

Ministry of Food Processing Industries
Operation Greens Division

**FAQs RELATED TO EXPRESSION OF INTEREST DATED 21.06.2022 FOR
APPLICATION UNDER SCHEME FOR OPERATION GREENS**

**Queries raised/clarifications sought during the Pre-Bid Meeting held on
04.07.2022**

1. Can the projects under Integrated Value Chain Development Projects be set up anywhere in the State of identified production clusters?

Clarification: Projects under “Integrated Value Chain Development Projects” for eligible crop are to be set up in respective identified production clusters only.

2. Is formation of new FPO mandatory under Integrated Value Chain Development Projects?

Clarification: Formation of new FPO is not mandatory under “Integrated Value Chain Development Projects”. However, training/ workshop of FPOs/ existing farmers including aquaculture farmers is required if FPO is not proposed to be formed.

3. Can the projects under Standalone Post-Harvest Infrastructure Projects be set up anywhere in the State of identified production clusters?

Clarification: Facilities for “Primary post-harvest processing infrastructure facilities at farm level” under “Standalone Post-Harvest Infrastructure Projects” for eligible crop are required to be set up in respective identified production clusters only. However, “Post-harvest processing infrastructure facilities” can be set up in the State of identified production clusters or adjacent districts of adjacent States.

4. Are there any restrictions on the plant & machinery in a proposed project?

Clarification: There is no restrictions on the plant & machinery in a proposed project but the capacities proposed should be justifiable as per the viability and availability of raw material.

5. Can the applicant having processing line apply for a standalone cold store/ frozen store?

Clarification: Setting up of standalone cold storage are not considered under the scheme.

6. Is IQF/ Blast Freezer/ Spiral Freezer/ Vacuum Freeze Drying allowed in Operation Greens?

Clarification: IQF/ Blast Freezer/ Spiral Freezer/ Vacuum Freeze Drying are allowed in Operation Greens Scheme. The plant & machinery mentioned in guidelines are only indicative. Any plant & machinery proposed should be justifiable as per the viability of project and availability of raw material.



7. Is there any minimum capacity required for associated Frozen storage with IQF?

Clarification: No. However, all the facilities proposed should be synchronized with each other.

8. Is setting up of “deficient infrastructure facility”, published with EOI, mandatory?

Clarification: No. However, applications proposing to set up all facilities of “deficient infrastructure facility” will be given additional weightage as per the evaluation criteria laid down in scheme guidelines.

9. Is technical civil work for frozen storage associated with IQF allowed?

Clarification: Yes. The basic cost (i.e. cost exclusive of taxes/ fees/ freight) of Technical Civil Work is eligible for the purpose of eligible project cost.

10. Is Marketing Infrastructure mandatory for Export Units under Integrated Value Chain Development Projects?

Clarification: Marketing Infrastructure is required to be set up as per the scheme guidelines.

11. Can the project be set up in a District, which is part of erstwhile identified District?

Clarification: Yes.

12. Can the cost of land be included in the total project cost and means of finance?

Clarification: The cost of land will not be considered for assessment of total project cost as well as means of finance. In case the cost of land is included in the total project cost as well as means of finance, then the amount for land will be deducted from the total project cost as well as proposed promoter's contribution and thereafter the minimum eligibility requirement as well as scoring will be assessed.

13. Can a project be set up on turnkey basis?

Clarification: Yes, a project can be set up on turnkey basis. However, invoices have to be from OEM or authorized dealers in the name of project implementation agency.

14. Would the cost of land and building be considered towards calculation of net worth in case of partnership firms?

Clarification: Yes, the cost of land and building shall be considered towards calculation of net worth in case of partnership firms. The worth of assets for land (unconstructed) shall be considered on the basis of the submitted land ownership documents duly supported by the circle rate notification along with the self-certified non-encumbrance for the land parcels.



Further, the worth of assets for the land with the constructed building shall be considered on the basis of the submitted land ownership documents duly supported by the circle rate notification and valuation report of the constructed building from the Government approved valuer along with the self-certified non-encumbrance.

15. Can net worth of directors be considered for estimating net worth in case of a newly constituted Pvt. Ltd. Company?

Clarification: In case of newly formed companies (except listed company), the net worth of the share-holders of the company would be considered in the same manner as in case of partnership firms.

16. What would be the criteria for assessment of net worth for the commercial vehicles owned by the applicant?

Clarification: The net worth of the commercial vehicles owned by the applicant will be calculated based on the Insured's Declared Value [IDV] mentioned in the valid insurance document of the concerned vehicle, duly supported by valid Registration Certificate [RC] in the name of the applicant and same is to be uploaded as net worth supporting document.

17. What is the definition of newly formed company for the purpose of availing financial assistance under the scheme?

Clarification: A company will be treated as a newly formed company, if it has been formed with the objective of food business and has not commenced commercial operations with reference to any business activity as on the date of submission of application. This should be supported by appraisal note and in such cases, Balance Sheet/ Financial Statement along with Memorandum of Association filed with the RoC for each year since incorporation will be required in support of proof of non-commencement of commercial operations.

18. How the net worth of a newly formed company would be ascertained, if one of the promoter/ constituents of newly formed company is a corporate entity?

Clarification: In case of new companies, the net-worth of the promoter/ shareholders will be considered in the same manner as in case of partnership firm. However, if, one of the constituents of the newly formed company is a corporate entity, the net worth of the corporate entity will be assessed as per paragraph (I) of Annexure-II of scheme guidelines.

19. How the net worth of NRI partners would be ascertained?

Clarification: Net worth of NRI partners will be ascertained as per paragraph (II) of Annexure-II of the scheme guidelines, for the assets registered in India and governed by rules & regulations of RBI.



20. How the net worth of Farmers Producer Company will be calculated?

Clarification: Net worth of Farmers Producer Company will be calculated as per paragraph (I) of Annexure-II of scheme guidelines.

21. Is project proposed to be set up in State Notified ITDP (Integrated Tribal Development Projects) areas are eligible for grants in aid @50%?

Clarification: Project proposed to be set up in ITDP (Integrated Tribal Development Projects) areas notified by Ministry of Tribal Affairs, Government of India are eligible for grants in aid @ 50% of eligible project cost, subject to meeting other conditions of scheme guidelines.

22. Will the Foreign Currency Term Loan (FCTL) sanction be considered?

Clarification: Yes, provided that the applicant shall submit a detailed appraisal note along with the term loan sanction letter.

23. Whether a proposal envisaging Foreign Direct Investment (FDI) be considered eligible under the scheme guidelines?

Clarification: Proposals envisaging FDI will be considered eligible under scheme guidelines provided they comply with all the extant rules and regulations issued by Government of India in this regard.

24. Will a new construction in the premises having the existing facility be eligible under the scheme?

Clarification: No. Expansion/ upgradation of the existing facility in same premises will not be entertained. In case of a new facility in same premises, a clearly demarcated and distinguishable parcel of land should be there with separate statutory clearances. Also, no existing facility/ utility can be used in any manner for the new project.

25. If some of Technical Civil Works (TCW) of the project is partially completed before the date of EOI, will the remaining work of TCW be eligible for subsidy?

Clarification: No. Ongoing projects as well as partially completed projects will not be considered eligible for grants-in-aid under this scheme.

26. Can a land leased from government after the date of EOI with existing constructed building be eligible for setting up of processing unit?

Clarification: No.



27. Can a proposal where advance for plant & machinery has been given but no construction started will be eligible for setting up of processing unit?

Clarification: Yes, but grant will be restricted to the expenditure incurred after issuance of approval letter by the Ministry, subject to fulfilling all the conditions of scheme guidelines.

28. Is it feasible to set up a processing facility on the land already registered and CLU obtained prior to date of EoI?

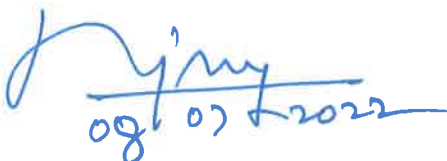
Clarification: Yes, applicant can set up processing facility on the land registered and CLU obtained prior to date of EoI, subject to meeting conditions of the CLU.

29. Will the general notifications/ orders issued by States Government for change in land use be acceptable?

Clarification: Yes. The applicant can upload the copy of general notifications/ orders issued by States Government instead of CLU for individual project, subject to meeting the conditions mentioned in the notifications/ orders.

30. What if the land classification of the proposed project location is unclassified?

Clarification: The applicant shall obtain a certificate from competent authority certifying that the proposed land is unclassified and can be used for the purpose of setting up of Project (mentioning the details of the facilities proposed).


08/07/2022