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PART I—Orders and Notifications by the Governor of West Bengal, the High Court, Government Treasury, etc.

GOVERNMENT OF WEST BENGAL
DEPARTMENT OF FOOD PROCESSING INDUSTRIES & HORTICULTURE
BENFISH TOWER (4TH FLOOR), SALT LAKE CITY, KOLKATA-91.

No. 1526-FPI&H/5S-07/2021

Dated, Kolkata, the 18th April, 2022

NOTIFICATION

WHEREAS, the Governor is pleased to sanction the implementation of a new Incentive Scheme for incentivizing micro sector food enterprises in Gram Panchayat and Municipality areas of West Bengal in the following manner with an eye to assist individual micro food processing units, groups and cooperatives in supporting the setting up of new and up gradation of existing food processing enterprises.

Short Title :

The Scheme may be called “West Bengal Food Processing Incentive Scheme (WBFPIIS), 2021”

1. Objectives :

- i. To promote facilities for post-harvest operations including setting up of food processing industries in micro sector.
- ii. To augment the capacity of food processors working to upscale their operations through capital infusion, technology transfer, skill upgradation and handholding support.
- iii. To support established self-help groups working in food processing sector and to facilitate them to achieve SME status.
- iv. Capacity development and skill upgradation through institutional training to ensure sustainable employment opportunities to the people and also to reduce the gap in requirement and availability of skilled manpower in food processing sector.
- v. To raise the standards of food safety and hygiene in order to meet the norms set up by FSSAI.
- vi. To facilitate food processing industries to adopt GHP, GMP, HACCP and ISO certification norms.
- vii. To augment farm gate infrastructure, supply chain logistics, storage and processing capacity.
- viii. To provide better support system to unorganized food processing sector.
- ix. To create awareness and find means to reduce wastage in the traditional fruit and vegetable sector.

- x. To incentivize micro Food Processing Industries in the state having high potential for growth and employment.

2. Structure of Committees:

(a) State Level Empowered Committee (SLEC)

To carry out administration of the WBSFPIIS, a State Level Empowered Committee (SLEC) will be constituted by the State Government under the Chairmanship of the Chief Secretary having representatives from other concerned Departments, as given below :

Sl. No.	Designation	Designation in Committee
1	Chief Secretary	Chairman
2	ACS, Food Processing Industries and Horticulture Department	Vice Chairman
3	ACS/PS MSME & T Department	Member
4	ACS/PS/Secy Commerce and Industries Department	Member
5	ACS/PS/Secy Animal Resources Development Department	Member
6	ACS/PS/Secy Fisheries Department	Member
7	ACS/PS/Secy Agriculture Department	Member
8	ACS/PS/Secy Agricultural Marketing Department	Member
10	ACS/PS/Secy Self Help Groups and Self Employment Department	Member
11	ACS/PS/Secy Finance Department	Member
12	Director, Food Processing Industries	Member Convener

The State Level Empowered Committee (SLEC) shall be the Apex committee for the scheme and all decisions regarding execution, modification or administration of the scheme shall be taken by the SLEC.

(b) District Food Processing Committee:

At the District level, to help in execution of the scheme, a District Level Food Processing Committee will also be constituted by the State Government under the Chairmanship of the District Magistrate having representatives from other District Officials, as given below :

Sl. No.	Designation	Designation in Committee
1	District Magistrate	Chairman
2	Additional District Magistrate	Vice Chairman
4	Project Director, District Rural Development Agency	Member
6	Deputy Director of Agriculture (Admn.)	Member
7	Deputy District Land and Land Reforms Officer	Member
8	Superintending Engineer, W.B.S.E.D.C.L.	Member
9	District Agriculture Marketing Officer (Training & Canning)	Member
10	District Horticulture Officer	Member
11	General Manager, District Industries Centre	Member
12	Food Processing Development Officer or suitable other officer of FPI&H Department	Convener

(c) The Sub Committee on WBSFPIS, 2021 shall comprise of the following members (at Departmental / State Head Quarter Level) :

1. ACS, Food Processing Industries & Horticulture Department – Chairman.
2. Principal Secretary, Finance Department or Representative – Member.
3. Principal Secretary, MSME & T Department or Representative – Member.

4. Additional Secretary, Food Processing Industries & Horticulture Department – Member
5. Managing Director, West Bengal Financial Corporation – Member.
6. Director, Micro, Small & Medium Enterprises – Member.
7. Director, Food Processing Industries – Member Secretary.

3. Funding Pattern of WBSFPIS:

The West Bengal Food Processing Incentive Scheme (WBSFPIS), 2021 has been designed to assist individual micro food processing units, groups and cooperatives in supporting the setting up of new and upgradation of existing food processing enterprises. It shall be in force from 2021-22 to 2025-26.

4. Procedure for approval:

Project specific approvals of the scheme would be decided by sub-committee. The proposals would have to be forwarded by District Food Processing Committee with recommendation to the Sub-committee at the State level. SLEC may periodically monitor, review and evaluate the implementation of **WBSFPIS 2021**.

5. Recall of Grant:

SLEC will have the authority to recall the grant in case of mis-utilization of grants by the applicants:

- (a) If the project is not completed in time even within the approved / extended project period.
- (b) If the grant released is utilized for the purpose other than the approved components / activities.
- (c) If the institute / organization becomes non-functional or said activity / organization is closed before 3 years of release of final installment.

6. Convergence with the other schemes of State Government:

The concerned entrepreneurs for approved project, for which benefits are availed under this scheme, will be eligible for various other incentives or benefits under other schemes of the State Government, except that the benefit by way of State Capital Investment Subsidy (calculated as part of the Plant and Machinery and Technical Civil Works), will be limited only to one source. Thus, a unit availing of assistance under the scheme by way of Capital Investment Subsidy, shall not be eligible to avail of Capital Investment Subsidy for the same Plant and Machinery and Technical Civil Works from any other Government Department, while such unit will be eligible to avail of Industrial Promotion Assistance, Waiver of Electricity Duty, Waiver of Stamp Duty etc., as available under any other incentive scheme.

Thus, unit applying for subsidy under the West Bengal State Food Processing Incentive Scheme (WBSFPIS), 2021 shall not be eligible for Capital Subsidy from any other State /Central Government capital subsidy scheme. But they may draw incentives under para 10 to 19 of Banglashree scheme of MSME Department, Government of West Bengal.

Guidelines of the Schemes:

Financial assistance for Setting up/Expansion/ Modernization of Micro Food Processing Industries

1. Objective :

The main objective of the scheme is to enhance the competitiveness of new and existing individual micro food processing enterprises in the unorganized segment of the food processing industries and promote formalization of the sector and increase the level of processing, reduction of wastage, value addition, enhance the income of farmers, unemployed youths resulting in overall development of food processing sector.

2. Eligible sectors :

All Micro* Food processing units involved in Food processing sectors like fruits & vegetables, bakery and confectionary, milk/meat/poultry/fish products, cereal/other consumer food products, flour/pulse/oil milling and such other agri-horti sectors including food flavours, colours, oleoresins, spices, coconut, honey, mushrooms will be covered under the Scheme. This is not an exhaustive list. The activities of rice mill, aerated water, packaged drinking water and soft drinks will not be considered for financial assistance under the Scheme.

*A Micro enterprise is where the investment in Plant and Machinery or Equipment does not exceed Rupees One crore and turnover does not exceed Rupees five crores.

3. **Eligible individuals /organizations:** Individuals/SHGs/NGOs/Cooperatives engaged in establishment/upgradation/modernization of food processing units would be eligible for financial assistance under the scheme.

4. Jurisdiction :

Initially the scheme would be applicable for units in all areas in the state but not in Corporation areas. Thus, it does not apply to units within Kolkata / Siliguri / Asansol / Howrah / Bidhannagar / Durgapur / Chandannagar Municipal Corporation areas.

5. Quantum of subsidy : The Scheme shall be financed completely from State Government funds. The main expenditure under the proposed scheme is credit linked back ended grant-in-aid @40% of the total cost of plant and machineries of a micro food processing enterprise, subject to a maximum limit of Rs.10 lakh per unit. Term loan from any bank/financial institution included under RBI Master Circular on Exposure Norms for Financial Institutions is mandatory for availing benefits under the scheme.

6. Ineligible items of plant and machinery :

- (i) Fuel, consumables, spares and stores.
- (ii) Electrical fixtures not mounted on the machine.
- (iii) Computers and allied office furniture.
- (iv) Transport vehicles.
- (v) Erection, installation and Commissioning charges.
- (vi) Second hand/ old machines / refurbished machinery.
- (vii) All types of service charges, carriage and freight charges.
- (viii) Expenditure on painting of machinery.
- (ix) Closed Circuit TV Camera and related equipment.
- (x) Consultancy Fee.
- (xi) Stationery items.

7. Receipt of applications :

Applications are to be made online through the website www.wbfpjh.gov.in at least 60 days before start of commercial production process and hard copies of all documents shall have to be submitted in the Directorate of Food Processing Industries (H.Q.), General Manager, DIC and the Food Processing Development Officer or such other officer of the Department of FPI&H to be designated of district in which unit exists (one copy each). Applications are to be submitted in the prescribed format (Annexure I) along with enclosures/documents. Non submission of hard copy of application within 30 days of online application shall result in cancellation of the application and the applicant will be able to make a fresh application only after 90 days of the last application.

8. Release of grant : The grant-in-aid will be released in two equal instalments:

Release of 1st instalment :

The first instalment of grant would be released after the firm has utilized 50% of the term loan as well as 50% of promoter's contribution and on production of the following documents by the firm:

- (i) **Duly notarized Surety Bond** – To be executed by the beneficiary company on Non-Judicial stamp paper of not less than Rs. 100/- (**Appendix-A**).
- (ii) **Duly notarized Affidavit** – To be executed by the beneficiary company on Non-Judicial stamp paper of not less than Rs. 100/- (**Appendix-B**).
- (iii) **Bank Certificate** – Certifying that they have released 50% of term loan and have no objection on release of 1st instalment of grant. (**Annexure-II**).
- (iv) **CA certificate** – (**Appendix-C**).

Based on the CA certificate, the Competent Authority as designated by SLEC would arrive at the eligible amount of grant, and release 50% of the eligible amount as 1st instalment subject to the availability of all other requisite documents as per scheme guidelines.

Release of 2nd instalment :

The second instalment of the grant would be released only after confirming the commencement of commercial production through physical verification by the Directorate of Food Processing Industries and submission of documents specified below by the firm, utilization of first instalment of the grant, 100% of Term Loan as well as 100% of Promoter's contribution.

- (i) **Utilization Certificate** – as per GFR 19A, Duly certified by the C.A. and countersigned by the Bank and promoter of the beneficiary company (**Appendix-D**).
- (ii) **Chartered Accountant Certificate** – Actual expenditure incurred on the project showing the means of finances and 100% utilization of Promoters contribution, 100% of Term Loan and 1st instalment of released grant (**Appendix-C**).
- (iii) **Bank Certificate** – certifying that they have released 100% of term loan and 1st instalment of grant released by Department of FPI&H, Government of West Bengal. They have no objection in releasing 2nd instalment of grant being released by Department of FPI&H, Government of West Bengal (**Annexure-III**).
- (iv) **Chartered Engineer Certificates** – Item wise and cost wise details of Plant & Machinery envisaged duly certified by Chartered Engineer (Mechanical). Certificates vetted by District Engineer, Zilla Parishad would be acceptable.

9. Documents required :

- i. Application in the prescribed format.
- ii. Copy of Detailed Project Report (DPR).
- iii. Sanction letter of term loan from bank / financial institutions.
- iv. Appraisal report from Bank / Financial Institution.
- v. Certificate of incorporation/registration of the organization, Memorandum and Articles of Association and Bye laws of the society (if applicable)/ partnership deed etc.
- vi. Bio-data/background of the office bearers/promoters of the organization.
- vii. Annual reports and Audited Statement of Accounts of last three years
- viii. Land Parcha (ROR)
- ix. Item wise and cost wise details of Technical civil works envisaged duly certified by Chartered Engineer (Civil).
- x. Item wise and cost wise details of Plant & Machinery envisaged duly certified by Chartered Engineer (Mechanical).
- xi. Quotations from the suppliers of Plant & machinery and equipments etc. required for the project.
- xii. Marketing strategy.
- xiii. Process Flow diagram.
- xiv. Udyam registration
- xv. Implementation schedule indicating (a) date of acquiring land (b) date of start of construction of building (c) date of completion of building (d) date for placing order for plant & machinery (e) date of installation/erection (f) date of trial production/ running and (g) date of commercial production / running
- xvi. An affidavit duly executed on non-judicial stamp paper of Rs.100/- or more duly notarized by Notary Public affirming that :
 - (a) The organization has not obtained/applied for or will not obtain any grant/subsidy from any Ministry/ Department of Central Govt./GOI organization/agencies and State Govt. for the same purpose/activity /same components. If yes, the details thereof.

10. Implementation and monitoring of the projects sanctioned :

The implementation schedule for the projects would be 12 months from the date of the issue of approval letter unless specifically extended by the department on application being made to it duly recommended by the FPDO and/ or bank.

Annexure-I**Application Form for Scheme of Technology Upgradation / Establishment/ Modernization of Food Processing Industries under West Bengal Food Processing Incentive Scheme (WBFPIIS) 2021**

S. No.	Particulars	Details
A. Promoters		
1	Name & Address of the Promoter including telephone, fax, e-mail etc.	
2.	Type of organisation like Company, Individual, SHG, NGO, Co-operative, others etc.	
3.	Background/credentials of applicant organisation	
3(a).	Udyam Registration Number	
4.	Financial Status	
5.	Existing Industry if any	
B. Project Description		
6.	Name of the Project	
7.	Location/Area of the project	
8.	Products/By Products	
9.	Process with complete flow chart	
10.	Technology (Indigenous/ imported)	
11.	Capacity of the Plant/Unit	
12.	In case of expansion/modernisation of existing facilities/unit (details of existing capacity and proposed capacity after expansion & along with capacity utilisation)	
C. Project Cost (indicating proposed cost, appraised cost separately)		
13.	Capital Investment (Fixed Capital) i. Land Area Cost ii. Building iii. Civil Works iv. Technical Civil Works	
14.	Plant & Machinery (Indigenous)(Capacity/Specification / Cost)	
15.	Imported Machinery(Capacity/Specification /Cost)	
16.	Pre-operative expenses	
17.	Working Capital	
18.	Raw Material/Packaging(Source/Quantity/Cost)	
19.	Labour(Quantity/Cost)	

This notification is issued with the approval of the Finance (Audit) Department vide their U.O No. Group-B/2021-2022/0067 dated 09/12/2021 and subsequently by the approval of the Cabinet vide their decision no. 217 dated 11/03/2022.

By order of the Governor,

DR. SUBRATA GUPTA

Additional Chief Secretary to the Government of West Bengal