



FOOD PROCESSING

Towards Sustainable Growth Opportunities

JAMMU & KASHMIR

JAMMU & KASHMIR





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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
CA	Chartered Accountant
CAGR	Compound Annual Growth Rate
CBFL	Creation of Backward and Forward Linkages
CEFPPC	Creation/Expansion of Food Processing & Preservation Capacities
CEPC	Carpet Export Promotion Council
CII	Capital Investment Incentive
CIS	Capital Interest Subvention
CLCSS	Credit Linked Capital Subsidy Scheme
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
EM-I & II	Entrepreneurs Memorandum
EoDB	Ease of Doing Business
EOI	Expression of Interest
EPCH	Export Promotion Council for Handicrafts
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
GSDP	Gross State Domestic Product
GST	Goods and Services Tax
GSTLI	Goods & Services Tax Linked Incentive
GVA	Gross Value Added
ha	Hectare
HACCP	Hazard Analysis and Critical Control Point
HDP	High-Density Plant
ICD	Inland Container Depot
INR	India Rupee
IQF	Individual Quick Freezing
ITPO	Indian Trade Promotion Organization

ACRONYMS

ABBREVIATION	DEFINITION
J&K	Jammu and Kashmir
JKTPO	Jammu and Kashmir Trade Promotion Organization
Km	Kilometre
KW	Kilowatt
LEADS	Logistics Ease Across Different States
LLP	Limited Liability Partnership
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
NCSS	New Central Sector Scheme for Industrial Development of Jammu and Kashmir
NDDB	National Dairy Development Board
NGO	Non-Governmental Organization
NOC	No Objection Certificate
ODOP	One District One Product
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
RTC	Ready to Cook
RTE	Ready to Eat
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
SWC	Single Window Clearance
USD	U.S. Dollar
UT	Union Territory
WCIS	Working Capital Interest Incentive

JAMMU AND KASHMIR



ABSTRACT

Indian food processing sector's remarkable growth:

The Indian food processing sector has witnessed remarkable growth, with an average annual growth rate exceeding 9% since 2014-15. It plays a crucial role in connecting the industry and the agriculture sector, contributing to the overall economic development.

Jammu and Kashmir's agriculture as Economic backbone:

Agriculture and allied activities form the backbone of Jammu and Kashmir's economy. The Union Territory has a robust GSDP of USD 23.66 billion and is known for its abundant production of various high-value agricultural commodities.

Jammu and Kashmir's strengths and achievements:

Jammu and Kashmir 57 industrial estates and over 25,000 MSME units, highlighting its industrial potential. It ranks 6th in solar power installed capacity and holds the top position as the producer of trout fish in India. The region is also recognized as the Fruit Bowl of India, excelling in the production of apples, almonds, apricots, walnuts, cherries, and plums.

Government support and recognition:

Jammu and Kashmir's efforts in promoting its industries are acknowledged, with the Union Territory graded as an aspirer in the Export Preparedness Index 2022 and ranking second in NITI Aayog's assessment. The central government has introduced a new central sector scheme worth Rs. 28,400 crores to support industrial development in Jammu and Kashmir. Additionally, the region has attracted committed investments under the Production Linked Incentive Scheme, further bolstering its growth potential. It has received approvals and support under the Pradhan Mantri - Kisan Sampada Yojana scheme, facilitating the establishment of a mega food park, cold chains, agro-processing clusters, and food testing labs.

Opportunities in Jammu and food processing sector:

Jammu and Kashmir offers diverse opportunities in the food processing sector, including fruits, vegetables, bakery products, and nutraceuticals. It holds several remarkable distinctions in India's agricultural landscape, being the largest and only producer of Saffron, one of the most valuable spices. Additionally, it is the leading producer of apples, accounting for approximately 70% of the country's total production. Jammu and Kashmir also ranks as the second-largest producer of plums and pears in India. The region has received two geographical indicator tags for Basmati rice and Kashmir Saffron, further highlighting its exceptional agricultural contributions. It offers ample opportunities in the food processing sector, covering a wide range of products, from fruits and vegetables to ready-to-eat/ready-to-cook items.

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

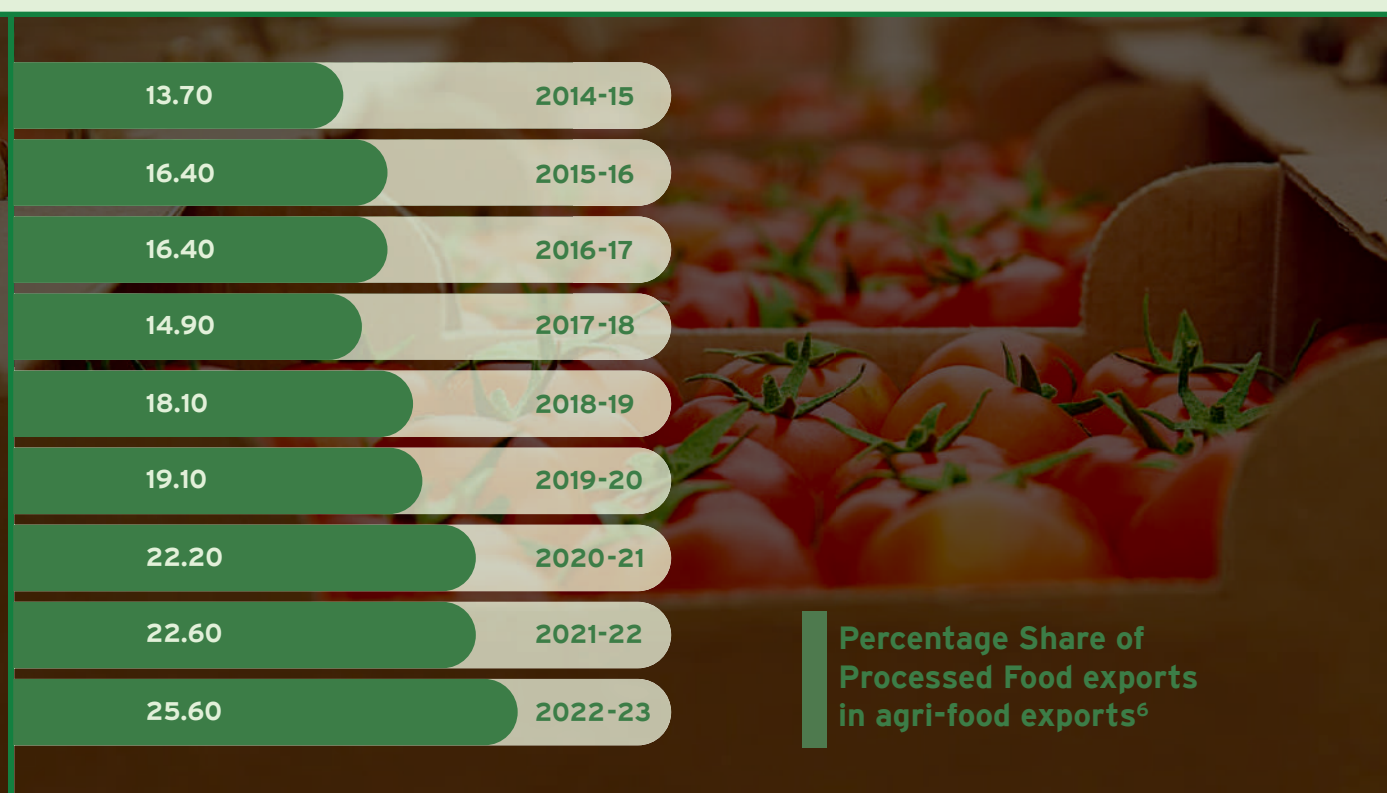
² MoFPI

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, 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 market estimates, 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, after China and Japan, in the said period⁷.

⁵ MoFPI

⁶ Ibid

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

⁸ Ibid

02. OVERVIEW

The former state of Jammu & Kashmir has been reorganized as the Union Territory of Jammu and Kashmir on 31st October 2019. Popular by the sobriquet “Heaven on Earth”, the State is located in the extreme north of the country, with China in the north, Punjab and Himachal Pradesh in the south, and Pakistan in the west. The economy of Jammu and Kashmir primarily relies on agriculture and related sectors, with a significant portion of the population engaged in agricultural and allied activities.

UT Capital

Jammu (winter),
Srinagar (summer)

Geographic Area⁹

1,20,355 sq. km

Population (Census 2011)¹⁰

12.5 Million

Total Road Length (2019)¹¹

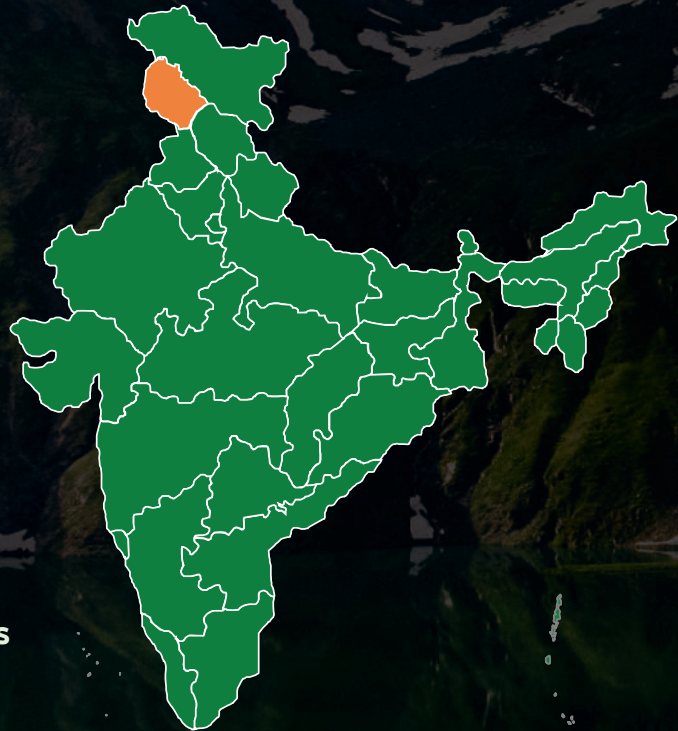
1,20,034 (km)

Industrial Area¹²

67 Developed Industrial Estates
 and **42** under development

Rail length (2021)¹³

493 (Route km)



⁹ Jammu and Kashmir | Official Portal | J&K at a Glance

¹⁰ MoSPI | Population

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

¹² DPIIT | LEADS 2022 Logistics Ease Across Different States

¹³ Government of J&K | Department of Industries and Commerce

Gross State Domestic Product (GSDP)¹⁴

USD 23.66 Billion
(2021-22)

Per Capita Net State Domestic Product¹⁵

USD 2184.30
(2022-23)

Airports¹⁶

Jammu Airport

Srinagar Airport

Agri Export Zone¹⁷

2
(Apple and Walnut)

Infrastructure^{18&19}

1
Air Cargo Terminals

4
Food Parks

22
Railway Goods Sheds

11
Walnut Processing Units

26
Controlled Atmosphere Storage Units
2.50 lakh MT
Cold Storage Capacity

Installed power²⁰

Thermal
881.22 MW

Nuclear
67.98 MW

Renewables
2566.79 MW

Hydro:
2321.88

¹⁴ RBI | Handbook of Statistics on Indian States | Gross State domestic product

¹⁵ ECONOMIC SURVEY 2022-23 | Directorate of Economic Statistics | Government of J&K | Net State Domestic Product

¹⁶ Advantage J&K | Global Investor Summit | Government of Jammu and Kashmir

¹⁷ APEDA | Agri Exchange | Agri Export Zone

¹⁸ DPIIT | LEADS 2022: Logistics Ease Across Different States

¹⁹ J&K Global Investor Summit | Agro & Food Processing | Government of J&K

²⁰ Central Electricity Authority | Installed Capacity Report | Installed Capacity

03. ADVANTAGE JAMMU AND KASHMIR



Hydroelectric Power Potential
of 14,867 MW²¹.



25000 + **MSME units**²².



6th in **Solar Power Installed**
Capacity²³.



Known as the **Fruit Bowl of**
India²⁴.



Home to World's Finest
Saffron. J&K is the largest
and the **ONLY** producer of
Saffron (one of the most
expensive spices) in India²⁵.



Successful in the cultivation
of **high-quality basmati,**
saffron, cumin (jeera), and
commercial floriculture²⁶.



Rs. 350 crores reserved for
the development of
industrial estates.



One of the **lowest Industrial**
Land Rates among
neighbouring States.

²¹ Global Investor Summit | Manufacturing | Government of Jammu and Kashmir

²² ibid

²³ Global Investor Summit | Renewable Energy | Government of Jammu and Kashmir

²⁴ Global Investor Summit | Horticulture & Post Harvest Management | Government of Jammu and Kashmir

²⁵ Department of Agriculture & Farmers Welfare | Horticulture | State Level | Area and Production of Horticulture crops for 2021-22 (3rd Advance Estimates)

²⁶ Agriculture Department in the Service of Farming Community, Jammu Division, J&K State

Largest producer of Apple in India (accounting for 70% of total production)²⁷.



Largest producer of Almonds, Walnuts, and Cherries in India²⁸.



2nd largest producer of Plums in India²⁹.



No.1 in trout fish production in India³⁰.



²⁷ Department of Agriculture & Farmers Welfare | Horticulture | State Level | Area and Production of Horticulture crops for 2021-22 (3rd Advance Estimates)

²⁸ ibid

²⁹ ibid

³⁰ Global Investor Summit | Milk, Poultry, Wool & Fisheries | Government of Jammu and Kashmir



Leading producer of **wool** in India.



Mega opportunities in the Food Processing sector due to high availability of raw materials.



High-value commodities with “**brand value**” – Kashmiri Saffron, Temperate Honey, Jammu Basmati.



One of the **Leaders in Quality of overall infrastructure**, under the Union Territories’ Category, LEADS 2022³².



Graded as Aspirer under Union Territories’ Category, as per **LEADS 2022**³³.



Ranks #2nd in NITI Aayog’s Export Preparedness Index 2022 for the UT category³⁴.



Competitive cost of doing business³⁵.



New Central Sector Scheme of INR 28,400 crores notified by Centre Government for industries in J&K

³² DPIIT | LEADS 2022: Logistics Ease Across Different States

³³ ibid

³⁴ Niti Aayog | Export Preparedness Index 2021

³⁵ Why Invest in J&K 2022 presentation | Single Window System | Jammu & Kashmir

04. LOCAL FOOD SYSTEM

4.1 INDIGENOUS PRODUCE

The horticulture sector holds significant importance in the Union Territory (UT) as it serves as a vital contributor to the economy and a major source of livelihood for a substantial portion of the population. J&K is renowned globally for its diverse range of horticultural products, known for their exceptional quality and taste. In the temperate regions, fruit crops such as apples, almonds, walnuts, pears, cherries, and apricots are cultivated, while lower plain districts yield mangoes, citrus fruits, litchis, papayas, guavas, and more. The cultivation of saffron in Jammu and Kashmir stands out unique and is renowned worldwide for its colour and aroma.³⁶

Jammu and Kashmir, with its **3 distinct agro-climatic zones**³⁷, facilitates the cultivation of exclusive crops like Saffron, Berries, Figs, and a special variety of rice called MuskhBudji. The MuskhBudji variety offers a delightful combination of taste, aroma, and rich organoleptic properties. Additionally, the region holds the distinction of being India's largest producer of Apples, Walnuts, Cherries, and Almonds. It is also home to Asia's largest tulip garden, adding to its diverse agricultural achievements. The gross cropped area has witnessed a rise to 12.50 Lakh Hectares as a result of enhanced cropping intensity.³⁸

STATE HAS RECEIVED 2 GEOGRAPHICAL INDICATOR (GI) TAGS FOR³⁹ -

- Basmati
- Kashmir Saffron

³⁶ Horticulture Department | Government of Jammu & Kashmir










³⁷ ADVANTAGES OF J&K | J&K Investor Summit | Government of J&K

³⁸ J&K Budget Speech 2023-24 | Govt. of J&K

³⁹ Intellectual Property | Registration Details of Geographical Indications

4.2 KEY PRODUCTION HIGHLIGHTS

Key Production Highlights of the UT (in India) include:

 <p>Valuable crops include saffron, cumin (jeera), and commercial floriculture</p>	 <p>Largest producer of trout fish</p>
 <p>Ranked 1st in production of Apple⁴⁰</p>	 <p>Ranked 1st in the production of Saffron⁴¹</p>
 <p>Largest producer of Walnut⁴²</p>	 <p>Largest producer of Almond⁴³</p>
 <p>2nd largest producer of Pear⁴⁴</p>	 <p>2nd largest producer of Plum⁴⁵</p>
 <p>3rd largest producer of Peach⁴⁶</p>	



⁴⁰ Department of Agriculture & Farmers Welfare | Horticulture | State Level | Area and Production of Horticulture crops for 2021-22 (3rd Advance Estimates)

⁴¹ ibid

⁴² ibid

⁴³ ibid

⁴⁴ ibid

⁴⁵ ibid

⁴⁶ ibid

KEY PRODUCTION STATISTICS ARE PRESENTED BELOW^{47&48}

CROPS

'000 MT

RICE

581.5

COARSE CEREALS

519.6

WHEAT

483.9

PULSES

10.1



LIVESTOCK & FISHERIES

MILK

2595 '000 tonnes

MEAT

88 '000 tonnes

EGGS

2128 lakh

FISH

0.21 lakh tonnes

FRUITS

'000 MT

APPLE

1734.63

ALMOND

9.81

WALNUT

267.16

PEAR

81.53



VEGETABLES

'000 tonnes

CABBAGE

76.53

OKRA (LADY FINGER)

143.68

CAULIFLOWER

93.55

POTATO

197.87

SPICES

'000 MT

SAFFRON

0.003

GINGER

0.05

GARLIC

0.56

RED CHILLIES

0.54

⁴⁷ Department of Agriculture & Farmers Welfare | Horticulture | State Level | Area and Production of Horticulture crops for 2021-22 (3rd Advance Estimates)

⁴⁸ RBI | RBI Handbook of Statistics on Indian States

05. PRODUCTION CLUSTERS⁴⁹

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

FISH based products

Anantnag, Ganderbal



POULTRY/ MUTTON products

Bandipora



APPLE based products

Baramulla, Shopian



MILK based products

Budgam, Pulwama, Rajouri, Jammu



OLIVE products

Doda



SPICES

Kathua, Reasi





WALNUT products

Kishtwar, Kupwara



SPICES & PICKLES

Kulgam



MILLET based products

Poonch



HONEY

Ramban



MUSHROOM products

Samba



BAKERY products

Srinagar



PICKLES

Udhampur

06. MILLETS IN JAMMU & KASHMIR



The region of Jammu and Kashmir yields two valuable types of Millets - Buckwheat and Amaranthus, which are grown in mountainous areas and rely mainly on rainfall. These crops are highly nutritious, environmentally friendly, and require minimal use of agrochemicals and fertilizers. In the year 2020-21, the Union Territory (UT) produced 7306 MT⁵⁰ of Buckwheat and Amaranth, along with a limited quantity of major millets like Jowar, Bajra, and Foxtail millet, primarily for local consumption.

Millets, often referred to as "miracle grains" or "crops of the future," demonstrate remarkable resilience to the impacts of climate change. They can thrive in a wide range with minimal water and external inputs, making them an ideal choice for small-scale farmers in Jammu and Kashmir. To promote the production and consumption of millets and other nutritious cereals, the government of Jammu and Kashmir has initiated a significant project worth Rs. 15 crores in the Union Territory⁵¹.

⁵⁰ E-Catalogue For Export Of Millets And Value Added Products JAMMU & KASHMIR AND LADAKH

⁵¹ Department of Information & Public Relations | Government of Jammu & Kashmir

07. AGRICULTURAL MARKETING

Jammu and Kashmir has established the "Jammu and Kashmir Horticulture Planning and Marketing Department" for the promotion and facilitation of agriculture marketing, in accordance with the dedicated Act titled "Jammu and Kashmir State Agricultural Produce Marketing (Regulation) Act 1997 with an aim to provide better administration of markets for agricultural produce and matters connected therein in the union territory of Jammu and Kashmir.



⁵² J&K Horticulture Planning & Marketing Department
⁵³ Details of FCI FSD in J&K Region | Food Corporation of India
⁵⁴ J&K Global Investor Summit | Agro & Food Processing | Government of J&K
⁵⁵ e-NAM DIRECTORY | Department of Agriculture, Cooperation & Farmers' Welfare Ministry of Agriculture & Farmers' Welfare Government of India
⁵⁶ Food Processing Industries | Ministry of Food Processing Industries
⁵⁷ DATA OF REGISTERED FPOs | Ministry of Agriculture & Farmers Welfare
⁵⁸ Agmarket | Directorate of Marketing & Inspection (DMI), Ministry of Agriculture and Farmers Welfare

08. POTENTIAL OPPORTUNITIES

The region is known for its abundant agricultural resources, including fruits, vegetables, cereals, and spices. Food processing involves transforming these raw materials into value-added products, such as juices, jams, pickles, sauces, dairy products, and snacks. Following are some potential opportunities in the food processing sector in Jammu and Kashmir -

FRUITS AND VEGETABLES

The Union Territory of Jammu and Kashmir is renowned for its apples, cherries, apricots, and saffron. There are lucrative **opportunities in fruit and vegetable processing**, which involve sorting, grading, washing, pulping, juice extraction, canning, and drying.

- **Processed food items** such as ready-to-eat or ready-to-cook meals, beverages (such as apple juice, apple cider vinegar, jam, sauce, wine, distilled spirits, and jelly produced through industrial processes), as well as dried and fresh products.
- **Jammu & Kashmir** is the 2nd largest producer of plum and pear. Processed food items which can be produced include pear juice, pear puree, pear sugar preserves for pastry/cake fillings, plum compote, plum jam, and plum sauce.
- **Major** produced vegetables include radish, okra (ladyfinger) and potato. Processed food items include:
 - **Okra:** Frozen Okra, Pickled Okra, Dehydrated Okra (can be used in stews/soups)
 - **Radish:** Grated radish (for sandwiches and tacos), Radish Pickles, Radish Powder (used as a flavouring agent)
 - **Potato:** Potato Chips, French Fries, Potato Flakes (can be used for instant mashed potatoes or bakery products)





ALMOND AND WALNUT PROCESSING

The Union Territory of Jammu and Kashmir presents promising opportunities for almond and walnut food processing.

- **Almond processing** holds great potential due to the significant almond production in the region. Almond processing units can undertake activities such as hulling, shelling, blanching, roasting, grinding, and packaging almonds. The **production of almond butter, almond milk, almond flour, and other almond-based products** is worth considering.
- **Jammu and Kashmir's walnuts contribute to over 80% of the total walnut production** in India. This presents an opportunity for walnut processing. Walnuts can be utilized to create a range of products, including **luxurious plant-based cream, which serves as a perfect dairy-free thickener for soups and sauces**. Additionally, walnut-based items such as walnut bread and bars (ready-to-eat) and walnut oil can be developed.

Products like Butter, Milk, Granola, Brittle, Trail Mix, Walnut and Almond Crusted Chicken or Fish savoury dishes, Chocolate Truffles, Pesto sauce, Tarts, etc. can provide delightful culinary experience in Jammu and Kashmir



BAKERY

In the Union Territory of Jammu and Kashmir, there are excellent prospects for bakery products made from fruits, almonds, and walnuts.

- **Fruit-based Bakery Products:** Utilize the abundant fruits of the region, such as apples, cherries, and apricots, to create a variety of delectable bakery items. Consider making fruit pies, tarts, turnovers, muffins, and cakes infused with the natural flavours of these fruits.
- **Almond Bakery Products:** With significant almond production in Jammu and Kashmir, incorporate almonds into bakery goods. Develop almond biscuits, cookies, cakes, and pastries that showcase the delightful taste and texture of almonds. Products like Almond Biscotti, Almond Macarons, Almond Croissants, etc. can be focused on.
- **Walnut Bakery Products:** Take advantage of the region's dominant walnut production and create bakery delights featuring walnuts. Craft walnut bread, rolls, muffins, brownies, and cookies to provide a rich and nutty experience to consumers. Products like Walnut Brownies, Walnut Banana Bread, Walnut Tart, etc. can be produce

Products like Butter, Milk, Granola, Brittle, Trail Mix, Walnut and Almond Crusted Chicken or Fish savoury dishes, Chocolate Truffles, Pesto sauce, Tarts, etc. can provide delightful culinary experience in Jammu and Kashmir



NUTRACEUTICALS

According to the FSSAI Act, 2006⁵⁹, and the Rules and Regulations, 2011, nutraceuticals are classified as food products. Saffron, renowned for its carotenoid derivatives, crocins, safranal, and picrocrocin, possesses well-established nutraceutical and therapeutic properties. While saffron is commonly used as a spice to add colour, flavour, and aroma to dishes, it also holds ancient medicinal significance with documented therapeutic properties. The Pampore region in India, also known as the Saffron Bowl of Kashmir, is the primary producer of saffron.

■ Opportunities for saffron-based products include:

- Saffron-infused beverages
- Saffron supplements
- Saffron-enriched functional food
- Saffron-based products with medicinal value



INFRASTRUCTURE AND INNOVATION

- Refrigerated Transport Chain
- Development of Controlled Atmosphere Facilities
- Integrated Processing and Packing Units
- Development of High-Density Plant (HDP) Nurseries
- Processing and Packaging of Rice
- Production of Heirloom Varieties.

⁵⁹ FSSAI | FSSAI guidance and notification on nutraceuticals

09. GOVERNMENT OF INDIA SCHEMES FOR FOOD PROCESSING

9.1 SCHEMES UNDER MINISTRY OF FOOD PROCESSING INDUSTRIES⁶⁰

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.

⁶⁰ 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 Jammu & Kashmir (as on date: 31.05.2023)⁶¹

PRADHAN MANTRI KISAN Sampada YOJANA (PMKSY) SCHEME

SCHEME NAME	NO. OF PROJECTS APPROVED	TOTAL PROJECT COST (INR CR.)
MEGA FOOD PARK	1	79.43
COLD CHAIN	7	111.83
AGRO PROCESSING CLUSTERS	1	24.39
CEFPPC UNIT/FOOD PROCESSING UNIT	18	135.41
CREATION OF BACKWARD & FORWARD LINKAGES	3	21.42
FOOD TESTING LABORATORY	4	31.97

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)	1	40.93

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)	268
INCUBATION CENTRES	3

⁶¹ 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) Scheme⁶²**

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) Scheme⁶³**

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)⁶⁴**

Government of India has created a dedicated fund, FIDF, implemented by the National Fisheries Development Board with a total fund outlay of Rs 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.

⁶² Mission for Integrated Development of Horticulture (MIDH)

⁶³ National Agriculture Infra Financing Facility

⁶⁴ Department Of Fisheries

4 Pradhan Mantri Matsya Sampada Yojana (PMMSY) Scheme⁶⁵

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)⁶⁶

The Department of Animal Husbandry and Dairying is implementing the Animal Husbandry Infrastructure Development Fund (AHIDF) scheme with an outlay of Rs. 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)⁶⁷

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)⁶⁸

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)⁶⁹

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 Rs 1 crore availed by them) for induction of well-established and improved technology.

⁶⁵ Pradhan Mantri Matsya Sampada Yojana

⁶⁶ Animal Husbandry Infrastructure Development Fund (AHIDF) | Department of Animal Husbandry and Dairy

⁶⁷ Dairy processing & Infrastructure Development Fund (DIDF) | Department of Animal Husbandry and Dairy

⁶⁸ Agriculture And Processed Foods Export Promotion Scheme of APEDA for the 15th Finance Commission Cycle (2021-22 To 2025-26)

⁶⁹ 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)⁷⁰

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)⁷¹

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)⁷²

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



⁷⁰ Small Farmers' Agri-Business Consortium | Venture Capital Assistance Scheme

⁷¹ A Scheme For Promotion Of Innovation, Rural Industries & Entrepreneurship (ASPIRE) | Ministry of Micro, Small & Medium Enterprises

⁷² 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 sector⁷³

- 100% exemption 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.

⁷³ "Key Reforms in the Food Processing Sector Since 2014-15" | MoFPI

10. STATE GOVERNMENT INITIATIVES AND SCHEMES

UT Government has undertaken several reforms to offer an enabling and investor-friendly business climate for investors keen on setting up business in the UT. Some of the key EoDB initiatives by the UT are included in Table below :

'Single Window System Jammu & Kashmir'



A 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.

 singlewindow.jk.gov.in

A. Central Industrial Land Bank Portal



Industrial parks serve 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..

 iss.ncog.gov.in

B. State Industrial Land Bank

System is created to showcase if there is land and infrastructure available for businesses. The system has information related to, government owning factories and offices, and shows how much the land costs, how easy it is to get there, and what utilities (like electricity and water) are available.

 singlewindow.jk.gov.in/land_bank

Policy for Promotion of Foreign Investments in J&K-2022



The UT, by adopting this policy aims to “attract and promote foreign investment in order to supplement domestic capital, technology, and skills for accelerated economic growth and development”.



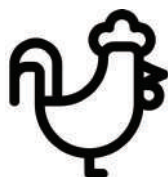
J&K Industrial Land Allotment Policy 2021-30

The UT, by adopting this policy aims to “provide an efficient and transparent mechanism for industrial land allotment in a time-bound manner”.



Jammu and Kashmir Industrial Policy-2021-30

There is scope in Jammu & Kashmir for taking up manufacturing and service activities in the field of Food Processing. This policy aims at creating a conducive ecosystem for industry, which attracts investments in focus sectors leading to sustainable, equitable, environment-friendly and balanced industrial development.



Jammu and Kashmir Poultry Policy 2020

Government of Jammu and Kashmir has launched this policy with the objective to promote the establishment of poultry units in the region.



Jammu and Kashmir Trade Promotion

Organization (JKTPO)

a joint venture of the Government of J&K, the Indian Trade Promotion Organization (ITPO), Export Promotion Council for Handicrafts (EPCH), and Carpet Export Promotion Council (CEPC), aims to promote and enhance the competitiveness of Indian industry, particularly in the UT of Jammu & Kashmir. The organization organizes and participates in trade fairs and exhibitions, both domestically and internationally, while also developing trade-related infrastructure in the region. Additionally, JKTPO focuses on facilitating e-commerce trade activities in Jammu and Kashmir.

Jammu and Kashmir is one of the most advanced UT, with high levels of industrialization and social development. The UT has a favourable business environment for setting up food processing units and offers investors robust infrastructure, support for capital investment and technology upgradation, a strong marketing network, rich and diverse human capital, quality assurance, and grants.

PARTICULARS

NEW CENTRAL SECTOR SCHEME FOR INDUSTRIAL DEVELOPMENT OF JAMMU AND KASHMIR (NCSS SCHEME)

Capital Investment Incentive (CII)	<ul style="list-style-type: none"> Zone A - CII at the rate of 30% on investment maximum up to INR 5 crore Zone B - CII at the rate of 50% on investment maximum up to INR 7.5 crore
Capital Interest Subvention (CIS)	<ul style="list-style-type: none"> CIS at the annual rate of 6% for maximum of 7 consecutive years from any date after the date of application for registration on term loan on principal amount up to INR 500 crores for investment in eligible plant and machinery (for manufacturing sector) and all durable assets (for service sector)
Goods and Service Tax Linked Incentive(GSTLI)	<ul style="list-style-type: none"> GSTLI equal to 100% of the gross GST for 10 years from the date of commencement of commercial production or till the validity of the policy whichever is earlier, maximum up to 300% of investment in plant and machinery
Working Capital Interest Incentive (WCIS)	<ul style="list-style-type: none"> WCIS is 5% interest subsidy for existing units for 5 years from date of grant of registration under the scheme, maximum up to INR 1 crore

PARTICULARS

JAMMU AND KASHMIR INDUSTRIAL POLICY 2021-2030

Goods and Service Tax Linked Incentive (GSTLI)	<ul style="list-style-type: none"> 100% of Net SGST reimbursement for a period of 10 years (for existing units)
Subsidy on DG set	<ul style="list-style-type: none"> 100% on new DG set ranging from 10KW to 2000KW with capping of INR 40 lakh in Zone A and INR 45 Lakh in Zone B

PARTICULARS

**JAMMU AND KASHMIR INDUSTRIAL
POLICY 2021-2030**

Exemption of Stamp Duty and Court fee	<ul style="list-style-type: none"> 100% exemption of stamp duty and court fee
Subsidy on procurement of Quality Certificate	<ul style="list-style-type: none"> 30% on procurement of Quality Certificate (Max up to 2 Lakhs certified by CA)
Subsidy on Automation	<ul style="list-style-type: none"> 25% on automation (Max up to 50 lakhs if the same has not been claimed under CII or similar schemes)
Subsidy on Automation	<ul style="list-style-type: none"> 25% on automation (Max up to 50 lakhs if the same has not been claimed under CII or similar schemes)
Subsidy on Pollution Control Devices	<ul style="list-style-type: none"> 60% on Pollution Control Devices (Max up to 50 Lakhs if the same has not been claimed under CII or similar schemes)
Green and Environment Protection Initiative	<ul style="list-style-type: none"> 50% on green and environmental protection initiative
Turnover Incentive	<ul style="list-style-type: none"> For existing micro units - 3% of turnover for 5 years, maximum up to 10 Lakhs For existing Small, Medium and Large Units - 2% of turnover for 5 years, maximum 50 Lakhs

11. REGULATORY FRAMEWORK: REGISTRATION/NOCS/ LICENSES

The table below represents the indicative information regarding Regulatory Mechanism available in the State of Jammu & Kashmir.

FOR STARTING OPERATIONS

S.No	Name of Service	Authority/ Agency/ Office/ Department officer granting approval
1.	License for Cold Storage	Directorate of Food Processing
2.	Registration under FSSAI Act,2006, regulation 2011	FSSAI, Health & Family Welfare Department, & Food Safety
3.	License under FSSAI Act,2006, regulation 2011	FSSAI, Health & Family Welfare Department, & Food Safety
4.	Application for Private Industrial Estate/ Park	Industries & Commerce Department
5.	Initial EM1 Registration	Industries & Commerce Department
6.	Advance/ EM2 Registration	Industries & Commerce Department
7.	New Trade License	Housing & Urban Development Department
8.	Registration of license- under the Factories Act 1948	Labour and Employee Department
9.	Authorization under Hazardous Waste Rules	J&K Pollution Control Committee
10.	Final NOC from Fire Department	J&K Fire and Emergency Services

FOR SETTING UP OF BUSINESS

S.No	Name of Service	Authority/ Agency/ Office/ Department officer granting approval
11.	Land Allotment in Industrial Estate	Industries & Commerce Department
12.	Prior Permission for substantial expansion Additional Line of Activity	Industries & Commerce Department
13.	Electricity Connection	Power Development Department
14.	Online Building Permission	Housing & Urban Development Department
15.	Obtaining Water Connection	Jal Shakti
16.	Consent to Establish under Water Act & Air Act	J&K Pollution Control Committee
17.	Consent to Operate under Water Act & Air Act	J&K Pollution Control Committee
18.	Provisional NOC from Fire Department	J&K Fire and Emergency Services
19.	Site Plan Approval under the Factories Act, 1948	Labour & Employment Department
20.	Assessment of Raw Material & Finished Goods	Industries & Commerce Department

12. MAJOR PLAYERS IN FOOD PROCESSING AND ALLIED SECTORS

BENEFICIARIES UNDER PLI SCHEME OF MOFPI, GOVERNMENT OF INDIA

NAME OF THE FIRM	LOCATION
------------------	----------

Bikaji Foods International Limited	Jammu
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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
------------------	----------

Kachroo Integrated Cold Chain	Baramula
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Mir Agro Industries	Pulwama
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FIL Industries Ltd	Rangreth
--------------------	----------

Safe & Fresh	Samba
--------------	-------

Khyber Agro Farms Pvt. Ltd	Pulwama
----------------------------	---------

Hyacinth Product	Srinagar
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BENEFICIARIES UNDER INFRASTRUCTURE FOR AGRO-PROCESSING CLUSTERS SCHEME (APC), UNDER PMKSY SCHEME OF MOFPI, GOVERNMENT OF INDIA (OPERATIONAL UNITS)

NAME OF THE FIRM	LOCATION
------------------	----------

M/s Zum Zum Agri Fresh	Shopian
------------------------	---------

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 Farm Fresh Foods	Pulwama
M/s Cuisine Agro Foods and Spices	Pulwama
M/s Fruit Master Beverages	Pulwama
M/s Super Star Food Products	Srinagar
M/s Khazir Agro	Pulwama
M/s Continental Agro Industries	Pulwama
M/s Farm Preserve and Agro Processing	Pulwama
M/s Alpine Fruits	Pulwama
M/s Himaliyan Fruits	Pulwama
M/s Snow Fresh Agro Industries	Pulwama
M/s Fruit Farm Agro Industries	Pulwama
M/s Garden Fresh Fruit and Vegetable Industry	Budgam

BENEFICIARIES UNDER CREATION OF BACKWARD AND FORWARD LINKAGES (CBFL) SCHEME, UNDER PMKSY SCHEME OF MOFPI, GOVERNMENT OF INDIA (OPERATIONAL UNITS)

NAME OF THE FIRM	LOCATION
SUS Agro Foods India Private Limited	Kathua
M/s Vrav Salesmart Pvt Ltd	Shopian
Mir Agro Industries	Srinagar

BENEFICIARIES UNDER CREATION OF BACKWARD AND FORWARD LINKAGES (CBFL) SCHEME, UNDER PMKSY SCHEME OF MOFPI, GOVERNMENT OF INDIA (OPERATIONAL UNITS)

NAME OF THE FIRM	LOCATION
J&K Food Quality Control Labs	Srinagar

13. LIST OF FARMER PRODUCER ORGANISATIONS

A total of 89 Farmer Producer Organisations (FPO) are present in the UT and out of which the following indicative list in Table below represents FPOs with major crop/produce production of the UT. The overall details of FPOs in the UT are available at APEDA Farmer Connect FPO Directory.⁷⁴

NAME OF THE FIRM	ADDRESS / CONTACT	COMMODITY
Athvas Horti Fed Producer Company Limited	Vill.-Zirhama, Mohalla Jamal Khan, Tehsil- Trehgam Kupwara Kupwara JK 193224 IN	Walnut and Apple
Good Fruit Farmer Producer Company Limited	Javeed Ahmed Bhat, Shop No. 3, Libas Ghar, Near Tak Masjid & Sbi, Main Bazar Shopian Pulwama JK 192303 IN	Apple and Cherry
Happy Orchards Farmer Producer Company Limited	Vill. - Panjran Near Jama Masjid, Block- Lassipora, Pulwama Pulwama JK 192305 IN	Apple and Almond
KYASC Agro Farmers Producer Company Ltd.	Kathua	Others, Vegetables, Vegetable Pickle, Pickle, Mushroom, Fruits
M/s All India J and K Saffron Growers Development and Marketing Co-operative Association Ltd	Dussu Pampore	Saffron
Reasi Vegetable Producer Company	Kahana, Pouni, Reasi, J&K	Seed, Spinach, vegetable
Wular Fed Fruit Farmers Producer Company Limited	Vill.-Checkreshipora Khan Mohalla, Near Kousaria Sc School Bandipora Baramula JK 193502 IN	Apple
Himalayan Farmers Producer Company Limited	Nowgam Bypass Srinagar Kashmir	Apple, Walnut, Almond, Saffron & Honey
ZABARWAN FED FRUIT FARMER PRODUCER COMPANY LIMITED	Welkin House, Khyam, Near Khyber Hospital, Distt. Srinagar SRINAGAR Srinagar JK 190003 IN	Apple & Walnut
Chenab Vegetable Producer Company	Village Paryote, Khelani, Doda, Jammu & Kashmir	Vegetables, saffron, Fruits
M/s All india saffron growers co-operative marketing ltd.	HO ,Tullbagh, Pampore	Saffron

⁷⁴ APEDA Farmer Connect | FPO/FPC/Cooperative Societies Directory

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