

FOOD PROCESSING

Towards Sustainable Growth Opportunities



RAJASTHAN



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RAJASTHAN



ACRONYMS

ABBREVIATION	DEFINITION
AHIDF	Animal Husbandry Infrastructure Development Fund
APC	Agro Processing Cluster
APEDA	Agricultural and Processed Food Products Export Development Authority
ASI	Annual Survey of Industries
ASPIRE	A Scheme for Promotion of Innovation, Rural Industry and Entrepreneurship
CAGR	Compound Annual Growth Rate
CBFL	Creation of Backward and Forward Linkages
CEFPPC	Creation/Expansion of Food Processing & Preservation Capacities
CLCSS	Credit Linked Capital Subsidy Scheme
CSR	Corporate Social Responsibility
DIDF	Dairy Processing & Infrastructure Development Fund
DPIIT	Department for Promotion of Industry and Internal Trade
DPR	Detailed Project Report
DRPs	District Resource Persons
e-NAM	Electronic National Agriculture Market
EIA	Environment Impact Assessment
EoDB	Ease of Doing Business
EOI	Expression of Interest
F&V	Fruits & Vegetables
FAOSTAT	Food and Agriculture Organization Corporate Statistical Database
FDI	Foreign Direct Investment
FIDF	Fisheries and Aquaculture Infrastructure Development Fund
FME	Formalization of Micro Food Processing Enterprise
FPC	Farmer Producer Company
FPOs	Farmer Producer Organisations
FSSAI	Food Safety and Standards Authority of India
FTL	Food Testing Laboratory
GIS	Geographic Information System
GOI	Government of India
GSDP	Gross State Domestic Product
GST	Goods and Services Tax
GVA	Gross Value Added
GW	Giga Watt
ha	Hectare
HACCP	Hazard Analysis and Critical Control Point
ICC	Integrated Cold Chain and Value Addition Infrastructure
ICD	Inland Container Depot
INR	Indian Rupee
IPRS	Industrial Park Rating System
IQF	Individual Quick Freezing
Km	Kilometre
KW	Kilowatt
kWh	Kilo Watt Hour
LEADS	Logistics Ease Across Different States
LLP	Limited Liability Partnership
LSG	Local Self Government

ACRONYMS

ABBREVIATION	DEFINITION
MFP	Mega Food Parks
MIDH	Mission for Integrated Development of Horticulture
MoFPI	Ministry of Food Processing Industries
MSDE	Ministry of Skill Development & Entrepreneurship
MSEs	Micro and Small Enterprises
MSME	Micro, Small and Medium Enterprises
MT	Metric Ton
MW	Mega Watt
NABARD	National Bank for Agriculture and Rural Development
NAIFF	National Agriculture Infra Financing Facility
NDDB	National Dairy Development Board
NGO	Non-Governmental Organization
NOC	No Objection Certificate
ODOP	One District One Product
PFT	Private Freight Terminal
PLI	Production Linked Incentive
PLISFPI	Production Linked Incentive Scheme for Food Processing Industry
PLISMBP	Production Linked Incentive scheme for Millet-Based Products
PMFME	Pradhan Mantri Formalisation of Micro Food Processing Enterprises
PMKSY	Pradhan Mantri Kisan Sampada Yojana
PMKVY	Pradhan Mantri Kaushal Vikas Yojana
PMMSY	Pradhan Mantri Matsya Sampada Yojana
PSL	Priority Sector Lending
RBI	Reserve Bank of India
Re & Cs	Regulation of Employment And Conditions of Service
RIICO	Rajasthan State Industrial Development & Investment Corporation
RIPS	Rajasthan Investment Promotion Scheme
RSPCB	Rajasthan State Pollution Control Board
RTC	Ready to Cook
RTE	Ready to Eat
SC	Scheduled Caste
SEIAA	State Environmental Impact Assessment Authority
SEZ	Special Economic Zone
SFAC	Small Farmers' Agri-Business Consortium
SGST	State Goods and Services Tax
SHG	Self-Help Groups
SMEs	Small and Medium Enterprises
SNA	State Nodal Agency
SPV	Special Purpose Vehicle
Sq. KM	Square Kilometre
ST	Scheduled Tribe
SWCS	Single Window Clearance System
TSP	Tribal Sub Plan
UDH	Urban Development & Housing
USD	U.S. Dollar
W	Watt



ABSTRACT

Establishing Strong Linkages between Industry and Agriculture:

The food processing sector plays a crucial role in establishing strong linkages between the industry and the agriculture sector. It facilitates collaboration and integration, benefiting both sectors and boosting the overall agricultural value chain.

Remarkable Growth in the Indian Food Processing Sector:

The Indian food processing sector has achieved impressive growth, surpassing a 9% average annual growth rate since 2014-15. This indicates its strong potential and contribution to the Indian economy.

Significant Increase in Processed Food Exports:

India's processed food exports have experienced a significant surge, increasing from US\$4.96 billion in 2014-15 to US\$13.07 billion in 2022-23. This growth showcases the sector's competitiveness and ability to cater to international markets.

Agricultural Strength and Development Focus in Rajasthan:

Rajasthan, a State known for its agricultural prowess and emphasis on development, has a Gross State Domestic Product (GSDP) of 145.67 billion USD. It has been recognized as a Fast Mover within the Landlocked cluster, LEADS 2022. With its diverse agro-climatic conditions, Rajasthan enables the cultivation of a variety of fruits, such as, mangoes, guava, pomegranate, and citrus fruits. Rajasthan, characterized by a conducive business environment and favourable Government policies, emerges as a highly appealing investment destination.

Promising Opportunities in Rajasthan :

Rajasthan places a high priority on the food processing sector as part of its development agenda. The State holds a notable distinction as the largest producer of Millet (bajra) in India. It also ranks first in the production of moth beans, Nutri cereal, bajra, and guar gum. Additionally, Rajasthan stands as the second largest milk producer in the country. It is the largest producer of guar gum, with India accounting for 80% of the world's guar production, of which 72% comes from Rajasthan. Moreover, the diverse agro-climatic conditions in the State facilitate the cultivation of a wide range of fruits, including mangoes, guava, pomegranate, and citrus fruits, as well as vegetables like onions and potatoes. This presents immense potential for the production of processed value-added products, such as, pulp, dehydrated snacks, bread, muffins, and millet snacks. The State has received assistance/incentives from the Ministry of Food Processing Industries under its flagship schemes, such as, Pradhan Mantri - Kisan Sampada Yojana, Pradhan Mantri Formalisation Micro Food Processing Enterprises, and the Production Linked Incentive Scheme.

01. FOOD PROCESSING IN INDIA

The food processing sector is a uniquely placed amongst the manufacturing sector due to its backward linkages to the farming activities. A well-developed food processing sector with sufficiently higher level of processing helps in the improving value addition reducing post-harvest losses, promoting crop diversification, ensuring better returns to the farmers, promoting off-farm employment as well as increasing export earnings.

India ranks first in production of pulses & milk, second in vegetable & fruit, wheat & rice and third in cereals and eggs, in the World as per FAOSTAT estimates.¹

An abundant supply of raw materials, increase in aggregate demand for processed food products and incentives offered by the Government of India has impacted food processing sector positively. The Gross Value Addition (GVA) has increased from INR 1.34 Lakh Crore in 2014-15 to INR 2.37 Lakh Crore in 2020-21 exhibiting an average annual growth rate of 9.3%. The sector constituted as much as 10.54% and 11.57% of GVA in Manufacturing and Agriculture sectors respectively in 2020-21 (at the 2011-12 prices).²



India's food and beverages market grew at a CAGR of 6.92% between 2017 - 22.³

India's food and beverages market is forecasted to grow at a CAGR of 9.94% from 2022 - 27.⁴

¹ Statistics | Food and Agriculture Organization of the United States

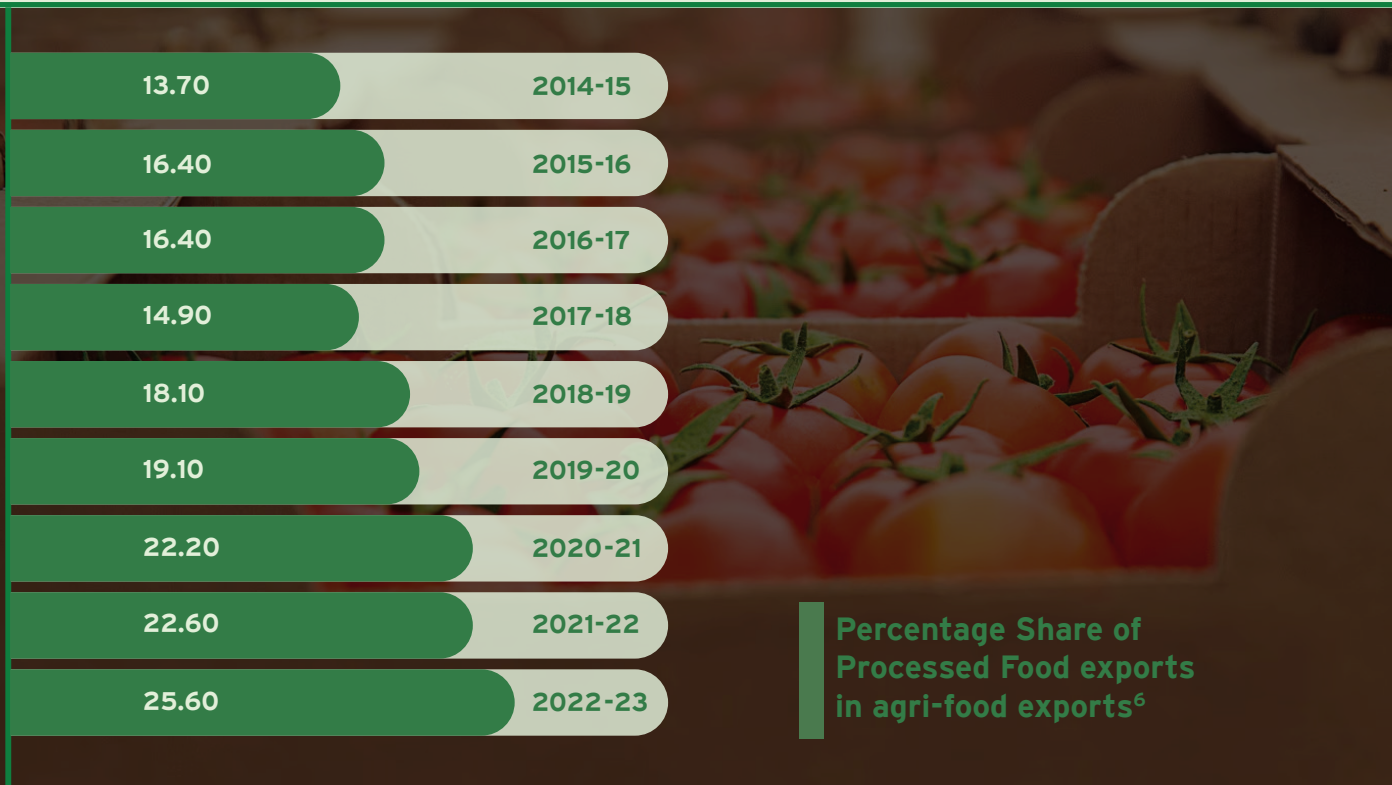
² MoFPI

³ Food and Beverages Global Market Briefing 2023 – The Business Research Company, December 2022

⁴ Ibid

As per the Annual Survey of Industries (ASI) latest estimates production of, the Food Processing Sector employees nearly 12.2 % of the workforce in the registered factory sector.

The Export of Agri-Food products has increased from US\$ 36.17 in 2014-15 to US\$ 51.05 billion in 2022-23. The Export of Processed-Food products has increased from US\$ 4.96 in 2014-15 to US\$ 13.07 billion in 2022-23. Thus, the share of the processed-food products in overall agri-food products export has increased from 13.70 % in 2014-15 to 25.60 % in 2022-23⁵.



As per an Industrial estimate, Asia Pacific emerged as the dominant region in the global food and beverages market with 41.5% share of the global food and beverages market in 2022. Within the Asia Pacific region, India's food and beverages market was the third largest, followed by China and Japan, in the said period.⁷

⁵ MoFPI

⁶ Ibid

⁷ Food and Beverages Global Market Briefing 2023 – The Business Research Company, December 2022

⁸ Ibid

02. OVERVIEW

Rajasthan is a State situated in the northern region of India. It holds the distinction of being the largest State in India in terms of its land area and is located in the northwest section of the country. The State encompasses a major portion of the Great Indian Desert, commonly referred to as the Thar Desert. Additionally, it shares its border with Pakistan's Punjab and Sindh provinces, which lie along the Sutlej-Indus River valley.

Rajasthan shares its borders with five other Indian States. To the north, it is bordered by Punjab, while Haryana and Uttar Pradesh are situated to the northeast. Moving towards the southeast, it shares its border with Madhya Pradesh, and to the southwest, it is bordered by Gujarat.

State Capital

Jaipur

Geographic Area⁹

3,42,239 sq. km

Population (Census 2011)¹⁰

68.55 million

Total Road Length (March 2019)¹¹

3,13,469 km

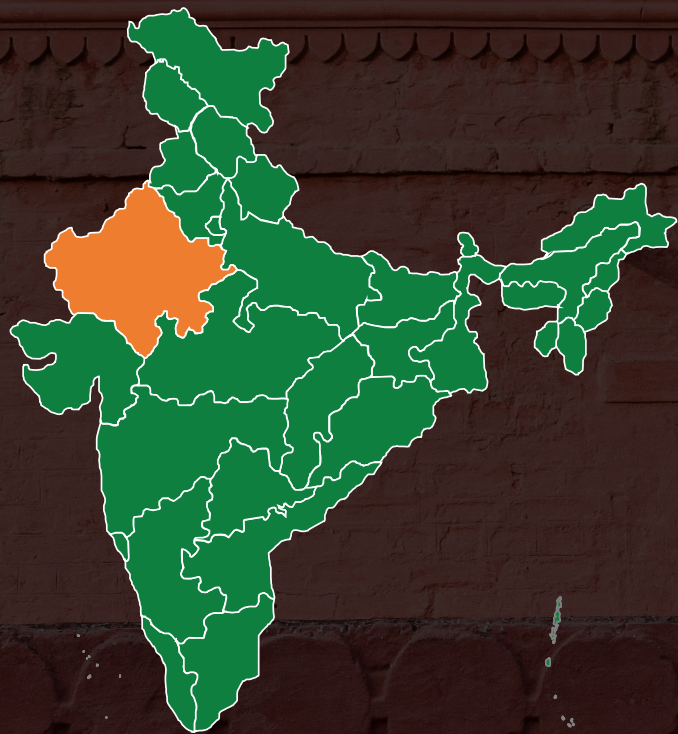
Rail length (2021)¹²

9,190 km

Industrial Area

370 Industrial Areas¹³

3 SEZs¹⁴



⁹ MoFPI

¹⁰ Govt of Rajasthan | Demographics and statistics | exchange rate as on 14th June, 2023

¹¹ RBI | Handbook of Statistics on Indian States | State-wise Length of Roads

¹² DPIIT | LEADS 2022 Logistics Ease Across Different States

¹³ Industrial parks and industries in the country | Press Information Bureau

¹⁴ Special Economic Zones | Press Information Bureau

Gross State Domestic Product (GSDP) ¹⁵

**145.67 billion USD
(2021-22)**

Airports¹⁷

**1 International-
Jaipur**

Available Land¹⁸

**Mixed Category
12522.11 ha**

**Food Processing Category
57.3 ha**

Infrastructure²⁰

9
Inland Container Depot (ICD)

3
Private Freight Terminal (PFT)

1
Air Cargo Terminal

346
Railway Goods Sheds

15.89
million MT Warehouse Capacity

6.32
lakh MT Cold Storage Capacity

Per Capita Net State Domestic Product ¹⁶

1646.37 USD (2021-22)

6 Domestic-

**Jaisalmer, Bikaner,
Jodhpur, Kota, Udaipur,
Kishangarh**

Agri Export Zone¹⁹

2
(Coriander, Cumin)

Installed power²¹

Thermal
14102.19 MW

Nuclear
556.74 MW

Other Renewables
22.518 MW

Of which, Hydro is
1941.93 MW

¹⁵ RBI | Handbook of Statistics on Indian States | Gross State domestic product | Exchange rate as on 14th June, 2023

¹⁶ RBI | Handbook of Statistics on Indian States | Per Capita Net State Domestic Product | Exchange rate as on 14th June, 2023

¹⁷ Airports Airport Authority of India

¹⁸ India Industrial Land bank (31.05.2023)

¹⁹ APEDA | Agri Exchange | Agri Export Zone

²⁰ DPIIT | LEADS 2022: Logistics Ease Across Different States

²¹ Central Electricity Authority | Installed Capacity Report (31.03.2023)

03. ADVANTAGE RAJASTHAN



Graded as **Fast Mover** within Landlocked cluster, as per DPIIT's LEADS 2022 ²²



Agro-Processing one of the Key Industries



India's Largest State ²³



Unparalleled Market Access: India's Gateway to Five States and Delhi



Second largest Mineral producing State with **81 minerals** ²⁴



360+ well developed **Industrial Areas.** **Custom-built industrial parks** for specific industries



India's second largest rail network



India's top producer of **medicinal and aromatic crops**



India's third largest network of national highways



Powering India's 450 GW **Renewable Vision** by 2030 ²⁵



Abundant arable land, **ranked 10th globally**



Largest producer of Millet (Bajra) in India²⁶

²² DPIIT | LEADS 2022 Logistics Ease Across Different States

²³ APEDA | E-Catalogue for Export Of Millets And Value Added Products Rajasthan

²⁴ Invest Rajasthan | Bureau of Investment Promotion Rajasthan | Government of Rajasthan

²⁵ Economic review | Directorate of Economics & Statistics, Rajasthan Jaipur.

²⁶ APEDA | State-wise Millet Production

Ranked 1 in Fenugreek
production in India ²⁹



Largest producer of mustard in India ³⁰



Second largest producer of Garlic ³¹



2nd Largest producer of Cumin, and Fennel ³²



Second largest producer of Nutri/Coarse Cereals ³³



Largest Gaur Gum producer in the country ³⁴



Second largest milk producer in the country ³⁵



Ranks 2 in Spice production in India ³⁶



²⁹ DPIIT | LEADS 2022: Logistics Ease Across Different States

³⁰ Niti Aayog | Export Preparedness Index 2021

³¹ ibid

³² ibid

³³ Economic Survey 2022-23 | Statistical Appendix

³⁴ APEDA | Agri Exchange | Product Information about Guar gum

³⁵ RBI | HANDBOOK OF STATISTICS ON INDIAN STATES

³⁶ ibid

04. LOCAL FOOD SYSTEM

4.1 INDIGENOUS PRODUCE

The economy of Rajasthan is predominantly dependent on agriculture and animal husbandry. The region's climatic conditions facilitate the cultivation of various agricultural crops, including rice, barley, jowar, millet, maize, gram, wheat, oilseeds, and pulses. In addition to these, the State is also known to produce spice crops, such as, red chillies, mustard, and cumin seeds.³⁵

Rajasthan's agricultural climatic conditions are well-suited for crop production. The State has nine agro-climatic zones³⁶ and various types of soil that help to support a wide range of crops. In the year 2019-20, the gross sown area in the State amounted to 275.15 lakh hectares, while the net sown area reached 180.32 lakh hectares.³⁷

STATE HAS RECEIVED 2 GEOGRAPHICAL INDICATOR (GI) TAGS FOR³⁸ -

- Bikaneri Bhujia
- Sojat Mehndi















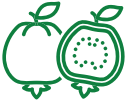

³⁵ Govt of Rajasthan

³⁶ APEDA | E-Catalogue for Export Of Millets And Value Added Products Rajasthan

³⁷ RBI | HANDBOOK OF STATISTICS ON INDIAN STATES

³⁸ Registration Details of Geographical Indications

4.2 KEY PRODUCTION HIGHLIGHTS

 <p>Ranked 1 in Fenugreek production³⁹</p>	 <p>Ranked #1 in production of Mustard, medicinal and aromatic crops in India⁴⁰</p>
 <p>2nd largest producer of Spice⁴¹</p>	 <p>Ranks 1st in the production of moth beans, Nutri cereal, and Bajra⁴²</p>
 <p>2nd largest producer of Garlic⁴³</p>	 <p>Top millet producer for the year 2020-21⁴⁴</p>
 <p>2nd Largest producer of Cumin, and Fennel⁴⁵</p>	 <p>Significant livestock population of 56.850 million⁴⁶</p>
 <p>3rd largest producer of Coriander⁴⁷</p>	 <p>Valuable cash crops include Rice, Barley, Jowar, Maize, Gram, Wheat, oilseeds, pulses</p>
 <p>2nd largest producer of Milk⁴⁸</p>	 <p>5th largest producer of Onion⁴⁹</p>
 <p>Primary commodities are Wheat and Millet.</p>	 <p>State is identified as the top millet producer (2020-21)⁵⁰</p>
 <p>Diverse agro-climatic conditions facilitate the horticultural production of fruits, including Mangoes, Guava, Pomegranate, and Citrus fruits along with the production of vegetables like Onion, Potato, etc⁵⁰</p>	
 <p>Rajasthan is the largest producer of guar gum in India, accounting for 72% of the world's production. India, in turn, accounts for 80%⁵¹ of the world's guar gum production. About 90% of the guar gum processed in India is exported</p>	

³⁹ Department of Agriculture & Farmers Welfare | Horticulture | State Level | Area and Production of Horticulture crops for 2021-22 (3rd Advance Estimates)

⁴⁰ ibid

⁴¹ ibid

⁴² Invest Rajasthan | Bureau of Investment Promotion Rajasthan | Government of Rajasthan

⁴³ Department of Agriculture & Farmers Welfare | Horticulture | State Level | Area and Production of Horticulture crops for 2021-22 (3rd Advance Estimates)

⁴⁴ APEDA | E-Catalogue for Export of Millets and Value-Added Products Rajasthan

⁴⁵ ibid

⁴⁶ RBI | Handbook of Statistics on Indian States | State-Wise Rice Production

⁴⁷ ibid

⁴⁸ RBI Handbook of Statistics

⁴⁹ ibid

⁵⁰ 2021-22 (Third Advance Estimates) of Area and Production of Horticulture Crops | Department of Agriculture and Farms Welfare

⁵¹ APEDA | Agri Exchange | Product Information about Guar-gum

KEY PRODUCTION STATISTICS ARE PRESENTED BELOW^{52&53}

CROPS

'000 MT

WHEAT

11035.4

PULSES

4252

MILLETS

9313.24

RICE

634

FRUITS

'000 MT

MANGO

73.20

GUAVA

56.94

POMEGRANATE

81.11

TOTAL CITRUS

462.56

SPICES

'000 MT

CUMIN

303.50

GARLIC

592.52

FENUGREEK

110.87

CORIANDER

148.70

LIVESTOCK & FISHERIES

MILK

30723 '000 tonnes

EGGS

27983 lakh

MEAT

213 '000 tonnes

FISH

1.16 lakh tonnes

VEGETABLES

'000 tonnes

ONION

1591.00

TOMATO

233.03

CAULIFLOWER

51.14

POTATO

199.58

⁵² Department of Agriculture & Farmers Welfare | Horticulture | State Level | Area and Production of Horticulture crops for 2021-22 (3rd Advance Estimates)

⁵³ RBI | RBI Handbook of Statistics on Indian States

05. PRODUCTION CLUSTERS ⁵⁴

The list below showcases the Production Clusters within the State under the Pradhan Mantri Formalisation of Micro Food Processing Enterprises Scheme (PMFME) -

CORIANDER based products

Kota



CUMIN based products

Jodhpur



FENNEL based products

Sirohi



FENUGREEK based products

Nagaur



FRUIT based products (Lemon)

Jhunjhunu



GARLIC based products

Baran, Pratapgarh





----- **GROUNDNUT** based products
Churu



----- **ISABGOL**
Jalore



----- **GUAVA** based products
Sawai Madhopur



----- **JAGGERY** based products
Chittor



----- **KINNOW** based products
Ganganagar



----- **MAIZE** based products
Bhilwara



----- **MANGO** based products
Banswara, Dungarpur

MILK based products ----

Pali

TOMATO based products ----

Jaipur

ONION based products ----

Alwar, Sikar

MINOR FOREST PRODUCE ----

(Amla, Jamun, Custard Apple etc.)

Rajsamand, Udaipur

MOTH ----

(Bhujia, Namkeen, Papad snacks)

Bikaner

MUSTARD based products ----

Bharatpur, Tonk

NUTRITIVE XEROPHYTIC FRUITS ----

Jaisalmer





----- **WHEAT** based products

Dausa, Hanumangarh



----- **ORANGE** based products

Jhalawar



----- **POMEGRANATE** based products

Barmer



----- **POTATO** based products

Dholpur



----- **RICE** based products

Bundi



----- **ROSE** based products

Ajmer



----- **SESAMUM** based products

Karauli

06. MILLETS IN RAJASTHAN



The State of Rajasthan has been identified as the top millet producer in India, accounting for over 16% of the country's total production in the fiscal year 2020-21. Additionally, millet production in Rajasthan has experienced a growth rate of 14% in 2020-21⁵⁵ compared to the previous year.

According to millet production data in Rajasthan, millet is grown in three seasons: Kharif, Rabi, and Summer. Rajasthan grows four types of millets, which are Jowar, Bajra, small millets, and Barley.

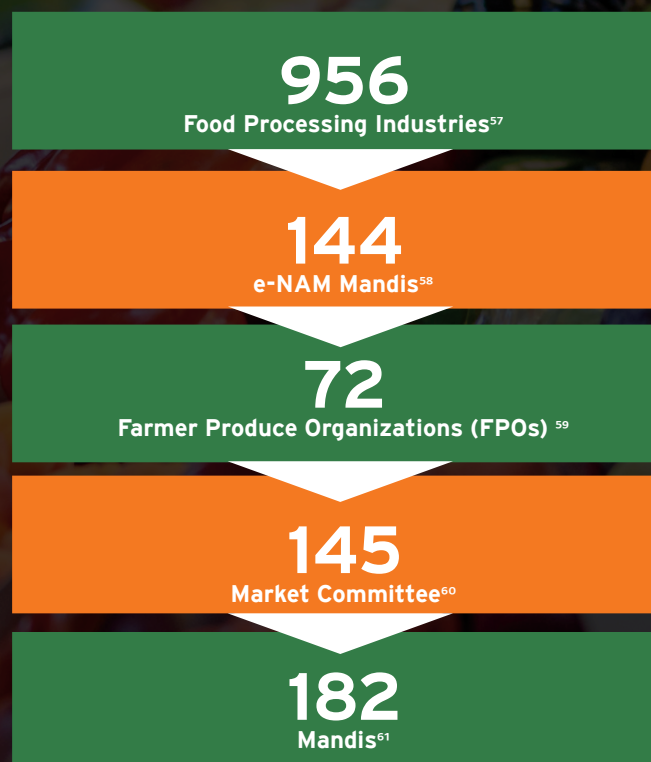
In the Kharif season, Bajra is the main contributor to millet production, accounting for 91%, followed by Jowar at 9%. During the Rabi season, Barley is the most significant contributor to millet production, accounting for almost 100%. In the Summer season, only Bajra is grown in Rajasthan. In the total production of millet in Rajasthan in 2020-21, Bajra is the most produced millet, accounting for 79%, followed by Barley at 13%, and Jowar at 8%. And as per the 4th Advance Estimate 2021-22, 43.45 lakh tonnes⁵⁶ of produced in the State

55 APEDA | E-Catalogue For Export Of Millets And Value Added Products Rajasthan

56 APEDA | India Millets Production | State-wise Production Data

07. AGRICULTURAL MARKETING

The Department of Agricultural Marketing in Rajasthan aims to create markets for agricultural goods in the State and oversee the buying and selling of these goods. The Department strives to provide fair prices to farmers who may struggle to compete in the market. To achieve this goal, the DAM gives high priority to enforcing current laws and regulations and introducing new technologies. The development of agricultural marketing infrastructure is crucial for promoting the economic growth of farmers.



⁵⁷ PIB | Ministry of Food Processing Industries | Food Processing Industries

⁵⁸ e-Nam Directory | Department of Agriculture, Cooperation & Farmers' Welfare Ministry of Agriculture & Farmers' Welfare Government of India

⁵⁹ DATA OF REGISTERED FPOs | Ministry of Agriculture & Farmers Welfare

⁶⁰ Department of Agricultural Marketing Rajasthan

⁶¹ Agmarket | Directorate of Marketing & Inspection (DMI), Ministry of Agriculture and Farmers Welfare

08. POTENTIAL OPPORTUNITIES

Rajasthan is one of the agriculturally rich States in India. With an overview of the State profile and geographical conditions, following segments can be focused under food processing in the State of Rajasthan.

PROCESSED FOODS

The processed food industry in Rajasthan is poised for growth. The State's favorable agricultural conditions and strong production of key crops provide a solid foundation for the industry. The State's government is also supportive of the industry, providing various incentives and support programs. As a result, Rajasthan is an attractive destination for businesses looking to invest in the processed food industry.

Opportunities for Processed Food -

- **Moth Beans and Wheat Processing** - Rajasthan is the leading producer of moth beans and a significant producer of wheat. These crops are commonly used to make snacks and savouries.
- **Edible Oil Processing** - Rajasthan is the second-largest producer of oilseeds in India. This makes it an attractive location for edible oil production. The State's production of oilseeds provides a ready supply of raw materials for the processed food industry.
- **Guar Gum Processing** - Rajasthan is the largest producer of guar gum in India. Guar gum is used in various food items to enhance thickness, smoothness, and stability. It also contributes to the fiber content of food. Guar gum finds applications in diverse food products, such as, ice cream, sauces, cake mixes, cheese spreads, fruit drinks, and dressings. It is also used in plant-based milks like flax, almond, coconut, soy, and hemp.





DAIRY PRODUCTS

Rajasthan, the second-largest producer of milk in the country, offers vast opportunities in the food processing industry, particularly in the field of milk and dairy products.

Innovations in Food Processing:

- **Value-Added Dairy Products:** Products, such as, yogurt, cheese, butter, ghee, flavoured milk, and milk-based desserts can cater to the changing consumer preferences
- **Milk Powder and Dairy Ingredients:** Investing in technology and infrastructure for milk powder production and the manufacturing of dairy ingredients like whey protein, casein, and lactose can tap into both domestic and export markets, catering to the food and beverage industry.
- **Dairy-Based Beverages:** Exploring innovations in dairy-based beverages, such as, flavoured milk drinks, probiotic drinks, and milkshakes with unique flavours and nutritional benefits.
- **Packaging and Processing Technologies:** Implementing advanced packaging solutions, such as, aseptic packaging and innovative processing technologies like ultra-high temperature (UHT) processing, can improve product shelf life, maintain quality, and enhance the efficiency of dairy processing operations.

MILLET PRODUCTS

The State ranks among the largest producers of millets in India and holds the first position in the production of bajra. This offers a significant opportunity to produce millet-based products, such as:

- **Millet Flour Products** - Processing millets into flours for various applications like baking, making porridge, and preparing traditional dishes, flakes, snacks, ready-to-cook mixes, instant porridge, Millet Noodles, and Gluten-Free Pasta.
- **Millet-based Bakery and Snack Items** - Millet Breads (buns, and other bakery items) & Millet Snacks (millet-based chips, namkeens, and energy bars).
- **Millet-based Beverages:** Millet Drinks (malted millet drinks, smoothies, and functional beverages targeting fitness enthusiasts and health-conscious individuals)
- **Millet-based Baby Food:** Millet Cereals (nutrient-rich and easily digestible millet-based baby cereals and porridges as an alternative to conventional rice or wheat-based products)
- **Millet Flakes and Instant Mixes:** Millet Flakes (Ready-to-eat millet flakes as a quick breakfast option or added to muesli and granola)
- **Instant Mixes:** millet-based instant mixes for making traditional dishes like dosas, idlis, and upmas.
- **Fortified Millet Products:** Introducing fortified millet products with added vitamins, minerals, and other nutrients to address nutritional deficiencies and cater to health-conscious consumers.





SPICE PRODUCTS

Rajasthan is the 2nd largest producer spices in India. Major spices produced in the State are Cumin, Mustard, Garlic, Coriander, and Fenugreek. Rajasthan can capitalize on its spice wealth with establishing spice processing units. Processed product can be:



- **Garlic:** Powder & Granules, Garlic Pickles, and Garlic Paste
- **Cumin:** Cumin Powder, Cumin Oil (food, pharmaceutical and cosmetic industries), Roasted Cumin Seeds
- **Mustard:** Mustard Oil, Mustard Paste (salad dressings, marinade for meat and vegetables), Mustard Powder
- **Coriander:** Powder, Coriander Leaves (also known as cilantro used for pesto sauce/spread), Coriander Chutney



09. GOVERNMENT OF INDIA SCHEMES FOR FOOD PROCESSING

9.1 SCHEMES UNDER MINISTRY OF FOOD PROCESSING INDUSTRIES⁶²

Support rendered under the scheme of Ministry of Food Processing Industries, Government of India are mentioned below:

9.1.1 PRADHAN MANTRI KISAN SAMPADA YOJANA (PMKSY)

Brief of Scheme

Given the nature and size of processing units operating in the food processing sector, investment requirements in basic infrastructure and common facilities are enormous. In order to attract private investment to the food processing sector, the Ministry of Food Processing Industries has taken various initiatives through schemes to develop infrastructure, expand processing capacity, and provide other supportive measures for the healthy growth of the industry. To streamline these efforts, all these schemes have been integrated under a comprehensive program called the Pradhan Mantri Kisan Sampada Yojana (PMKSY), which was launched on May 3rd, 2017.

PMKSY has the following component schemes.

- **Mega Food Parks**
- **Integrated Cold Chain and Value Addition Infrastructure**
- **Creation/Expansion of Food Processing & Preservation Capacities (Unit Scheme)**
- **Infrastructure for Agro-Processing Clusters**
- **Creation of Backward and Forward Linkages**
- **Food Safety and Quality Assurance Infrastructure**
- **Human Resources and Institutions**
- **Operation Greens**

PMKSY is a comprehensive package that aims to establish modern infrastructure with efficient supply chain management, spanning from the farm gate to the retail outlet. This initiative not only provides a significant boost to the growth of the food processing sector in the country but also contributes to better returns for farmers. It is a crucial step towards doubling farmers' income, generating substantial employment opportunities, particularly in rural areas. Additionally, it helps reduce agricultural produce wastage, promotes higher levels of processing, and enhances the export of processed foods.

⁶² MoFPI | Annual Report (2022- 2023)

Initially approved with a budget of INR 6,000 Crore for the period 2016-20, aligned with the 14th Finance Commission cycle, PMKSY's timeline was subsequently extended to FY 2020-21. The Government has now decided to restructure the component schemes for implementation during the 15th Finance Commission, with a total outlay of INR 4,600 crore. This revision includes the provisions for committed liabilities of its component schemes such as Mega Food Park, Creation of Backward & Forward Linkages, and Human Resources and Institution - Skill Development, Promotion Activities and HACCP, as these components have been discontinued in the 15th FC cycle. The component scheme continued during the 15th Finance Commission Cycle for new projects are:

- **Integrated Cold Chain and Value Addition Infrastructure (ICC)**
- **Creation/Expansion of Food Processing & Preservation Capacities (CEFPPC)**
- **Infrastructure for Agro-Processing Clusters (APC)**
- **Food Safety and Quality Assurance Infrastructure (FTL)**
- **Human Resource and Institutions - R&D**
- **Operation Greens**

9.1.2

PRADHAN MANTRI FORMALISATION OF MICRO FOOD PROCESSING ENTERPRISES SCHEME (PMFME)

Introduction

In line with the Aatmanirbhar Bharat Abhiyan initiative, the Ministry of Food Processing Industries (MoFPI) has introduced a nationwide centrally sponsored scheme called the "PM Formalisation of Micro food processing Enterprises (PMFME) Scheme." This scheme aims to provide financial, technical, and business support to establish or upgrade micro food processing enterprises. It was approved by the Union Cabinet on 20th May 2020, and the scheme's guidelines were issued on 19th June 2020. The PMFME Scheme will be implemented over a period of five years, from 2020-21 to 2024-25, with a budget allocation of INR 10,000 Crore. The scheme aims to directly assist two lakh micro food processing units by providing credit-linked subsidies.

Objectives

Recognizing the significance of unorganized micro food processing enterprises and the obstacles they face; the Ministry of Food Processing Industries (MoFPI) is implementing the scheme by providing a comprehensive package of support and services. The objectives of the scheme are as under:

- **Increased access to credit by existing Micro Food Processing entrepreneurs, FPOs, Self Help Groups and Co-operatives.**
- **Integration with organized supply chain by strengthening branding & marketing**
- **Support for transition of existing 2,00,000 enterprises into formal framework.**
- **Increased access to common services like common processing facility, laboratories, storage, packaging, marketing, and incubation services.**
- **Strengthening of institutions, research, and training in the food processing sector.**
- **Increased access for the enterprises to professional and technical support.**

Provisions under the Scheme

Support for setting up / upgradation of Micro Food Processing Enterprises

- Support for setting up of new micro food processing enterprises and for upgradation of existing micro food processing enterprises are provided under the scheme.
- Organizations such as Individual entrepreneurs/ Proprietorship Firms/ Partnership Firms/ FPOs / NGOs / Cooperatives/ SHGs / Pvt. Ltd. Companies, who have established or propose to establish micro food processing unit, are eligible for financial assistance under the Scheme.
- Credit-linked capital subsidy @35% of the eligible project cost, maximum ceiling INR 10 lakhs per unit. Eligible project cost comprises cost of plant and machinery and technical civil work, but excludes cost of land/ rental or lease work shed. However, technical civil work should not be more than 30% of the eligible project cost.
- Beneficiary contribution - minimum of 10% of the project cost, balance loan from Bank.
- Applicant/Enterprise is eligible for bank loan under the Scheme, even if he has availed bank loan in other Subsidy Linked Schemes of Government. Applicant is also eligible for Interest Subvention and Top Up convergence with other relevant Government Sponsored Schemes. Lending Banks may consider sanctioning need based working capital limit to the beneficiaries, as admissible. However, no subsidy is provided on the working capital.

Support for setting up of common infrastructure Facilities

- Organisations such as Farmer Producer Organisations (FPOs)/ Farmer Producer companies (FPCs)/ Cooperatives/Self Help groups (SHGs) and its Federation/Govt. agencies, who have established or propose to establish food processing line along with common infrastructure/value chain/incubation centres are eligible for financial assistance under this component of the Scheme.
- Credit-linked capital subsidy @35% of the eligible project cost, maximum ceiling INR 3 Crore per unit would be provided. Eligible project cost comprises cost of plant and machinery and technical civil work but excludes cost of land/rental or lease work shed. However, technical civil work should not be more than 30% of the eligible project cost.
- Total eligible project cost should not exceed INR 10 Crore. There will be no pre condition of minimum turnover and experience of the applicant organization.
- The applicant organization's contribution should be minimum of 10% of the project cost with balance required funds being loan from Bank. Before applying on the portal, the applicant organization is also required to submit in-principal approval from the lending bank for the loan envisaged in the means of finance of the project.
- Assistance of INR 50,000/- per case is provided to the applicant organisation for preparation of Detailed project report.

Support to Self-Help Groups (SHGs)

- Seed capital @ INR 40,000/- per member of SHG for working capital and purchase of small tools
- Seed capital to be given as grant to the SHG Federations which should provide as a loan to the members of SHGs

Branding and Marketing Support

- Grant upto 50% for Branding and Marketing support to groups of FPOs/ SHGs/ Cooperatives or an SPV of micro food processing enterprises. It is to be provided for ODOP product at the State or regional level.
- Developing a common brand and packaging including standardization and common packaging for branding.
- Marketing tie-up with national and regional retail chains and state level institutions; and Quality control to ensure product quality meets required standards.
- Support to the said activity under provisions of marketing and branding could also bring competitive price realisation according to the targeted market and customer base.

Capacity Building

The capacity development aspect of the Scheme encompasses a wide range of initiatives aimed at empowering institutions, individuals, and groups. Training plays a pivotal role within this component. The Scheme aims to provide training to various stakeholders, including trainers such as Master Trainers and District Level Trainers, as well as District Resource Persons. Additionally, both existing and new food processing entrepreneurs, along with members of different groups such as Self-Help Groups (SHGs), Farmer Producer Organizations (FPOs), and Cooperatives, engaged in food processing activities, will receive training through the Food Processing Entrepreneurship Development Program. District Resource Persons (DRPs) are appointed by State Nodal Agencies (SNAs) to provide ongoing support to beneficiaries, including assistance with application filing, preparation of Detailed Project Reports (DPR), and guidance for formalization and operationalization processes.

9.1.3

PRODUCTION LINKED INCENTIVE SCHEME FOR FOOD PROCESSING INDUSTRY (PLISFPI)

The food processing industry in India includes manufacturing enterprises at all scales, ranging from micro to large industries. India possesses a competitive advantage due to its abundant resources, a sizable domestic market, and opportunities for promoting value-added products. To unlock the full potential of this sector, Indian companies need to enhance their competitive strength compared to global counterparts in terms of output scale, productivity, value addition, and their integration into the global value chain.

The Central Sector Scheme known as the Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) aims to support the establishment of global food manufacturing champions in line with India's abundant natural resources. It also aims to promote Indian food product brands in international markets. The scheme has a budget allocation of INR 10,900 crore. The PLISFPI has been developed based on the Production Linked Incentive scheme of NITI Aayog under the "Aatma Nirbhar Bharat Abhiyaan for Enhancing India's Manufacturing Capabilities and Enhancing Exports." The scheme will be implemented over a period of six years, from 2021-22 to 2026-27.

The objectives of the scheme are to provide support to food manufacturing entities that meet the specified minimum sales criteria and are willing to make the required minimum investment for expanding their processing capacity. The scheme also aims to offer branding support for promoting Indian brands in international markets, with the intention of incentivizing the development of strong Indian food product brands. The scheme seeks to not only facilitate the establishment of global food manufacturing champions but also to enhance the presence and acceptance of selected Indian food product brands in international markets. In addition, the scheme aims to generate more employment opportunities in non-farm sectors, ensure better prices for agricultural produce, and increase income for farmers.

The first component of the Scheme focuses on providing incentives for the manufacturing of four primary food product segments, namely *Ready to Cook/ Ready to Eat (RTC/ RTE) foods, including products based on millets, processed fruits & vegetables, marine products, and mozzarella cheese.* The second component is dedicated to the production of innovative and organic products by Small and Medium Enterprises (SMEs) in these four segments. This includes products such as free-range eggs, poultry meat, and egg products. The third component is centered around offering support for branding and marketing activities overseas. This aims to encourage the development of strong Indian brands through in-store branding, renting of shelf space, and marketing initiatives.

An additional element pertaining to Millet Based Products was incorporated into the scheme. This inclusion aimed to promote the utilization of millets in Ready to Cook/Ready to Eat (RTC/RTE) products and provide incentives for their value addition and sale in both domestic and export markets under the PLI Scheme. The millet-based products with over 15% millet content by weight/volume are covered under this component.

Approved Applications under PLISFPI Scheme

SCHEME	SEGMENT	NO. OF APPROVALS	TOTAL
CATEGORY 1	RTE/RTC	12	56
	Fruits & Vegetables	29	
	Marine	11	
	Mozzarella Cheese	4	
CATEGORY 2	Innovative	2	16
	Organic	14	
CATEGORY 3	B&M	78	78
PLISMBP	Large Entities	8	30
	MSME	22	

Achievements of MoFPI schemes in Rajasthan (as on date: 31.05.2023)⁶³

PRADHAN MANTRI KISAN Sampada YOJANA (PMKSY) SCHEME

SCHEME NAME	NO. OF PROJECTS APPROVED	TOTAL PROJECT COST (INR CR.)
MEGA FOOD PARK	2	243.16
COLD CHAIN	13	290.99
AGRO PROCESSING CLUSTERS	4	145.96
CEFPPC UNIT	24	333.24
CREATION OF BACKWARD AND FORWARD LINKAGES	6	25.84
FOOD TESTING LABORATORY	1	20.21
OPERATION GREENS	1	5.35

PRODUCTION LINKED INCENTIVE SCHEME FOR FOOD PROCESSING INDUSTRY (PLISFPI)

SCHEME NAME	NO. OF PROJECTS APPROVED	TOTAL PROJECT COST (INR CR.)
FOOD PROCESSING FACTORIES UNDER PLI (production linked incentive)	8	283.55

PRADHAN MANTRI FORMALIZATION OF MICRO FOOD PROCESSING ENTERPRISE SCHEME (PMFME)

SCHEME NAME	NO. OF PROJECTS APPROVED
MICRO ENTERPRISES APPROVED UNDER FME (Formalisation of Micro Food Processing Enterprises Scheme)	323 (as on 07.06.2023)
INCUBATION CENTRES	7

⁶³ Ministry of Food Processing Industries

9.2 SCHEMES BY ALLIED MINISTRIES

Support rendered under various schemes of Allied Ministries of the Government of India is mentioned below:

1 **Mission for Integrated Development of Horticulture (MIDH) Scheme⁶⁴**

A centrally sponsored scheme under the Ministry of Agriculture and Farmers Welfare for the holistic growth of the horticulture sector covering fruits, vegetables, root & tuber crops, mushrooms, spices, flowers, aromatic plants, coconut, cashew, cocoa, and bamboo. Under MIDH, financial assistance is provided for following major interventions/activities:

- Setting up of nurseries, tissue culture units for production of quality seed and planting material;
- Area expansion i.e. Establishment of new orchards and gardens for fruits, vegetables, and flowers;
- Rejuvenation of unproductive, old, and senile orchards;
- Protected cultivation, i.e. poly-house, green-house, etc, to improve the productivity & grow off season high value vegetables and flowers;
- Organic farming and certification;
- Creation of water resources structures and watershed management;
- Bee-keeping for pollination;
- Horticulture Mechanization;
- Creation of Post Harvest Management and Marketing infrastructure.

2 **National Agriculture Infra Financing Facility (NAIFF) Scheme⁶⁵**

The National Agriculture Infra Financing Facility (NAIFF) is an online single window facility under the aegis of the Department of Agriculture & Farmers Welfare. The objective of the initiative is to provide impetus for development of farm gate & aggregation point, affordable and financially viable Post Harvest Management infrastructure, with a financing facility worth INR 1,00,000 Crores, by converging all schemes of central & State governments.

3 **Fisheries and Aquaculture Development Infrastructure Fund (FIDF)⁶⁶**

Government of India has created a dedicated fund, FIDF, implemented by the National Fisheries Development Board with a total fund outlay of INR 7522.48 crore (US\$ 940.31 Million). Under FIDF, creation of fisheries infrastructure facilities both in marine and inland fisheries sectors are augmented, including fishing harbours, fish landing centres, construction of ice plants, cold storage, transport facilities etc.

⁶⁴ Mission for Integrated Development of Horticulture (MIDH)

⁶⁵ National Agriculture Infra Financing Facility

⁶⁶ Department Of Fisheries

4 Pradhan Mantri Matsya Sampada Yojana (PMMSY) Scheme⁶⁷

Pradhan Mantri Matsya Sampada Yojana (PMMSY) is a flagship scheme under the Department of Fisheries, Ministry of Fisheries, Animal Husbandry and Dairying to facilitate the Blue Revolution, promoting sustainable and accountable growth in the fisheries industry in India, an approximate investment of INR 20050 crores (US\$ 2.51 Billion) has been allocated. This investment aims to ensure comprehensive development of the fisheries sector, while also prioritizing the well-being of fishers. Supporting activities under PMMSY:

- Enhancement of Production and Productivity
- Infrastructure and Post-harvest management
- Fisheries management & Regulatory framework

5 Animal Husbandry Infrastructure Development Fund (AHIDF)⁶⁸

The Department of Animal Husbandry and Dairying is implementing the Animal Husbandry Infrastructure Development Fund (AHIDF) scheme with an outlay of INR 15000 crore (US\$ 1.88 Billion) under the Atma Nirbhar Bharat Abhiyan stimulus package. The objective of the scheme is to help increase milk and meat processing capacity and product diversification in the country.

6 Dairy Processing & Infrastructure Development Fund (DIDF)⁶⁹

DIDF is implemented with a total outlay of INR. 11,184 crores with National Bank for Agriculture and Rural Development (NABARD), comprising a corpus fund of INR 8004 crores have been set up for the creation of dairy processing infrastructure. The objective is to provide subsidized loans @6.5% to capital-stressed milk cooperatives for replacing their decades-old chilling and processing plants and addition of value-added product plants. The National Dairy Development Board (NDDB) is the implementing agency of the fund.

7 Agriculture Export Promotion Plan Scheme of APEDA (Agricultural and Processed food Products Export Development Authority)⁷⁰

The Agriculture Export Promotion Plan Scheme of APEDA supports the development and promotion of export of products like, Fruits, vegetables and their products, Meat and meat products, Poultry and poultry products, Dairy products, Confectionary, biscuits, and bakery products, etc. The scheme is designed to boost agricultural product exports, offers support to exporters by addressing challenges in the industry. It accomplishes this by understanding exporter difficulties, providing necessary assistance to overcome obstacles, and offering financial aid in areas such as export infrastructure development, quality enhancement, and market expansion. The scheme focuses on three broad components viz,

- Infrastructure Development
- Market Development
- Product Quality Development

8 Credit Linked Capital Subsidy Scheme (CLCSS) of Ministry of MSME (Ministry of Micro, Small and Medium Enterprises)⁷¹

The objective of the CLCSS Scheme is to facilitate technology up-gradation in MSEs by providing interest subsidy on upgrade of plant & machinery with state-of-the-art technology. The scheme provides an upfront capital subsidy of 15% (on institutional finance of upto INR 1 crore availed by them) for induction of well-established and improved technology.

⁶⁷ Pradhan Mantri Matsya Sampada Yojana

⁶⁸ Animal Husbandry Infrastructure Development Fund (AHIDF) | Department of Animal Husbandry and Dairy

⁶⁹ Dairy processing & Infrastructure Development Fund (DIDF) | Department of Animal Husbandry and Dairy

⁷⁰ Agriculture And Processed Foods Export Promotion Scheme of APEDA for the 15th Finance Commission Cycle (2021-22 To 2025-26)

⁷¹ Credit Linked Capital Subsidy Scheme for Technology Upgradation | Ministry of Micro, Small & Medium Enterprises Credit Linked Capital Subsidy Scheme

9

Venture Capital Assistance Scheme of SFAC (Small Farmers' Agri-Business Consortium)⁷²

Venture Capital Assistance is financial support in the form of an interest-free loan provided by SFAC (Small Farmers' Agri-Business Consortium) to qualifying projects to meet the shortfall in the capital requirement for the implementation of the project.

10

A Scheme for Promotion of Innovation, Rural Industry and Entrepreneurship (ASPIRE)⁷³

ASPIRE- A scheme for promotion of Innovation, Rural Industry and Entrepreneurship, is being implemented by the Ministry of Micro, Small & Medium enterprises (MSME). The objective of the scheme is to set up a network of technology centres and to set up incubation centers to accelerate entrepreneurship and to promote startups for innovation in the agro-industry. The scheme also envisages programmes to facilitate Forward and Backward linkages with multiple value chain of manufacturing and service delivery will also be put in place

11

Pradhan Mantri Kaushal Vikas Yojana (PMKVY)⁷⁴

PMKVY is the flagship scheme of the Ministry of Skill Development & Entrepreneurship (MSDE), implemented by National Skill Development Corporation. The objective of the PMKVY scheme is to encourage and promote skill development in the country by providing free short-duration skill training and incentivizing this by providing monetary rewards to youth for skill certification. The overall idea was to boost the employability of youth corresponding to the industrial demand. The scheme can be leveraged for skill development in the food processing sector



⁷² Small Farmers' Agri-Business Consortium | Venture Capital Assistance Scheme

⁷³ A Scheme For Promotion Of Innovation, Rural Industries & Entrepreneurship (ASPIRE) | Ministry of Micro, Small & Medium Enterprises

⁷⁴ Pradhan Mantri Koshal Vikas Yojana | Ministry of Skill Development & Entrepreneurship

9.3

GOVERNMENT OF INDIA INCENTIVES FOR THE FOOD PROCESSING SECTOR

Income tax incentive to the Food Processing sector⁷⁵

- 100% deduction on profits and gains for new Food Processing Units for the initial 5 assessment years and 25% (30% for companies) for the next 5 years.
- 100% deduction on the expenditure on capital invested for setting up and operating Cold Chain and Warehouse Storage facilities for agricultural produce.



Agro-Processing included in Priority Sector Lending

- Loans for food and agro-processing up to an aggregate sanction limit of INR 100 crore per borrower classified under agricultural activity for Priority Sector Lending (PSL) - RBI Master Directions dated 4th September, 2020.
- Loans to MSMEs engaged in "food and agro-processing" are eligible for classification under Priority Sector Lending (PSL).



100% FDI permitted

- 100% FDI permitted under automatic route in manufacturing of food products since 2016-17.
- 100% FDI allowed through government-approval route for retail trading, including through e-commerce, in respect of food products manufactured/ produced in India since 2016-17.



Automatic Route

Under the Automatic Route, the non-resident investor or the Indian company does not require any approval from the Government of India for the investment.

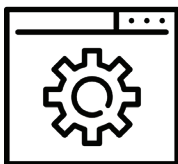
Government Route

Under the Government Route, prior to investment, approval from the Government of India is required. Proposals for foreign direct investment under Government route, are considered by respective Administrative Ministry/ Department.

⁷⁵ "Key Reforms in the Food Processing Sector Since 2014-15" | MoFPI

10. STATE GOVERNMENT INITIATIVES AND SCHEMES

Rajasthan has always endeavoured to provide a hassle-free business environment to enable investors. The Rajasthan State Government has implemented numerous reforms to create a conducive and investor-friendly business environment for those interested in establishing their businesses within the State. The table below highlights some of the key initiatives undertaken by the State Government:



A. Rajasthan Single Window Clearance Portal

One-stop portal for investors to digitally access all State-related business approvals and apply for them as per their business requirements. The portal is designed to assist investors in a transparent, time-bound and hassle-free manner. There is an online system to provide information regarding all approvals required by the industries to set up their businesses.⁷⁶

 swcs.rajasthan.gov.in

B. B. RAJ NIVESH Portal

The RAJ NIVESH portal provides a single point of contact (online) for businesses seeking clearances and approvals from the Rajasthan government. The portal acts as a one-stop shop for information, registration, approval, and tracking of clearances and approvals.

 rajnivesh.rajasthan.gov.in



Industrial Land Bank Portal

A GIS-based portal covering industrial parks serving as a one-stop repository of all infrastructure-related information, such as, connectivity, infra, natural resources and terrain, plot-level information on vacant plots and contact details.⁷⁷

 iis.ncog.gov.in



Industrial Areas and SEZs

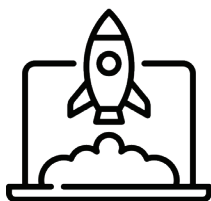
The industrial areas in Rajasthan provide investors with specialized business infrastructure and facilities like inbuilt roads, water and drainage facilities, power supply, etc. Many industrial areas in Rajasthan have been ranked among the best in the country as per IPRS 2.0 Report issued by DPIIT.⁷⁸

 rajasthan.gov.in

⁷⁶ Government of Rajasthan | Single Window Clearance System


⁷⁷ Government of Rajasthan | Industrial Land Bank Portal

⁷⁸ Invest Rajasthan



Rajasthan Start-up Policy 2022

Government of Rajasthan has launched the Rajasthan Start-up Policy in November 2022 by which the objective of the State is to, “becoming the entrepreneurial and innovation hub of India” in India by providing greater impetus to nurturing and growth of start-ups across the State.⁷⁹

 istart.rajasthan.gov.in



Rajasthan Solar Energy Policy, 2019⁸⁰

Develop a global hub of solar power of 50GW capacity in next 5-6 years to meet energy requirement of Rajasthan and India.

 energy.rajasthan.gov.in



Rajasthan Investment Promotion Scheme, 2019⁸¹

In order to generate employment opportunities and promote rapid, sustainable and balanced economic growth in the State of Rajasthan, the State Government of Rajasthan, in public interest, hereby issues “The Rajasthan Investment Promotion Scheme, 2019” (RIPS-2019) (hereinafter referred to as “the Scheme”) to provide benefits to eligible manufacturing and services sector enterprises.

 rajnivesh.rajasthan.gov.in

Key incentives introduced by State Government of Rajasthan for the food processing industry and other industrial units under its major policies are summarized in the table below:

KEY INITIATIVES RAJASTHAN AGRO-PROCESSING, AGRI-BUSINESS & AGRI-EXPORT PROMOTION POLICY, 2019⁸²

Capital Subsidy

State Capital Investment Subsidy to:

- **Farmers or their organisation:** Subsidy @ 50% of Plant & Machinery and technical civil work with a ceiling of INR 100 Lakhs
- **Others:** Subsidy @ 25% of Plant & Machinery and technical civil work with a ceiling of INR 50 Lakhs
- **Units in Mega Food Parks, Agri Clusters:** Additional Subsidy @ 10% of Plant & Machinery and technical civil work with a ceiling of INR 100 Lakhs or 50 Lakhs as the case may be
- **Creating Primary Processing Centres / Collection Centres in Rural Areas:** Additional Subsidy @ 10% of Plant & Machinery and technical civil work with a ceiling of INR 100 Lakhs or 50 Lakhs as per the case

⁷⁹ Rajasthan Start-up Policy 2022

⁸⁰ Raj Nivesh | Government of Rajasthan

⁸¹ iStart

KEY INITIATIVES

RAJASTHAN AGRO-PROCESSING, AGRI-BUSINESS & AGRI-EXPORT PROMOTION POLICY, 2019⁸²

Interest Subsidy

- **Interest Subsidy on the Term Loan for Agro processing Units:** Subsidy @ 5 % on interest paid with a ceiling of INR 50.00 lakhs on term loans availed by an entrepreneur for setting up of Micro & Small Enterprises for a period of 5 (five) years from the date of disbursement of the loan or repayment of loan, whichever is earlier.
- The said limit of INR 50 Lakhs shall be raised to INR 100 Lakhs for Agro-Infrastructural Projects, such as, Warehouse, Cold Storages, Food Irradiation Processing Plants, Pack houses, Reefer Vans etc.
- Additional subsidy @ 1% to Units with 100% ownership of farmers or FPOs, FPCs with ceiling of INR 100 Lakhs
- Additional subsidy @ 1% to Units with 100% ownership of SC/ST or women entrepreneurs and young entrepreneurs with age below 35 years
- Additional subsidy @ 1% n to Units set up in 28 the TSP or Backward districts notified by the Government

Subsidy on Power

- Subsidy @ 1 per Kwh with a ceiling of INR 2 lakhs per year for a period of 5 years
- Subsidy @ 30% of cost of solar power plant with a ceiling of INR. 10 Lakhs.

Subsidy on cost incurred on Quality Control Measures

- Reimbursement of entire fee registering for Patent and Design subject to a maximum of INR 2 lakhs per year.
- Reimbursement of the prescribed fee for internationally accepted quality/environmental/food safety certification with a ceiling of INR. 2 Lakhs for each certification.

Subsidy on Project Development Report

- Subsidy @ 50% of the cost of preparation of a Detailed Project Report with a ceiling of INR. 5 Lakhs

Subsidy on Research & Development

- Subsidy @ 50% of the cost of research & development with a ceiling of INR 20 lakhs per year.

Subsidy for Market Development & Diversification

- Subsidy @ 50% of the cost of sending samples of agri-products of Rajasthan origin abroad for test marketing with a ceiling of INR 50,000 per beneficiary for one sample to one country

Subsidy on Freight

Subsidy on Exports of Spices and Processed Agri Products:

- **Surface Transport:** Subsidy @ 25% of transport charges from purchasing area/mandi to port with a ceiling of INR 800 per ton for ordinary produce and Subsidy @ 40% of transport charges from purchasing area/mandi to port with a ceiling of INR 1000 per ton for organic produce. *
- **Sea Transport:** Subsidy @ 6,000/- per container (20'/weight 20 metric ton)/INR12,000 per container (40'/weight 40 metric ton) with a ceiling of INR 800 per ton for ordinary produce and Subsidy @ 10,000/- per container (20'/weight 20 metric ton)/INR20,000 per container (40'/weight 40 metric tons) with a ceiling of INR 1500 per ton for organic produce. *

The Government has also announced freight subsidies for fresh fruits & vegetables, flowers, and raw agricultural produce.

* The maximum freight subsidy for ordinary produce shall be INR15 lakhs per beneficiary per year for a maximum period of 3 years while for organic produce it shall be INR20 lakhs per beneficiary per year for a maximum period of 5 years.

11. REGULATORY FRAMEWORK: REGISTRATION/NOCS/ LICENSES

Table below represents the indicative information regarding Regulatory Mechanism available in the State.

FOR STARTING OPERATIONS

S.No	Name of Service	Authority/ Agency/ Office/ Department officer granting approval
1.	Registration under FSSAI Act,2006, regulation 2011	FSSAI, Health & Family Welfare Department, & Food Safety
2.	License under FSSAI Act,2006, regulation 2011	FSSAI, Health & Family Welfare Department, & Food Safety
3.	Registration Of Boilers Under Boilers Act, 1923	Factories And Boilers Inspectorate
4.	Registration Under Contract Labour (Regulation And Abolition) Act, 1970 (Principal Employer) Temporary	Labour Department Rajasthan State Pollution Control Board (RSPCB)
5.	Registration Under Inter-State Migrant Workmen (Re & Cs) Act,1979 (Principal Employer)	Labour Department
6.	Registration Under Rajasthan Shops & Commercial Establishments Act,1958	Labour Department
7.	Building Completion Certificate	Local Self Government (LSG)
8.	Authorization Under Solid Waste Management Rules	Rajasthan State Pollution Control Board (RSPCB)
9.	Consent To Establish Under Air and Water (Prevention And Control of Pollution) Act 1981 And Water Act 1974	Rajasthan State Pollution Control Board (RSPCB)
10.	Consent To Operate Under Air and Water (Prevention And Control Of Pollution) Act 1981 And Water Act 1974	Rajasthan State Pollution Control Board (RSPCB)
11.	Registration Under Plastic Waste (Management & Handling) Rules	Rajasthan State Pollution Control Board (RSPCB)

FOR SETTING UP OF BUSINESS

S.No	Name of Service	Authority/ Agency/ Office/ Department officer granting approval
12.	Transformer / Line Energization Certificate	Energy Department
13.	Factory Building Plan Approval Under Factories Act, 1948	Factories and Boilers Inspectorate
14.	Allotment Of Land for Various Purposes in Urban Areas Under "Allotment Policy, 2015	Local Self Government (LSG) Or Urban Development and Housing (UDH); as the case may be
15.	Approval For Building Plan	Local Self Government (LSG)
16.	Conversion Of Land (Agriculture to Non-Agriculture) Under Rajasthan Land Revenue Rules 2012	Local Self Government (LSG) Or Urban Development and Housing (UDH); as the case may be
17.	Fire No Objection Certificate	Local Self Government (LSG)
18.	Issuance Of Lease Deed	Local Self Government (LSG) Or Urban Development and Housing (UDH); as the case may be
19.	Layout Plan Approval as Per Rajasthan Township Policy, 2010	Local Self Government (LSG)
20.	Sub-Division/Reconstruction of Plots	Local Self Government (LSG) Or Urban Development and Housing (UDH); as the case may be
21.	Permission For Road Cutting	Public Works Department (PWD)
22.	Allotment Of Land & Possession of Allotted Land	Rajasthan State Industrial Development and Investment Corporation (RIICO)
23.	Building Plan Approval	Rajasthan State Industrial Development and Investment Corporation (RIICO)
24.	Execution Of Lease Agreement	Rajasthan State Industrial Development and Investment Corporation (RIICO)
25.	New Water Connection	Rajasthan State Industrial Development and Investment Corporation (RIICO)
26.	Environmental Clearance under EIA Notification 2006 By GOI	State Environmental Impact Assessment Authority (SEIAA)
27.	Approval Of Building Plan	Urban Development and Housing (UDH)
28.	Building Completion Certificate	Urban Development and Housing (UDH)
29.	Layout Plan Approval as Per Rajasthan Township Policy, 2010	Urban Development and Housing (UDH)
30.	Application For Power Connection	Vidyut Vitran Nigam Limited

12. MAJOR PLAYERS IN FOOD PROCESSING AND ALLIED SECTORS

BENEFICIARIES UNDER PLI SCHEME OF MOFPI, GOVERNMENT OF INDIA

NAME OF THE FIRM	LOCATION
ITC Limited	Sikar
Parle Biscuits Private Limited	Parbatpura, Alwar
Bikaji Foods International Limited	Bikaner, Bikaner, Bikaner
MTR Foods Private Limited	Kota

BENEFICIARIES UNDER INTEGRATED COLD CHAIN AND VALUE ADDITION INFRASTRUCTURE SCHEME, UNDER PMKSY SCHEME OF MOFPI, GOVERNMENT OF INDIA (OPERATIONAL UNITS)

NAME OF THE FIRM	LOCATION
Jhunsons Chemicals Pvt. Ltd	Alwar
Shiv Health Foods LLP	Kota
Shree Shubham Logistics Ltd	Kota
Fidelo Farms Private Limited	Jaipur
B.L.Agro Industries	Bikaner
Dev Milk Foods Pvt. Ltd.	Jaipur
Friends Agro Industries	Bundi
NokhaAgrotechPvt. Ltd	Bikaner
Raghunandan Cold Chamber LLP	Dholpur
Rajendra& Ursula Joshi Food Industries Pvt. Ltd.	Jaipur
Satyam Food Processing Company	Hanumangarh
Mewar Foods Private Limited	Jaipur

BENEFICIARIES UNDER CREATION / EXPANSION OF FOOD PROCESSING & PRESERVATION CAPACITIES (CEFPPC) SCHEME, UNDER PMKSY SCHEME OF MOFPI, GOVERNMENT OF INDIA (OPERATIONAL UNITS)

NAME OF THE FIRM	LOCATION
M/s Shree Ram Udhyog	Jodhpur
M/s Northern Solvents Pvt Ltd	Ajmer
M/s P.C. Kannan & Co	Kota
M/s Kothari Foods LLP	Ajmer
M/s Blop Agro Foods LLP	Alwar
M/s Pavanputra Wafers Pvt Ltd	Jodhpur
M/s Shri Rathi Snacks Industries LLP	Jodhpur
M/s Shankar Confectionary	Jodhpur
M/s CG Food India	Ajmer

BENEFICIARIES UNDER CREATION OF BACKWARD AND FORWARD LINK-AGES UNIT, UNDER PMKSY SCHEME OF MOFPI, GOVERNMENT OF INDIA (OPERATIONAL UNITS)

NAME OF THE FIRM	LOCATION
M/s Sunrise Milk Plant	Alwar
M/s Shalu Agro Foods	Ajmer
M/s GanpatiUdyog	Bikaner
M/s Arihant Enterprises	Jodhpur
M/s Kitchen Harvest Foods	Jodhpur

BENEFICIARIES UNDER MEGA FOOD PARK SCHEME (MFP), UNDER PMKSY SCHEME OF MOFPI, GOVERNMENT OF INDIA (OPERATIONAL UNITS)

NAME OF THE FIRM	LOCATION
Genentech Mega Food Park Pvt. Ltd.	Ajmer

13. LIST OF FARMER PRODUCER ORGANISATIONS

A total of 351 Farmer Producer Organisations (FPO) are present in the State of Rajasthan and out of these the following indicative list represents FPOs with major crop/produce production of the State. The details of FPOs in the State are available at APEDA Farmer Connect FPO Directory

NAME OF THE FIRM	ADDRESS / CONTACT	COMMODITY
Aashu Kisan Agro Producer Company Ltd.	Sr. No. 80 Samiriya, PO: Akodiya, Tal: Chaksu, Dist : Jaipur, Rajasthan.	Tomato, Chilli, Pea, Onion
Jambeshwar Digifarm Producer Company Limited	D-85 Samta Nagar	Gwar, Chana, Moong, Moth, Rmseed, Groundnut, Bajra
Badouli Agro Producer Company LTD	Jaluki Road Near PNB Bank Laxmangarh Alwar	Bajra, wheat, onion, Green Chilli
Bala Ji Kisan Agro Producer Company Ltd.	118, Meena Basti, Katar ,Tal:- Khandaar, District Sawai Madhopur, Rajasthan	Soyabean, Mustard, Wheat
Dholagarh Devi agrofed farmer producer company limited	Kathumar alwar	Mustard,wheat , Pearl millet,sorghum
Siromani Milk Producer Company Limited	Pujari Ki Dhani, Khata No. 131, Khasra No. 1066, Tehsil - Nawalgarh, Jhunjhunu - 333042	Dairy
Shakti Mata Mahila Kisan Producer Company Limited	C/o Shri Chavand Singh, Village - Borda, Tehsil - Kotri, Bhilwara - 311603	Dairy,Milk Collection
Alwar Mahila Sangam Producer Company Limited	Bewadi Wala Kuan, Tehsil Kishangarhbas, Alwar 301001	Spice Sale, Purchase, Dairy, Wheat, Foodgrains
Shreekamal Dairy and Horticultural Exports Producer Company Limited	VPO - Thanwala, Tehsil - Riyan Bari, Nagaur - 305026	Ghee, Dairy, Paneer
Jind Baba Farmer Producer Company Limited	A Shop, Near Govt Primary School, Chatrpura, Tehsil -Mangrol	Garlic
Pragatisheel Krishk Agro Producer Company Limited	Ward No. 23, Chhipabarod	Garlic

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