ph: 022-67207003, 9820336422, Fax: 022-67207099 Email: balraj.nt@sncclavalin.com
21	Tandon Urban Solutions Pvt. Ltd., Mumbai 701, Harbajan, Kalina, Santacruz East, Mumbai-98	Shri Amit Kumar Rajhans, Manager, Marketing	Ph No. 022-26655335, Mob No. 9867687797, Fax No. 26655335, Email id: tandonandassociates@gmail.com

Checklist of documents to be submitted alongwith 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 B)

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 (minimum of 3) along with contact details
- 1.2. Indicate the nature and location of existing operations of the Promoters
- 1.3. Audited balance sheets or other support documents that would indicate the net worth of each of the promoters.
- 1.4. Experience of the key promoters related to food processing industry and related infrastructure development, particularly the relative strengths of each of the promoters that will help in the smooth execution of MFP.
- 1.5. A brief note as to why the promoters are keen to undertake the Mega Food Park project, their vision etc.
- 1.6. In case the SPV is already registered, the details of the SPV including shareholding pattern
- 1.7. 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. Identification of possible location(s) and requisite land, for establishment of central processing centers, primary processing centres (PPCs) and collection centres (CCs).
- 2.2. Brief outline of the proposed activities at the CPC including the number and type of food processing units, with product mix and the common infrastructure
- 2.3. 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
- 2.4. Outline of the demand side factors including the global and domestic market opportunities for the products of the proposed units of the project, and marketing strategy
- 2.5. Brief strategy for identification and training of requisite manpower for various components covered in the Project
- 2.6. Estimated investment in CPC, PPCs and CCs, and other components of the Project

- 2.7. Estimated turnover of the proposed food processing industry units covered in the project, after successful execution of the project
- 2.8. Estimated employment generation out of implementation of the project, and other impact on the industry and farm produce in the project area
- 2.9. Any other related information.

3. Project Cost and Means of Finance

- 3.1. Tentative layout of the CPC and a typical PPC/ CC
- 3.2. Estimated cost of each of the eligible components of the project for funding by Government as outlined in the Scheme
- 3.3. Proposed means of finance to fund the project: equity, debt etc
- 3.4. The amount of grant support needed for the project, as per the Scheme
- 3.5. Tie-ups with Financial Institutions/Banks, if any, for funding of the Project

Annexure E**Illustrative Criterion for Assessment/ Evaluation of EoIs/ Proposals****Annexure-E.1**

Criteria for Evaluation of Proposals/EoIs by Programme Management Agency (PMA)		
S.No.	Criteria	Maximum Score
1	Viability of the Cluster	25
1a	Adequate volume of raw materials/days of operation in a year	10
1aa	200 to 250 days	5
1ab	251 to 300 days	8
1ac	More than 300 days	10
1b	Mix/variety of raw materials	5
1ba	5 to 10 crops	3
1bb	More than 10 crops	5
1c	Agreement/arrangements of raw materials	10
1ca	Absence of backward linkages (strategy/proof not given)	0
1cb	Proposed backward linkages (Copy of MoU/Agreements provided)	5
1cc	Existing backward linkages in the proposed cluster	10
2	Proposed Investment in Core Processing Facilities	10
2a	Up to Rs. 50 Crores	5
2b	Rs. 50 Crores to Rs. 100 Crores	8
2c	More than Rs. 100 Crores	10
3	Possession of appropriate land	20
3a	Land identified, but not acquired	0
3b	Agreement to Sale/Purchase of more than 50 acres of Land	5
3c	More than 50 acres of land available with one or more promoters/ allotment letter from State Govt. Agencies to the SPV or its member(s)	15
3d	Complete title and possession of more than 50 acres of land in the name of SPV	20
4	Number of Stakeholders in the Proposed SPV	5
4a	3 to 5	3
4b	6 to 8	4
4c	More than 8	5

	* To give priority to the involvement of food processors, full marks in each category will be awarded only if the 50% or more of the stake holders are food processors. If the proportion of food processors is less than 50% only half the marks will be awarded.	
5	Shareholding Pattern of Stakeholders in the Proposed SPV	5
5a	Any promoter having more than 49% of the equity holding	-2
5b	Equity holding broadly in proportion of the net worth of the SPV members.	2
5c	Food Processor(s) having up to 40% equity holding	2
5d	Food Processor(s) having more than 40% equity holding	3
	*Combined score from 5a to 5d will decide the net score under this criterion.	
6	Cumulative Net Worth of the SPV	25
6a	Rs. 50 Cr to Rs. 75 Cr	15
6b	Rs. 76 Cr to Rs. 100 Cr	17
6c	Rs. 101 to 150 Cr	19
6d	Rs. 151 to 200 Cr	21
6e	Rs. 201 to 250 Cr	23
6f	More than Rs. 250 Cr	25
	* If skewness of the Net worth is observed among the SPV members, up to 3 marks will be deducted depending upon the extent of skewness. * If the contribution of Food Processors of SPV to the total net worth is less than 20%, up to 3 marks will be deducted.	
7	Leveraging of Investment in Food Processing Units in the CPC	10
7a	Less than Rs. 100 Crores	5
7b	Rs. 100 Crores to 125 Crores	6
7c	Rs. 126 Crores to 150 Crores	7
7d	Rs. 151 Crores to 175 Crores	8
7e	Rs. 176 Crores to 200 Crores	9
7f	More than Rs. 200 Crores	10
TOTAL SCORE		100

Annexure-E.2

Criteria for Evaluation of Technical Presentation by Technical Committee (TC)		
S.No.	Criteria	Maximum Score
1.	Details of Promoters and their total Net worth	10
2.	Details of Land & its Location	10
3.	Viability of Cluster and Linkages	10
4.	Proposed Revenue Model	10
5.	Proposed Investment	5
6.	Special Strength & USP of Proposal	5
	Total Score	50

Format for Utilization Certificate

11. FORM GFR 19-A

[See Rule 212(1)]

2. Form of Utilization Certificate

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 un-utilized 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.....