

**Government of India Agricultural Marketing Schemes for Private Sector**

<b>Agency</b>	<b>Scheme</b>	<b>Marketing</b>	<b>Storage</b>	<b>Processing</b>	<b>Grades, Standards, SPS</b>	<b>Agricultural Exports</b>
<b>Ministry of Agriculture</b>						
A. Directorate of Marketing and Inspection	1. Grameen Bhandran Yojana		25% investment grant, 33.3% for NE and SC/ST			
	2. Agmark Grading and Standardization				Agmark Certification	
	3. Market Infrastructure scheme	25% investment grant, 33.3% for NE and SC/ST		25% investment grant, 33.3% for NE and SC/ST	25% investment grant, 33.3% for NE and SC/ST	
B. Small Farmers Agribusiness Consortium	1. Agri-Clinic, Agribusiness Center	Start up capital Rs100,000 per trained graduate				
	2. Venture Capital Assistance	Equity participation up to 10% of project costs or 26% of total equity, up to Rs7.5 million				
C. National Horticulture Board	1. Construction/ expansion/ modernization of cold storage		25% investment grant up to Rs 500,000; 33.3% for NE up to Rs 600,000.			
	2. Commercial horticulture development	20% investment grant up to Rs250,000; NE/Tribal/Hilly Areas				

		up to Rs300,000.				
<b>Ministry of Food Processing</b>	<b>A. Infrastructure Development</b>			25% grant for project costs, 33.33% in difficult area up to Rs40 million		
	1. Food Parks					
	2. Packaging Center	25% grant for plant, machinery, technical civil works in general areas, 33.33% in difficult areas up to Rs 20 million				
	3. Modernized abattoirs			25% of plant, machinery, technical civil works, 33.33% in difficult areas up to Rs40 million		
	4. Integrated cold chain facilities		25% grant for plant, machinery, technical civil works in general areas, 33.33% in difficult areas up to Rs750,000			
	5. Irradiation facilities			25% grant for plant, machinery, technical civil works in general		

				million		
	6. Value Added Centers			25% grant for plant, machinery, technical civil works in general areas up to Rs500,000; 33.33% in difficult areas up to Rs750,000		

**Annex Table 2.3: Agricultural Marketing Schemes for Private Sector: Provisions for Government Support, cont'd**

<i>Agency</i>	<i>Scheme</i>	<i>Marketing</i>	<i>Storage</i>	<i>Processing</i>	<i>Grades, Standards, SPS</i>	<i>Agricultural Exports</i>
<b>Ministry of Food Processing Industries</b>	<b>B. Modernization of Food Processing Industries</b> Upgrading/Establishment/ Modernization			25% grant for plant, machinery, technical civil works up to Rs 500,000; 33.33% up to Rs750,000 in difficult areas		
	<b>C. Backward and Forward Integration</b> 1. Backward linkages (contract farming)	Grant 10% of total purchases up to Rs100,000 per year for 3 years				
	2. Forward Linkages (market surveys, test marketing, brand promotion, etc)	50% grant up to Rs500,000				

			50% grant for equipment and installation up to Rs300,000		
3. Food fortification					
<b>D. Quality Assurance, Codex Standards, R&amp;D</b>					
1. Total Quality Management (ISO 9000/ 14000, HACCP, etc)				33% grant up to Rs 100,000, 50% up to Rs150,000 in difficult area	
2. Capacity building for quality assurance				33% grant in general areas, 50% in difficult areas up to Rs300,000	
3. Bar coding	50% grant for registration fees, 33% grant for equipment in general areas, 50% in difficult areas up to Rs 300,000				
4. Food processing R&D			33% grant for capital cost, 50% for difficult areas		
5. Quality control laboratory				33% grant for general areas, 50% for difficult areas for equipment and setting up	

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<b>Ministry of Commerce</b>	1. Special Economic Zones: Export Promotion Industrial Parks (incl. Agribusiness Zones), Export Promotion Zones, Critical Infrastructure Balancing Scheme					20% Ministry of Commerce, 80% state government
	2. Market Development Assistance: participation in trade fairs, exhibitions, etc					60% up to Rs1million per event
	3. Market Access Initiative: opening of showrooms, warehouses, publicity, export market surveys, participation in exhibitions, etc					Market study: 75% grant up to Rs7.5 million; Showrooms: 75%, 50%, 25% for 1st, 2nd, 3rd year for leasing and rent up to Rs5 million; publicity: 50% for 2 years up to Rs5 million per product per market, trade fairs 2/3rd of expenditures up to Rs5 million per event.

4. Export Promotion of Horticulture Products from NE Region  
 Transport subsidy: Rs1/kg by road transport from NE state to

		Guwahati, Rs 2/kg by air freight from NE states to Kolkata				
	5. Vishesh Krishi Upaj Yohana (fruits, vegetables, minor forest produce)					Duty credit of 5% of FOB value of exports for each licensing year for imported inputs or goods
<b>APEDA</b>	A. Agri-Export Zones					5% import duty on capital goods, sales and other taxes/ duties exemption on all inputs, duty free diesel for generators
	B. Market Development					
	1. Packaging devt/design	50% grant up to Rs500,000				
	2. Surveys and feasibility studies					50% grant up to Rs200,000
	3. Brand publicity					40% grant up to Rs100,000
	<b>B. Infrastructure Development</b> 1.					
	Specialized transport units	25% grant up to Rs2.5 million				
	2. Mechanization of harvests	25% grant up to Rs500,000				
	3. Sheds for intermediate storage, grading, cleaning		25% grant for equipment up to Rs500,000			
	4. Mechanized handling for grading, sorting,					25% grant for equipment up

	washing, waxing, ripening, packaging				to Rs1 million	
	5. Pre-cooling facilities		25% grant for equipment up to Rs1 million			

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<b>APEDA</b>	6. Pre-shipment treatment			25% grant for equipment up to 1 million		
	7. Integrated post-harvest handling systems			25% grant up to Rs2.5 million		
	<b>C. Quality Development</b>		25% grant up to Rs1 million			
	1. Cold Storage facilities					
	2. Quality management (HACCP, ISO, TQM)					50% grant up to Rs200,000 per system
	3. Quality assurance laboratories					50% grant up to RS 500,000
	4. Quality management training					50% grant up to Rs50,000
	5. Local and International Study					50% of cost of travel

tours					
<b>D. Research and Development</b> R&D for export enhancement				50% grant up to Rs 1 million	
<b>E. Horticulture, Processed Food and Poultry Products Transport Assistance</b>					Flowers by air: least of 20% of FOB, 25% of air freight, specific rate; Flowers by sea: least of 10% of FOB, 25% freight, specific rate. Others by air: 10% of FOB, 25% freight, specific rate; Others by Sea: least of 10% of FOB, 33% of freight, 50% of ocean freight, specific rate

*Note:* Difficult areas - J&K, HP, Uttaranchal, Sikkim, NE, A&N, Lakshadweep

*Source:* Ministry of Food Processing Industries, Annual Report 2004/05; Ministry of Commerce Annual Report 2004/05, Patnaik, G. ,2005, "Review of Government of India Agricultural Marketing/Processing Policies and Programs", Global Agri-System, Pvt. Ltd.