Government of Rajasthan

Agriculture (Gr-2) Department

No.F.4(44)Agri./Gr.-2/2019 Jaipur, Dated: 12 DEC 2019

Notification

In order to move towards inclusive growth of agriculture sector, the State Government of Rajasthan, in public interest, hereby issues Rajasthan Agro-Processing, Agri-business & Agri-export Promotion Policy, 2019 as under:

Rajasthan Agro-processing, Agri-business and Agri-export Promotion Policy, 2019

1. Background

1.1 Agro processing industry which includes food processing, forms an important segment of the Indian economy in terms of contribution to GDP, employment and investment, and is going to be a major driving force in the country's growth in the near future. It provides employment to rural areas and helps in narrowing down the economic disparity between rural and urban population.

1.2 In spite of having prominent parameters in its favour, the food processing has not been able to achieve the growth it deserves and processing activities in India are still at a nascent stage. Compared to other developed countries, the food processing in India is at very low level i.e. 2.2% for fruits and vegetables, around 35% in milk, 21% in meat and 6% in poultry products.

1.3 With rising purchasing power and growing nuclear families, the demand for processed foods, online marketing is witnessing a substantial surge. These factors are further inducing the need for sophistication in various segments of agribusiness such as procurement, storage, transportation, distribution, etc.

1.4 There is sufficient production of fruits, vegetables, milk and other such products in the country but the post harvest losses are very high. Improvement in processing facilities and cold supply chain will not only help in reducing the post harvest losses of perishable products but also will cater the demand of processed food.

1.5 Food processing sector in the country is mainly handled by the unorganized sector. About, 42% of the output comes from the unorganized sector which is dominated by small scale industries, 25% comes from the organized sector and the rest from the small scale players.

1.6 Indian share in world agriculture trade is 2.2% only. The higher global demand for processed products provides greater scope for value addition and foreign exchange earnings.

1.7 Efficient and sufficient logistic system is basic necessity to minimise the post harvest losses and to provide an option of pledge financing to avoid distress sale. This includes timely and speedy movement of goods to the marketing

destination and keeping them safe for availing in the off-peak season. The seasonality in production and perishable nature of agriculture and horticulture produce make it imperative.

1.8 With increasing urbanisation together with growth of organised retail, food servicing and food processing sector at home and abroad, there has been a surge in the demand for the cold chain facilities in storage and transportation. Therefore, sufficient and efficient cold supply chain will play a significant role in boosting the domestic and export trade of perishable products.

2. Rajasthan Agriculture – A Leading contributor

2.1 The agricultural and allied sector contributed to 24.61% of State's total GSDP in 2017-18 and is well above the national average of 14.82%. Animal Husbandry Sector contributes 8.74% to GSDP attributing more than 1/3rd share in Agri sector GSDP.

2.2 Rajasthan, with its diverse agro-climatic conditions, is richly endowed in the cultivation of a variety of crops and a strong animal husbandry sector.

2.3 Rajasthan State occupies 1stposition in production of mustard, guar, 2ndposition in gram, cumin seeds and all other coarse cereals, 3rd position in soybean, pulses and oilseeds. Similarly, in case of horticultural crops, state holds 1stposition in production of carom-seeds, coriander, fenugreek, henna and isabgol, 2ndin vegetables, 4thin garlic, 6thin oranges, 8thin pomegranate.

2.4 State boasts of net supplier in commodities like oilseeds, pulses in which country is dependent on imports for fulfilling the nutritional requirement of burgeoning population. State is having production surplus in many crops not only in country but also in world e.g., isabgol, guar, senna, henna etc.

2.5 Animal Husbandry sector has a great potential for rural self-employment at lowest possible investment per unit. Therefore, livestock development is a critical pathway to rural prosperity.

2.6 As per the livestock census of 2012, there are 577.32 lakhs animals and over 802.4 lakhspoultry in the State. Rajasthan has 11.26% of the country's livestock population and contributes about 12.93% of the total milk production and 32.89% wool produced in the country. Rajasthan is first in wool production while second in milk production.

2.7 Rajasthan has freshwater as well as saline water resources. It has about 4.23 lakhhectares fresh water area besides area as rivers and canals, 80 thousand hectares waterlogged and 180 thousand hectares salt affected areas at full tank level.

2.8 The abundance of unutilized water reserves offers great scope for scientific fish culture and establishment of processing facilities for high end markets including export. There is huge scope for ornamental fishing as well in Rajasthan.

2.9 High-tech infrastructural adoption in protected cultivation is paving way for cluster based demand oriented production planning. The area under green houses and shade net houses is 44.9 lakh sqm and 6.76 lakh sqm respectively.

2.10 Rajasthan is one of the largest states in India partaking in organic farming, with over 81,000 hectares of registered organic farm area.

3. Rajasthan - Agri Infrastructure, Processing and Export

3.1 With around 60% of the State's population dependent on agriculture for livelihood, it is imperative that agriculture should be remunerative and sustainable.

3.2 In Rajasthan, the insufficient number of agri-based industries for many crops is depriving State from the advantage of production. Therefore, a paradigm shift in the approach is required from merely harvesting and selling of crops in the local mandi to a demand driven supply activity with an increased focus on processing and value addition.

3.3 The diverse agro climatic conditions have resulted in development of some crop specific areas offering adoption of cluster based holistic approach for development of the sector. This approach shall help the growers of crops in finding post harvest solutions within or near the production belt.

3.4 There is a cumulative production of around 300 lakhs tonnes of different crops including cereals, pulses, oilseeds, guar, isabgol etc. in the State. The cumulative warehousing capacity with FCI, CWC, RSWC of 28.70 lakhs tones mainly used for storing PDS supplies leaving a very limited storage space for other crops in public sector.

3.5 The warehouses available in private sector are based on business consideration rather than farmers needs. Therefore, development of a proper network of warehouses in higher production areas shall provide an opportunity to farmers to store their farm produce for taking a selling decision on an appropriate time with an option of pledge finance against warehouse receipt for fulfilling their immediate needs.

3.6 Higher production of vegetables and seed spices need cold storage facilities for preventing qualitative and quantitative losses. There are only 161 cold storages with a total storage capacity of 5.27 lakh tonnes in Rajasthan while a large number of stores required to support the state produce as well meeting the fruit supplies in off peak season.

3.7 Large coverage of NCR and higher land cost in other adjoining states makes Rajasthan a lucrative destination for creating logistic infrastructures for catering to the need of NCR.

3.8 There is a great scope for expanding the milk procurement and processing network in unrepresented areas. This will allow the equitable distribution of

technological advancement to isolated areas and substantiate farmers 'income on regular basis.

3.9 Rajasthan has a meagre share of 1.5% in country's agri export of APEDA products. APEDA products cover about 52% of all agricultural export from country. Leading position in some of State specific crops and also a sizeable production of many other crops have not been reflected in export from the State.

4. Advantage Rajasthan – Infrastructural and Procedural

4.1 8,380 sq. km. area constituting 24.50% of the total National Capital Region (NCR) falls in Rajasthan. This provides an opportunity for developing a supply hub to the NCR for fresh and processed food. Similarly, the potential for developing logistic parks near NCR in adjoining districts may also be explored.

4.2 Rajasthan touches five major states of the Northern, Western and Central India. It is a natural corridor making State an important trade and commerce centre.

4.3 State is having the second largest network of National Highways in the country providing an excellent connectivity from most of the potential agri-business areas to all the major cities in the country and ports in Gujarat and Maharashtra.

4.4 The railway network connects the state to all major cities in India and links the state to ports in Mumbai, Kandla and Mundra in Gujarat.

4.5 The State has a fully operational international airport at Jaipur, with direct flights to Sharjah, Muscat, and Bangkok.

4.6 A Centre for Perishable Cargo (CPC) at Jaipur, and 8 Inland Container Depots (ICDs)at different locations including Jaipur, Jodhpur and Kota to facilitate trade within and outside India.

4.7 Delhi-Mumbai Industrial Corridor (DMIC) - Nearly 39% of Dedicated Freight Corridor (DFC) connecting Jawaharlal Nehru Port near Mumbai to Dadri near Delhiis passing through Rajasthan. The opportunities for industrial establishment along the route are eminent as a band of 150 km has been chosen on both sides of the 1493 Km long DFC to be developed as the DMIC.

4.8 Land Availability: Rajasthan Industrial Development and Investment Corporation Ltd. (RIICO) has developed 338 industrial areas with about 82,000 acres throughout the state. The complete details of vacant land in these areas are available on official website of RIICO.

4.9 Rajasthan, geographically the largest state of India, offers land in plenty and at competitive prices. This offers a great scope for development of new areas near production surplus clusters in public as well private sector.

4.10 Single Window Approval : A Single Window Clearance System (SWCS) is

operational at Bureau of Investment Promotion (BIP), Rajasthan as a single point interaction mechanism for entrepreneurs to interact with the State for seek statutory approvals for their projects. Keeping with the times, the entire process of application and monitoring is through web-enabled software called the Single Point Electronic Monitoring and Clearance System.

4.11 Agriculture Market Reforms: Provisions in the State APMC Act have been made for contract farming, direct purchase outside the market yards, unified license etc. Further, Rajasthan is one of those few states, which has done neaway with Mandi Fee/user charge on perishable items like fruits and vegetables.

5. Objectives

This policy endeavours to make Rajasthan as production and supply hub of processed agricultural products and a destination of choice for investors, processors and exporters. The policy is aimed at the following objectives:

5.1 To promote cluster based approach in production and agro-processing.

5.2 To augment farm gate infrastructure

5.3 Topromote backward-forward linkage for a sustainable system for farming and industrial sector

5.4 To minimizing the post harvest losses by strengthening the supply chain.

5.5 To accelerate capital investments in value and supply chain of agriculture and allied sector.

5.6 To augment the capacity of agro-processing sector to upscale the operations through capital infusion, technology transfer and handholding support.

5.7 To promote market outreach of fresh fruits & vegetables, ethnic food items, organic produce and value added agri-products of state in domestic and international market and to build a strong State brand.

5.8 To support the agro-industry for greater compliance and adoption of the standard of food safety and hygiene in order to meet the norms set up by FSSAI and importing countries.

5.9 Capacity building and skill up gradation 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 the food processing sector.

5.10 To develop state as logistic hub by creating support infrastructures near NCR and in DMIC catchment area.

5.11 To initiate suitable policy measures for developing a fast and vibrant agri business sector.

6. Scope &Coverage

6.1 The Policy shall be applicable to new agro processing and agro business enterprises set up in the State.

Provided that the existing agro processing enterprises undergoing for expansion as defined in RIPS, shall be eligible for capital subsidy on technical civil work and new machine purchase.

6.2 The Policy also seeks to promote and encourage value addition and loss reduction in agriculture, including horticulture and animal husbandry sector and encourage the development of agro processing infrastructure and human resources.

6.3 This Policy shall promote export of agriculture products produced in the State.

6.4 The policy aims at creating an ecosystem and developing synergy between farmers and industry by providing markets to farm produce and raw material to market and industry on sustainable basis.

7. Duration

All agro-processing and agri-business enterprises which commence commercial production/ operations and fulfill all other requirements/obligations, as may be prescribed, will be eligible for incentives under this Policy. The Policy will be operative till 31st March, 2024 and be reviewed in year 2021.

8. Definitions

The various terms used in this policy would carry the same meaning as in the Rajasthan Investment Promotion Scheme, unless specified otherwise in this Policy. Some of the agri sector specific definitions meant for extending different benefits under this Policy are being given hereunder:

"**Agriculture products**" means produce of Agriculture, Horticulture, Sericulture, Floriculture, Aromatic, Herbal & Medicinal plants, Fisheries, Poultry, Apiculture, Dairy and shall include minor forest produce and livestock based products;

"**Agri Cluster"** means an area where market is provided for agriculture products, by bringing together farmers, aggregators, processors and distributors at one place. It shall also include Agro-processing clusters being set up under the scheme of Kisan Sampada Yojana implemented by Ministry of Food Processing Industries, Government of India or to be set up under any other scheme of the State or to be declared by the Government;

"Agri-marketing or Agri-business" means business that derives most of its revenue from agriculture and may cover processing, manufacturing and distribution of agricultural products;

"**Agro-processing**" means processes that use agriculture products, agri-waste and intermediate agriculture products to produce products in a manner that there is a transformation in the nature of the agriculture product;

"Agro-processing and Agri-marketing sector" means the sector comprising enterprises engaged in such agro-processing and Agri-business or agri-marketing activities as defined above;

“Backward Area” means an area as the Government may so notify by an order;

“Collection/Aggregation Centre” means a place having facilities namely platform, cleaning, grading, assaying, warehousing and/or cold storage, electronic weighing etc. required for preparing farm produce for sale to forward marketing channels;

“District Level Screening and Sanctioning Committee "means District Level Screening and Sanctioning Committee (DLSC) for screening and sanctioning the proposal as prescribed under the Policy;

“Family” means self, husband or wife and dependent minor children;

“Farmer” means any individual owing more than 1 Hectare of Agriculture Land since last 3 years from the date of application and actively engaged in the economic and/or livelihood activity of growing crops and producing other primary agricultural commodities;

“Farmer Producer Organization/Company "means Farmer Producer Organization registered as Cooperative Committee under Cooperative Act, 1955 and in part IXA of the Companies Act, 1956 (including any amendments thereto or re-enactment thereof) and defined as company of Famer members and incorporated with the Registrar of Companies (RoC). An FPO/FPC should have 50 or more farmers for the purpose of availing benefits under this Policy; See notification dated 2 Sept. 2021

"**Food Park"** means an area where market is provided for agriculture products, by bringing together farmers, aggregators, processors, distributors and retailers at one place. It shall also include Mega Food Parks being set up under the scheme of Government of India;

"**Food Processing Sector**" means the sector comprising enterprises engaged in such manufacturing processes in which raw product of agriculture, animal husbandry or fisheries is transformed to make it edible for human consumption;

“**Investment**” or “**Eligible Fixed Capital Investment (EFCI)”**means the investments made in required new building, new plant and machineries and other related fixed assets required to manufacture end product or render services up to the date of commencement of commercial production. (Provided it will not include the items listed as ineligible for computation of eligible investment in Annexure-iii)

“Mandi Fee/User Charge "means the fee/Charge being levied and paid under the Rajasthan State Agriculture Produce Market Act, 1961;

"Micro, Small or Medium Enterprise (MSME)"means a manufacturing enterprise notified as such under the Micro, Small and Medium Enterprises Development Act, 2006;

"Service Enterprise" means an enterprise engaged in providing or rendering of services such as warehousing, cold storage service, e-marketing, grading, standardization, assaying and other services as defined in APMC Act;

"State Level Sanctioning and Monitoring Committee "means State Level Sanctioning and Monitoring Committee (SLSC) for sanctioning the proposal and monitoring the progress of various deliverables under the Policy;

"TSP area enterprise" means an enterprise other than a company constituted under the Companies Act, 1956 and

(i) owned by a person domiciled in TSP area of Rajasthan - in case of proprietorship; or
(ii) constituted by persons domiciled in TSP area of Rajasthan and all the partners or members are domiciled in TSP area of Rajasthan during the validity period of Entitlement Certificate - in case of partnership including limited liability partnership and association of persons;

"Women/ Schedule Caste (SC)/ Schedule Tribe (ST) enterprise" means an enterprise other than a Company constituted under the Companies Act, 1956 and other association of persons by whatsoever name it may be called, having:

(i) Women/ Schedule Caste (SC)/ Schedule Tribe (ST) as proprietor, in case of proprietorship enterprise; or
(ii) Majority of partners who are Women/ Schedule Caste (SC)/ Schedule Tribe (ST)and such partners are working partner(s) having more than 50% investment in the capital of the enterprise, in case of partnership including limited liability partnerships;

"Year" means financial year (From 1st April to 31st March) and quarter means the period of three months ending on 30th June, 30th September, 31st December and 31st March;

"ZED Certification" means the certification of manufacturing process under "Zero Defect Zero Effect" policy of Government of India for units in MSME sector.

9. Salient Features of the Policy

A well-developed agro processing sector is expected to increase farm gate prices, reduce wastages, ensure value addition, promote crop diversification and generate employment opportunity for unskilled, semiskilled and skilled manpower as well as export earnings.

Looking to the importance of agro processing in overall development of agriculture, the state government is committed to accelerate the development of Agro based Industries and associated supply chain and value addition infrastructures in the state.

A key initiative of the government would be to metamorphose the supply chain infrastructure which would have multiplier effect in agricultural sector and greatly increase the effectiveness across the entire sector.

All the financial benefits available under different schemes of Central and State Government would be dovetailed for maximizing the incentives and be taken priority over the benefits being available under this Policy. The total benefits shall not exceed the ceiling prescribed for different activities separately in any of the schemes.

The Rajasthan Agro-processing, Agri-business & Agri-export Promotion Policy, 2019 seeks to address the entire value chain in agro-processing, marketing and exports.

The salient features of the Policy are:

9.1. Development of Infrastructural Facilities

9.1.1 Agriculture sector spread over a larger geographical area with multiple sub sectors handling voluminous items of varied nature requiring different forms of infrastructure.

9.1.2 Creation of area and sub sector specific infrastructure like warehouses, cold storages, pack houses, export facilitation centres, aggregation centres etc. will be encouraged and supported under the Policy in public as well as and private sector.

9.2. Capital Investment Subsidy

9.2.1 For setting up of the agro processing industries and infrastructural facilities in agri sector in the state, capital investment will be attracted through a package of grant-in-aid and concessions available under various schemes of the Central and the State Government and also under this Policy.

9.2.2 Efforts will be intensified for receiving higher allocation under various schemes of Central Government for post harvest infrastructure development and setting up of agro industries.

9.3 Interest Subsidy

9.3.1 Financial assistance to mitigate the financial liability of the enterprises in initial years in the agriculture sector for eligible processing and infrastructural units will be extended.

9.3.2 Interest paid on the loan taken from scheduled banks/financial institutions recognised by Reserve Bank of India for meeting the capital expenditure shall be reimbursed at the specified rate for a maximum period 05 years.

9.4 Boosting Exports

9.4.1 The huge potential available for export of raw and value added products from the State shall be harnessed by adopting the infrastructural, procedural, qualitative, value addition and marketing measures.

9.4.2 A skilful and passionate environment will be created by designing suitable mechanism and strategies for every stage of supply chain.

9.4.3 Stakeholders in private and public sector will be energised by imparting required trainings in export procedures and onsite experiences.

9.5 Cluster Development

9.5.1 There are a large number of issues of varied nature involved in the course of production to value chain of different crops needing specific cluster based approach for redressal.

9.5.2 Cluster approach is likely to result in a more focused pre and post-harvest management of the production as well as in upgrading the supply chain to attain much higher levels of export from the clusters.

9.5.3 Efforts will be made to develop clusters of crops and animals near the production surplus areas and common infrastructures there in.

9.5.4 Formation of agro industrial parks, food parks, agro-processing clusters shall be encouraged in public as well as private sector. This will help in leveraging farming community treatise better price of produce and in increasing income through entire value chain.

9.5.5 Common facilities and market infrastructures will also be promoted in the clusters.

The formation/rectification/inclusion or removal of any of the cluster or a crop or an area in a cluster may be done by the State Level Sanctioning and Monitoring Committee (SLSC) as mentioned in Annexure (iv).

9.6 Promotion of FPOs/FPCs

9.6.1 Farmer Producer Organization/Company is a collaborative community model of producers and has emerged as one of the most effective pathway to address the many challenges of agriculture, most importantly, improved access to investments, technology inputs, scale of operations in input and output marketing and of course the traceability for origin-based reliable marketing for domestic and export markets.

9.6.2 Highly successful FPOs/FPCs and Producer Companies in dairy sector present a strong but challenging case of replicating it in other segments of agriculture.

9.6.3 Development of Common Facilitation Centre for FPOs/FPCs registered under respective companies Act/cooperatives societies Act/ societies registration Act (with minimum 50 number of farmer members) will facilitate member farmers in primary value addition. It will help them in enhancing their bargaining power especially for small and marginal farmers, easy market access and income enhancement through better realisation of the prices.

9.6.4 The focus will be on development and strengthening of common facilitation centres for these institutions to help them in delivering the desired attributes and in attaining the goals.

9.6.5 The assistance for the projects promoted by FPOs/FPCs in Backward Districts declared by Government shall be given priority. This will ultimately facilitate the backward – forward linkages in value chain.

9.7 Promotion of Livestock Products

9.7.1 Animal husbandry sector shall be supported for giving impetus to harness the great potential available for producing hygienic milk and livestock products in an organised manner.

9.7.2 Like crops, clusters for animal husbandry shall be identified and by adopting Good Animal Husbandry Practices (GAHP), quality livestock products shall be encouraged.

9.8 Promotion of Quality Produce

9.8.1 High quality of farm produce at farm level and in successive stages of processing may be ensured by adopting package of Good Agricultural Practices (GAP) during production and followed by the food safety standards during processing and packaging.

9.8.2 The required extension as well as infrastructural support for quality promotion shall be given in the Policy.

9.9 Contract Farming

9.9.1 The State Government has already amended the Rajasthan Agricultural Produce Markets Act, 1961 to permit contract farming for fruits, vegetables, medicinal plants, aromatic plants, maize and barley.

9.9.2 In order to further encourage contract farming by agro-processing industries, bulk buyers, exporters etc. for a confirmed demand supply match, the State Government will work out solutions for simplification of the relevant rules and procedures for facilitating contract farming in the state.

9.10 Adoption of "Zero Defect Zero Effect" Policy

9.10.1 Greater focus will be on promotion of Zero Defect and Zero Effect (ZED) manufacturing amongst micro, small and medium enterprises (MSMEs) and ZED Assessment for their certification. It will address the quality and ecological needs of domestic and overseas customers, society, employees, partners, regulators, and investors.

9.10.2 After ZED assessment and adoption of proper other tools, MSMEs can reduce wastages substantially, increase productivity, expand their market as Indian Origin products (lOPs), Vendors to CPSUs, more IPRs, development of new products and processes etc.

9.10.3 ZED certification will enable the advancement of Indian industry to a position of eminence in the global marketplace and leverage India's emergence as the world's supplier through the 'Made in India' mark.

9.11 Focus on Traceability

9.11.1 The intention of the cluster based production approach and through FPOs is to confirm the origin of the produce with watch on the practices followed in production.

9.11.2 Traceability will ascertain the quality parameters adoption and facilitate value based marketing by addressing the concerns of consumers' domestic and overseas markets. This will also help in confirming the expanded market linkages.

9.12 Widening of Markets

9.12.1 To expand the organised markets for state produce, the demand markets at home and abroad shall be explored and efforts shall be made for tapping the same.

9.12.2 Initially financial assistance will also be extended to economize the supplies to distant markets.

9.12.3 A database for potential avenues for state produce shall be created.

9.13 Online Mandis

9.13.1 To bring in more transparency, greater competition and better returns for the farmers, 25 mandis have been connected with electronic National Agriculture Market (eNAM) platform.

9.13.2 Government of India has consented for including 113 more mandis for bringing on to this platform. Efforts will be made to bring in more and more number of mandis under the ambit of this platform and transferring the benefits of technology for higher price realisation to the farmers.

9.13.3 The e-platform would help farmers to sell their produce directly in the market, obviating middle-men, through the electronic trading platform. It would also help traders in open price discovery and greater accessibility owing to the online platform.

9.14 Promotion of State Brand

Brand promotion drive shall be championed to establish and secure recognition for state as a major supplier of products in which it is having production advantage.

9.15 Promotion of Geographical Indication

9.15.1 Some of the Rajasthan origin products have peculiar characteristics owing to specific agro climatic conditions and effect of other natural resources and

local skills. These specific indications give them recognition and edge in marketing.

9.15.2 These peculiar products would be identified and assisted for geographic recognition by initiating appropriate institutional efforts.

9.16 Employment Generation

9.16.1 Efforts will be made to generate opportunities of employment under the agro-processing and agri-business sector in the state by enhancing technical competency and imparting skill to unemployed persons, promoting capital investment for setting up of units and developing supply chains.

9.17 Skill Development

9.17.1 Agro-processing and agri-business, being emerging areas with a vast growth potential, is facing a shortage of skilled manpower. The State Government would encourage and support Agricultural Universities and other institutions in the State to commence courses in food processing, packaging and Agri-marketing.

9.17.2 The sector specific skill development and upgraded training modules would be designed and facilitated with the help of State Nodal Agency for imparting skill development training i.e., RSLDC also.

9.17.3 RSLDC would also maintain a database that is accessible to the enterprises and provides a direct interface with the skilled manpower available for ready employment.

9.18 Electricity Facility

9.18.1 Agro-processing and agri-business enterprises would be entitled to immediate release of power connection, subject to technical feasibility.

9.18.2 Cold chain, being an important element of supply chain, would be treated as part of agro-processing and accordingly be eligible for tariff rate and concession in electricity duty.

9.18.3 Agro industries with a limited production cycle for specific crops would be accorded the status of seasonal industry for exempting them to pay fixed charges during no work period.

9.18.4 Adoption of solar energy shall be encouraged under the policy.

9.19 Providing conducive atmosphere for setting-up Agro-processing Industry and Agri-Business

9.19.1 The State Government will make sincere efforts to meet the basic requirements of the entrepreneurs for setting up of Agro-processing Industry and Agri-business centres in the state.

9.19.2 The Rajasthan State Agricultural Marketing Board will initiate simplification of the procedures for implementation of facilities to be made available under the Policy.

9.19.3 For greater transparency in operations and real time flow of information and processes, computerization of the office of Rajasthan State Agricultural Marketing Board will be augmented, so that information can be digitally exchanged and all information can be given to the entrepreneurs under one roof.

9.19.4 The Rajasthan State Agricultural Marketing Board will evolve a Single Window System on the pattern of Single Window Clearance System (SWCS) for convenience of entrepreneurs.

9.19.5 Arrangements will also be made at division, district and mandi levels to give information to the investors regarding available facilities for setting up of agro processing industries and Agri infrastructural projects.

9.19.6 Creation of Credit Facilitation Fund

A separate fund of Rs. 500 crores will be created with "The Rajasthan State Cooperative Bank Limited "for ensuring adequate credit facility to all the eligible units under the policy. The Bank will frame a new scheme for funding the units under the policy and will implement it directly or through District Central Cooperative Banks to extend adequate credit facilities to projects/units sanctioned under this policy.

10. Eligible Persons/Organizations

Individuals, Group of farmers / growers, FPOs/FPCs registered under respective companies Act/cooperatives societies Act/ societies registration Act (with minimum 50 number of farmer members), Partnership/ Proprietary firms, LLP, Companies, Corporations, Self Help Groups (SHGs), Cooperatives, Cooperative Marketing Federations engaged in Agro & Food processing would be eligible for financial assistance as per the various schemes to be framed for implementation of Rajasthan Agro-processing, Agri-business & Agri-export Promotion Policy, 2019.

11. Eligible Sectors

All the major activities covered under the sectors listed in the Annexure (i) shall qualify for the benefits admissible under this Policy. The activities listed in Annexure (ii) shall not be eligible for the benefits under this Policy. The ineligible items/expenses given in Annexure (iii), shall not be considered for reckoning the capital investment subsidy under the Policy.

12. Applicability of Provisions under MSME Act, RIPS and/or Any Other Scheme of the State Government

All the benefits for any manufacturing and service enterprises in agro-processing and Agri-marketing sector available under RIPS and/or any other scheme of the State Government in force or to be implemented during the policy period shall be admissible to the units under this Policy in the manner as provided under the concerning scheme.

12.1. The provisions of Rajasthan MSME Act, 2019 shall be applicable to all the units to be established under the provisions of the policy.

12.2. Agriculture sector has been accorded the status of Thrust Sector under the Rajasthan Investment Promotion Scheme (RIPS) and comparatively higher incentives and exemptions are available under RIPS to the units in this sector.

12.3. At present, Enterprises with investment of Rs. 100 crores or more or providing employment to at least 250 persons are eligible for availing customized package of incentives & concessions under RIPS.

12.4. The threshold level for availing customized package of incentives & concessions under section 11 of the Rajasthan Enterprises Single Window Enabling and Clearance Act, 2011 would be lowered for agriculture sector for fresh investment under the provisions of this policy.

Furthermore, to meet certain specific requirements of agriculture sector and to provide incentives which are presently not available under RIPS, the State Government has prepared the **"Rajasthan Agro-processing, Agri-business &Agri-export Promotion Policy, 2019".**

To attain the objectives of the Policy following Schemes shall be implemented under this Policy:

13. Schemes to be implemented under this Policy

13.1 Capital Investment Subsidy Scheme

13.1.1 Capital subsidy to Farmers and their organizations for the projects with capital cost (plant machinery and technical civil work) - Capital subsidy at the rate of 75 percent of the eligible capital cost upto the limit of 75 percent of the project term loan amount will be considered with a maximum limit of Rs. 150 lakh for the projects eligible as per Annexure (I)

Provided that Units desirous of availing benefits under this policy need to necessarily apply interest subvention under Agriculture Infrastructure Fund Scheme of Government of India. In addition to this the entrepreneurs may avail subsidy under Mukhyamantri Laghu Udhyog Protsahan Yojana (MLUPY) and other State Government scheme. Such applicants will be considered on priority basis under these scheme by the Government.

13.1.1A Capital subsidy to the Promoters of the Projects with 100 percent ownership of SC/ ST with capital cost (plant machinery and technical civil work) - Capital subsidy at the rate of 75 percent of the eligible capital cost upto the limit of 75 percent of the project term loan amount will be considered with a maximum limit of Rs. 150 lakh for the projects eligible as per Annexure (I)

Provided that Units desirous of availing benefits under this policy need to necessarily apply interest subvention under Agriculture Infrastructure Fund Scheme of Government of India. In addition to this the entrepreneurs may avail subsidy under Mukhyamantri Laghu Udhyog Protsahan Yojana (MLUPY) and other State Government scheme. Such applicants will be considered on priority basis under these scheme by the Government.

13.1.2 Capital subsidy to the Promoters other than Provision 13.1.1 and 13.1.1A for the projects with capital cost (plant machinery and technical civil work) - Capital subsidy at the rate of 50 percent of the eligible capital cost upto the limit of 50 percent of the project term loan amount will be considered with a maximum limit of Rs. 150 lakh for the projects eligible as per Annexure (I)

Provided that Units desirous of availing benefits under this policy need to necessarily apply interest subvention under Agriculture Infrastructure Fund Scheme of Government of India. In addition to this the entrepreneurs may avail subsidy under Mukhyamantri Laghu Udhyog Protsahan Yojana (MLUPY) and other State Government scheme. Such applicants will be considered on priority basis under these scheme by the Government.

13.1.3 For all categories Units established independently in the state, subsidized under any scheme of Government of India –For projects sanctioned under Pradhan Mantri Kisan Sampada Yojana/MIDH/NHB Scheme of Government of India, an additional capital investment subsidy at the rate of 10% of approved cost of plant machinery and technical civil works approved by the concerned Ministry for setting up a new unit eligible as per Annexure (i) will be provided, subject to a maximum limit of Rs. 50 lakhs. This limit shall be Rs.100 lakhs for farmers or their organization.

Projects benefited under all schemes of Central Government for which Term Loan sanctioned after implementation of Policy and commercial production has not been stated, are eligible for subsidy. see notification dated 2Sept 2021.

13.1.4 Assistance of Capital Subsidy for Creating Primary Processing Centres / Collection Centres in Rural Areas - For projects sanctioned under NHB/MIDH/MoFPI/ISAM Scheme, an additional capital investment subsidy at the rate of 10% of the cost of plant machinery and technical civil works to the fruits & Vegetables units or for other commodities/activities declared eligible by the Government for

setting up of new unit shall be provided, subject to a maximum limit of Rs. 50 lakhs. This limit shall be Rs.100 lakhs for farmers or their organization.

13.1.5 Provided that the subsidy provisioned under the Point 13.1.1 and 13.1.2 shall not be admissible to those proposals which are covered under Point 13.1.3 and 13.1.4 above.

13.1.6 The items listed in Annexure (iii) shall not be eligible for computation of eligible fixed capital investment for the purpose of all types of subsidies mentioned above.

13.1.7 All the subsidies shall be credit linked back ended with a lock in period of three years and will be extended on the units financed by the RBI recognized financial institutions and scheduled banks, Rajasthan Financial Corporation, Rajasthan State Cooperative Land Development Bank Ltd. RIICO, NEB- Kisan and Financial institution permitted by the State Government . (See Policy Notification dated 2sept. 2021)

13.1.8 The subsidy amount shall be kept by lending institutions in a separate Subsidy Reserve Fund Account and no interest shall be charged by them on the amount equivalent to the subsidy received by them from the date of receipt.

13.1.9 If the unit is entitled for capital subsidy in more than one scheme of State, the applicant can avail subsidy and connected benefits in any of the one scheme.

13.1.10 No additional or top up subsidy shall be allowed to units opting for any of the capital subsidy scheme of state.

13.1.11 To ensure a robust, uniform distribution and inclusive growth of the Food Processing infrastructure in the State, total 1000 units are proposed to be supported under the Policy in financial year 2023-24.

Provided that in each district 16 percent proposals will be sanctioned for units set up by SC category entrepreneurs and 12 percent proposals will be sanctioned for units set up by ST category entrepreneurs.

Provided also that SLSC or DLSC as the case may be, may relax number of units reserved for SC/ ST category to the category , in case of non availability of required number of eligible application from SC/ST category.

13.1.12 The projects with capital investment above Rs 5.00 Cr. may avail benefit in other state investment schemes like RIPS-2022 and other schemes available to MSMEs.

13.2 Interest Subsidy on Term Loan Scheme

13.2.1 Assistance of Interest Subsidy on the Term Loan for Agro-processing

Units- Interest Subsidy on the term loan @ 5% shall be provided for a maximum period of 5 years or till repayment of loan whichever is earlier and maximum amount of Rs. 50.0 Lakhs for setting up of new unit or expansion/modernization or diversification of the existing unit.

13.2.2 Assistance of Interest Subsidy on Term Loan for Agro-Infrastructural Projects - Interest Subsidy on the Term Loan @ 5% shall be provided for a maximum period of 5 years or till repayment of loan whichever is earlier and maximum amount of Rs. 100 Lakhs for setting up Infrastructure Project in Agro-processing Sector and value chain such as Warehouse, Cold Storages, Food Irradiation Processing Plants, Pack houses, Reefer Vans etc.

13.2.3 Additional Interest Subsidy on Term Loan - Additional 1% interest subsidy shall be given to Units with 100% ownership of farmers or FPOs, FPCs or similar farmer organizations eligible for capital subsidy. The maximum amount of interest subsidy admissible to farmers or their organisation for all type of eligible activities shall be Rs. 100.0 lakhs.

13.2.4 Additional Interest Subsidy on Term Loan - Additional 1% interest subsidy shall be given to Units with 100% ownership of SC/ST or women entrepreneurs and young entrepreneurs with age below 35 years.

13.2.5 Additional Interest Subsidy on Term Loan to units in TSP or Backward districts- Additional 1% interest subsidy shall be given to Units set up in the TSP or Backward districts notified by the Government from time to time.

13.2.6 Provided that in the cases eligible for capital and interest subsidy as proposed in the Para 13.1 and 13.2, the maximum amount of total subsidy shall not exceed the limit of Rs. 100 lakhs for all the agro-processing units promoted by other than farmers or their organization and Rs.200 lakhs for farmers or their organization during a maximum period of 5 years. This maximum subsidy shall be Rs.150 lakhs for individual infrastructural projects.

13.2.7 The additional subsidy either of 13.2.3, 13.2.4 or 13.2.5 above shall be within the overall ceiling of the total assistance mentioned above.

13.2.8 Projects sanctioned for capital subsidy under para 13.1 above, shall be eligible for interest subsidy.

13.2.9 To be eligible for this subsidy, term loan account should not be categorized as NPA by the lending institution.

13.2.10 The interest subsidy shall be available on the outstanding loan amount net of subsidy and upto the repayment period or continuation of loan account or 5 years whichever is earlier.

13.3 Freight Subsidy Schemes

13.3.1 Freight Subsidy for export of fresh fruits, vegetables and flowers:

13.3.1.1 Export by Air

13.3.1.1.1 An air freight subsidy of Rs.5.00 per kg or 20% of actual freight paid, whichever is less, shall be provided. The maximum admissible subsidy will be Rs. 10 lakhs per beneficiary per year for a maximum period of 3 years.

13.3.1.1.2 This subsidy shall be Rs. 10.00 per kg or 40% of actual freight paid, whichever is less, to a maximum limit of Rs. 20 lakhs per beneficiary per year for a maximum period of 5 years for exporting organically certified products.

13.3.1.2 Export by Sea Route

13.3.1.2.1 A 25% subsidy on transportation charges upto a maximum of Rs.500 per ton, whichever is less, from purchasing area/mandi to port on surface transport and from port to the destination port of importer on sea transport each shall be given separately. The maximum admissible subsidy shall be Rs. 10 lakhs per beneficiary per year for a maximum period of 3 years.

13.3.1.2.2 A higher subsidy of 40% on transport charges upto a maximum of Rs.800 per ton, whichever is less, on surface transport from purchasing area/mandi to port and sea transport shall be given separately. The maximum admissible subsidy shall be Rs.20 lakhs per beneficiary per year for a maximum period of 5 years shall be given for exporting organically certified produce.

13.3.1.2.3 When refrigerated containers are used for export, the maximum admissible subsidy shall be Rs.700 and Rs.1000 per ton for surface and sea transportation respectively. The subsidies shall be within the overall ceiling of 25% of actual transportation charges for inorganic and 40% for organic produce. Per annum maximum admissible subsidy shall be Rs.10 lakhs for 3 years for inorganic and Rs.20 lakhs for 5 years for organic produce.

13.3.1.3 Export by Surface Route See Policy Notification dated 2 sept. 2021

13.3.2 Freight subsidy on surface transportation of fruits, vegetables and flowers to distant markets in India

13.3.2.1 A surface transportation subsidy of 25% computable on the basis of rail freight or actual freight, whichever is less, on fresh fruits & vegetables and flowers, shall be provided for transportation to other states and beyond a distance of 300 Kms. The maximum limit of subsidy shall be Rs.15 lakhs per beneficiary/per year for a maximum period of 3 years.

13.3.2.2 For selling organically certified products this subsidy shall be 40% computable on the basis of rail freight or actual freight, whichever is less, up to a maximum limit of Rs. 20 lakhs per beneficiary per year for a maximum period of 5 years

13.3.3 Freight Subsidy on Exports of Spices and Processed Agri Products: Freight/Transport subsidy for export via sea route shall be provided in following manner:

13.3.3.1 For Ordinary Produce

13.3.3.1.1 Surface Transport - A 25% subsidy on actual surface transport charges upto a maximum of Rs.800 per ton, whichever is less, from purchasing area/mandi to port or border of importing country and

13.3.3.1.2 Sea Transport - Rs.6,000/- per container (20'/weight 20 metric ton)/Rs.12,000 per container (40'/weight 40 metric ton) upto a maximum of Rs.800/- per ton, whichever is less, from port to the destination port of importer.

The maximum freight subsidy under para 13.3.3.1 shall be Rs.15 lakhs per beneficiary per year for a maximum period of 3 years.

13.3.3.2 For Organic Produce

13.3.3.2.1 Surface Transport - A higher subsidy of 40% on actual surface transport charges upto a maximum of Rs.1,000 per ton, whichever is less, from purchasing area/mandi to port or border of importing country and

13.3.3.2.2 Sea Transport - Rs.10,000/- per container (20'/weight 20 metric ton)/Rs.20,000 per container (40'/weight 40 metric ton) upto a maximum of Rs.1,500/- per ton, whichever is less, from port to the destination port of importer.

The maximum freight subsidy under para 13.3.3.2 shall be Rs.20 lakhs per beneficiary per year for a maximum period of 5 years.

13.3.4 Freight Subsidy on Export of Raw Agri Produce:

13.3.4.1 For Ordinary Produce

13.3.4.1.1 Surface Transport - A 20% subsidy on actual transport charges upto a maximum of Rs.500 per ton, whichever is less, from purchasing area/mandi to port or border of importing country and

13.3.4.1.2 Sea Transport - Rs.5,000/- per container (20'/weight 20 metric ton)/Rs.10,000 per container (40'/weight 40 metric ton) upto a maximum of Rs.500/- per ton, whichever is less, from port to the destination port of importer.

The maximum freight subsidy under para 13.3.4.1 shall be Rs.10 lakhs per beneficiary per year for a maximum period of 3 years.

13.3.4.2 For Organic Produce

13.3.4.2.1 Surface Transport - A higher subsidy of 40% on actual transport

charges upto a maximum of Rs.600 per ton, whichever is less, from purchasing area/mandi to port or border of importing country and

13.3.4.2.2 Sea Transport - Rs.7,000/- per container (20'/weight 20 metric ton)/Rs.14,000 per container (40'/weight 40 metric ton) upto a maximum of Rs.800/- per ton, whichever is less, from port to the destination port of importer.

The maximum freight subsidy under para 13.3.4.2 shall be Rs.20 lakhs per beneficiary per year for a maximum period of 5 years.

All the above freight subsidies shall be admissible on export/trade of Rajasthan origin produce only.

The detailed guidelines for implementation of the above schemes shall be issued separately.

14. Other Incentives

In addition to the benefits mentioned above, the Agro-processing and agri-businesses units set up under this Policy would be entitled to the following category additional incentives:

14.1 Electricity Related Concessions
14.2 Land Related provisions/concessions
14.3 Market Development and Diversification
14.4 Global Competitiveness Quality and Standards
14.5 Direct Purchase and Market Fee
14.6 Contract Farming
14.7 Project Development Support
14.8 Human Resource Development
14.9 Infrastructure Development Support
14.10 Research & Development
14.11 Surveys and Studies
14.12 Start Up Support

14.1. Electricity Related Concessions and Adoption of Solar Energy

14.1.1 Electricity Charge Related Concession/Facilitation

Most of agro processing industries specially related to fruits & vegetables operate during the harvest season and remain closed during lean period. Similar is the case with cold storages in potato growing belt. Such industries to be notified separately, will be declared Seasonal Industries and as such will be exempted from payment of fixed charges during the specified closure period.

14.1.2 Electricity Tariff Subsidy

A tariff subsidy at the rate of Rs.1.0 per Kwh with a maximum of Rs. 2.00 lakh per year for a period of 5 years shall be reimbursed to all the

eligible units availing capital subsidy under the policy.

14.1.3 Financial Assistance for Adoption of Solar Energy

The enterprises availing capital subsidy under this policy shall be allowed an additional financial assistance/capital subsidy at the rate of 30% of the cost of solar power plant subject to a maximum of Rs. 10 lakhs.

14.1.4 An enterprise can avail benefit of either of the two assistance mentioned at para 14.1.2 and 14.1.3 during a period of 5 years commencing from the date of commercial production/operation of the unit.

14.1.5 Enterprise opting for solar plant installation at a later stage after commissioning of the project shall be eligible for remaining amount of assistance after deducting the electricity tariff subsidy already paid at the time of switching over to the option of availing assistance mentioned at 14.1.3.

14.2. Land Related provisions/concessions

Availability of land and change of appropriate land use is among the foremost requirements for quick growth of industries. Efforts will be made to simplify the process of land conversion for agro-processing and agri-business activities. Some of the recent changes brought in land related issues are under:

14.2.1.1 Deleted

14.2.2 Land Allotment

Government land would be leased to eligible FPOs/FPCs/Organic Producers Organisation or similar other body of farmers for creating infrastructure for aggregation and storage and also for establishing processing units.

Revenue (Gr-6) Department, Government of Rajasthan issued Notification vide Order No. F.9.(68)Rev.6/10/14 dated 20.06.2011 for the following:

14.2.2.1 Government land can be made available for projects which bring new technologies not existing in the State or which help in enhancing the brand competitiveness of the State. In such cases, Government land would be provided on lease with lease rental @ 10% of the prevailing DLC rate being charged at the time of allotment. This will reduce the initial cost of the project. The lease rental will be increased by 15% after every two years to offset inflation. The increased lease rental will, however, not be less than 10% of the prevailing DLC rates.

14.2.2.2 The Govt. of Rajasthan could, on the recommendation of the State Level Sanctioning Committee, allow leasing of Government land for a

period of 30 years for captive production and consumption for projects with an investment of Rs. 50 crore or more. In case community land, vested with the Gram Panchayat, is made available 25% of the lease amount would be made available to the Gram Panchayat concerned.

14.2.3 Ceiling and Leasing Provisions

14.2.3.1 Government would encourage entrepreneurs to procure land required for their projects. In cases the land requirement exceeds the ceiling prescribed in the Rajasthan Imposition of Ceiling on Agriculture Land Act, based on the recommendation of the State Level Sanctioning Committee, exemption from the said Act will be granted under Notification issued vide Revenue (Gr-8) Department dated 11.10.2010.

14.2.3.2 Section 45 of the Rajasthan Tenancy Act, 1955 has been amended to allow for extended lease for a period of 15 years, extendable by another 15 years, for the agricultural operations in connection with agri-businesses enterprises. (Notification issued by Law (Legislative Drafting) Department (Group-II) vide Order No. F.2(11)Vidhi/2/2011 dated 01.04.2011)

14.3 Market Development & Diversification

The Policy seeks to address the entire gamut of activities in market development, both domestic and overseas. The Policy focuses on qualitative aspects, conforming to standards, exploring new markets, subsidizing freight in the initial years and brand building. The following facilities/incentives would be extended for market development and diversification:

14.3.1 The State Government would develop a data base of exports of commodities produced in the State from all the major export destinations. The State with support of APEDA and other Export Promotion Councils would participate in national and international trade fairs and support participation of processors and exporters in such fairs. Products in which the State enjoys competitive advantage would be accorded priority in market development.

14.3.2 Subsidy of 50% of the cost of sending samples of agri-products of Rajasthan origin abroad for test marketing, subject to a maximum of Rs. 50,000 per beneficiary for one sample to one country, would be allowed.

14.4 Global Competitiveness Quality & Certification

The State Government would encourage standardization, grading and setting up of testing facilities accredited to internationally acceptable agencies. Incentives for patent/design registration and quality certification will be allowed to agro-processing and agri-business enterprises.

14.4.1. Patent/Design Registration: Reimbursement of the prescribed fee for registering for Patent and Design under the Indian Patents Act and Indian Design Act, as the case may be would be allowed subject to a maximum of Rs 2 lakhs per beneficiary per year.

14.4.2. Quality Certification

Reimbursement of the prescribed fee for internationally accepted quality/environmental/food safety certification, viz., ISO 14001, ISO 9000, HACCP, ISO 22000, GMP, GHP, Organic certification under FSSAI/NPOP, OHSAS, SA8000, or latest quality certification issued would be allowed subject to a maximum of Rs 2 lakhs to each enterprise for each certification.

14.4.3. Establishment of Laboratories

The State Government will support setting up of NABL accredited quality testing laboratories through concessional allotment of land at suitable places or market yards. Subsidy for testing through these facilities for export of products originating from the State will be allowed. Suitable amendment in Land Allotment Policy in Mandi Yard shall be made.

14.5. Direct Purchase & Market Fee

14.5.1 The process of direct purchase by agro-processing and Agri export enterprises of agriculture and horticulture products will be simplified.

14.5.2 Relevant amendments in APMC Act/Rules/Sub-Rules shall be carried out for facilitating direct purchase with reduced marketing expenses and ease of doing business.

14.6. Contract Farming

Suitable amendments in APMC/concerning Act shall be carried out for hurdle free backward linkage and revising market fee/user charges.

14.7. Project Development Support

For agro-processing and/or agri-business enterprise which requires specialized project report, a subsidy of 50% of the cost of preparation of a Detailed Project Report, with a maximum of Rs.5.0 lakhs during a period of 5 years would be allowed and be released only after the commencement of commercial operations by the unit.

14.8. Human Resource Development

14.8.1 The State Government would provide an assistance of 50% of prescribed fee or Rs.1000 whichever is less per trainee per month, subject to a maximum of Rs.25 lakhs per institution per year, for a period of three years, provided such Institutions are recognized/affiliated with the respective regulatory body or approved by the State Government. The courses must be job oriented with 3 to 12 months duration. While awarding such training

programmes, priority shall be given to the State run skill development institutions.

14.8.2 Expenditure incurred on specialized skill development training programmes sponsored under this policy in agro processing sector conducted by RSLDC or other institution selected by the Government will be paid under this Policy.

14.9. Infrastructure Development Support

14.9.1. Besides employment linked and other incentives under the Policy, common infrastructure projects in the area of agro processing and agri-business would, on the recommendations of the State Level Sanctioning Committee, be eligible for allotment of government land under the applicable Rules.

14.9.2. Centres of Excellence, Crop Development Institutes, etc., which are approved by the State Level Sanctioning Committee will be allotted land under the Rajasthan Industrial Area Allotment Rules, 1959 and other applicable Rules.

14.9.3. The State Government would consider, on priority, providing road links for agro-industries clusters and food parks through the Marketing Development Fund (MDF) or other Schemes/Programmes.

14.9.4. Food parks/Agri-clusters/SEZ for agricultural commodities approved by the State Level Sanctioning Committee would be eligible for allotment of land under the relevant Rules. These facilities will be eligible for all other incentives admissible to agro-processing and agri-business enterprises under the policy and relevant schemes of Central Government.

14.9.5. To strengthen marketing infrastructure and to promote efficiency and competitiveness in the marketing, the State Government would encourage setting up of private Mandi yards. Licensed private Mandis would be provided the level playing field for increasing competition and will work as alternative marketing place for better price realisation to the farmers.

14.9.6. The Government would encourage setting up of grading, assaying and quality certification laboratories and other facilities in the Mandi Yards and land/space would be allotted as per the provisions of Land Allotment Policy in Mandi Yards.

14.9.7. The Government would develop suitable infrastructure in Mandi Yards for selling the produce directly of members of FPOs/FPCs and organic producer's organization. Necessary amendment in Land Allotment Policy in Mandi yards will be carried out whenever required.

14.9.8. The State Government has already amended the Rajasthan Agricultural Produce Markets Act, 1961 to permit the setting up of private sub e-markets. Investment in the private sub e-markets would be eligible for incentives under this Policy.

14.10 Research & Development

14.10.1 Sponsored research in the field of agro-processing and value addition may be undertaken in association with reputed research institutions, State Agricultural Universities under the Policy.

14.10.2 Any proposal submitted by eligible institution and approved by the State Committee would be eligible for a subsidy of 50% of the cost subject to a maximum of Rs. 20 lakhs once in a year.

14.11 Surveys and Studies

14.11.1 To explore the new markets, studying the marketing channels, efficiency of markets, effectiveness and need of new market reforms, impact assessment of various marketing measures and social & promotional schemes, market surveys for development of trade etc.,survey and studies would be commissioned on sanction by State Level Sanctioning Committee.

14.11.2 Possibilities of collaboration with State Agricultural Universities for engaging post graduate and doctoral students in conducting surveys and studies in the Agri business sector would be explored and facilitated.

14.12 Start up Support

Technological advancement and new business ideas generated by Start Ups will be encouraged under the Policy. Efforts will be made to create an ecosystem convenient, hassle free and flourishing to these enterprises. Start Ups will be assisted in getting support from various schemes of Central and State Governments.

15. Incentives/assistance admissible under ongoing/specific schemes/programmes

Besides the incentives admissible under this Policy, agro-processing and agri-business enterprises would be eligible for any other assistance and/or subsidy admissible under any other scheme in force.

An enterprise availing subsidies/assistance under para 13 above shall not be eligible for similar benefits in any of the scheme of the State Government. The benefits under para 14 for any component can be taken in any one of the scheme of Central or State Government.

16. Subsidy/Financial Support Sanction Mechanism

16.1 There will a two-tier structure as mentioned in Annexure (iv) for sanctioning the various subsidies under the policy.

16.2 District Level Screening and Sanctioning Committee (DLSC) will screen all the projects received under para 13.1 and sanction the capital subsidy in all the eligible projects costing up to Rs.100 lakhs and projects costing more than Rs. 100 lakhs will be sanctioned by State Level Sanctioning and Monitoring Committee (SLSC).

16.3 The interest subsidy under para 13.2 will be sanctioned by the DLSC/SLSC which sanctioned the capital subsidy under para 13.1 to the project after the commencement of the commercial production/operations. Interest subsidy will be disbursed only after the submission of certificate from the lending institution/bank regarding payment of all the due instalments together with interest as on the date of issuance of certificate.

16.4 All the applications for Freight/Transport subsidy under para 13.3 will be sanctioned by DLSC.

16.5 Interest and freight subsidy claims shall be submitted quarterly.

16.6 Other incentives mentioned at para 14 will be sanctioned by the committees authorised for in the concerning schemes to be formulated for different components separately.

16.7 Entire subsidy/assistance/incentive sanctioning process will be online with a provision of subsequent submission of the hard copy of the application duly completed along with all the relevant documents to the member secretary of the concerning committee within a maximum period of 15 days of online submission.

16.8 The concerning committee has to dispose off the application within a period of 60 days.

16.9 After expiry of the prescribed period, the applications not disposed off by the DLSC will be transferred to SLSC for sanction/disposal.

16.10 Appeal against the decision of the DLSC may be done to the SLSC within a period of 90 days from the date of the intimation of the decision.

17. Nodal Agency for the Policy

The Department of Agriculture, Government of Rajasthan would be the Nodal Department for the purpose of this Policy. The Rajasthan State Agricultural Marketing Board shall be the Nodal Agency for the implementation of this Policy.

18. Funds for Implementation of the Policy

The various subsidies and incentives/assistance and other expenses incidental for smooth and efficient implementation of this Policy shall be incurred from the Kisan Kalyan Kosh or as amended by State Government and being maintained under section 19 of Rajasthan Agricultural Produce Market Act in the Rajasthan State Agricultural Marketing Board.

-sd-

(Lal Chand Gurjar)

Dy. Secretary to Government

Copy forwarded to the following for information and necessary action:

1. Superintendant, Government Press for publication in extra ordinary gazette with

a soft copy.

2. Principal Secretary, Hon'ble Chief Minister, Rajasthan.
3. PS to Hon'ble Agricultural Marketing Minister (Hon'ble Chief Minister)
4. PS to Principal Secretary, Agriculture and Horticulture
5. Administrator, Rajasthan State Agricultural Marketing Board, Jaipur
6. Director, Agricultural Marketing Department, jaipur
7. Guard file

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Dy. Secretary to Government

Annexure (i)

Eligible Sectors

Rajasthan Agro-processing, Agri-business and Agri-export Promotion Policy, 2019will cover the following sectors:

- Fruits & vegetables processing
- Spices processing
- Cereal/other consumer food products
- Oilseeds products
- Rice & flour milling
- Pulse processing
- Herbal, medicinal, flower and aromatic products
- Minor forest produce processing
- Honey processing
- Milk processing
- Meat (other than beef), Poultry, Fishery processing
- Cattle feed, poultry feed, fish meal products
- Non edible agriculture produce processing
- Other such Agricultural and horticultural productprocessing activitiesfor preparing food flavours and colours, oleoresins and mushroomsproducts
- Mushrooms production, Processing of Agri Waste for Bio-Char and Pellets production.
- Infrastructure Projects: Collection/Aggregation Centre,Cold Storages, Food Irradiation Processing Plants, Cold Chain, Pack houses, agro-processing clusters or parks declared by State Government, Reefer Vans etc.

State Level Sanctioning and Monitoring Committee (SLSC) shall be competent to include/exclude any sector/sub-sector from the ambit of Policy to ensure all-inclusive growth of Agriculture and allied sector in the State.

Annexure (ii)

Ineligible Sectors

Following sectors will not be eligible under Rajasthan Agro-processing, Agri-business & Agri-export Promotion Policy, 2019:

- Investment for manufacturing Tobacco products, Pan Masala containing tobacco, Gutka other intoxicated products
- Investment in stand-alone bottling or packaging plants including bottling/ packaging plants for potable liquor, beer, or aerated drinks
- Beef Meat Processing units
- Manufacturing of soft drinks, production of mineral waters and other bottled/pouched waters
- Manufacturing or sizing of wood, manufacture of furniture and products made from wood and cork
- Production of firewood and charcoal
- Processing units discharging toxic effluent without having effluent treatment plant

State Level Sanctioning and Monitoring Committee(SLSC) shall be competent to include/exclude any sector/sub-sector from the ambit of Policy to ensure all-inclusive growth of Agriculture and allied sector in the State.

Annexure (iii)

Ineligible Expenses for Capital Investment Subsidy

1. Cost of land and its development
2. Pre-operative expenses
3. The following items of civil works:
    i. Compound Wall
    ii. Approach Road/internal Roads
    iii. Administrative or any residential building or rest room/guest house
    iv. Canteen
    v. Labour Rest Room and quarters for workers
    vi. Security/ Guard Room or enclosure
    vii. Consultancy fee
    viii. Non-technical civil works not directly related to cold chain or storage infrastructure or production unit
4. The following items of plant and machinery:
    i. Margin money, working capital and contingencies
    ii. Fuel, consumables, spares and stores
    iii. AC ducting, furniture, Computers and allied office furniture not directly related to production.
    iv. Transport vehicles other than the Reefer trucks/vans/refrigerated carrier/insulated vans etc.
    v. Second hand/ oldmachines
    vi. All types of service charges
    vii. Expenditure on painting of machinery
    viii. Closed Circuit TV Camera and security system related equipment
    ix. Consultancy Fee
    x. Stationery items
    xi. Plant & machinery not directly related to cold chain or storage infrastructure or production unit
    xii. Fire-fighting equipment, fly catchers, hand washer, laundry etc. not directly related to production process.
    xiii. Reconditioned and refurbished plant & machinery

The above list is only indicative and not exhaustive and State Level Sanctioning and Monitoring Committee (SLSC) shall be competent to include/exclude any item in/from the ambit of ineligible items list to ensure assistance for all the qualified expenses/items.

Annexure (iv)

District Level Screening and Sanctioning Committee (DLSC)

i.	**District Collector**	**Chairperson**
Ii	Joint/Deputy Director, Agriculture Department	Member
iii.	Deputy/Assistant Director, Horticulture Department	Member
iv.	Joint Director, Animal Husbandry Department	Member
v.	Secretary, Krishi Upaj Mandi concern	Member
vi.	Senior Accounts personnel posted at district headquarter not below the rank of Treasury Officer	Member
vii.	General Manager, District Industries Centre	Member
viii.	Executive Engineer, Rajasthan State Agricultural Marketing Board of concerning division	Member
ix.	Managing Director, District Central Cooperative Bank	Member
x.	Lead District Manager, Lead Bank of District	Member
xi.	Regional Joint/Deputy Director, Agricultural Marketing Department	Member Secretary
xii	Assistant General Manger / District Development Manger NABARD	Member

State Level Sanctioningand Monitoring Committee (SLSC)

i.	**Additional Chief Secretary/Principal Secretary/Secretary, Department of Agriculture**	**Chairperson**
ii	ACS/Principal Secretary/Secretary, Department of Finance or his representative	Member
iii.	ACS/Principal Secretary/Secretary, Department of Revenue or his representative	Member
iv.	ACS/ Principal Secretary/Secretary, Department of Planning or his representative	Member
v.	ACS/Principal Secretary/Secretary, Department of Cooperative or his representative	Member
vi.	Commissioner/Director, Department of Industries or hisRepresentative	Member
vii.	Commissioner/Director, Department of Agriculture or hisRepresentative	Member
viii.	Commissioner/Director, Department of Horticulture or hisRepresentative	Member
ix.	Chief General Manager, NABARD, Regional OfficeRajasthan or hisRepresentative	Member

x.	Convener, State Level Bankers' Committee, Rajasthan or hisRepresentative	Member
xi.	Managing Director, The Rajasthan State Cooperative Bank Ltd. or hisRepresentative	Member
xii.	Director, Department of Agricultural Marketing or hisRepresentative	Member
xiii.	Director, Department of Animal Husbandry as per project requirement or hisRepresentative	Member
xiv.	Administrator, Rajasthan State Agricultural Marketing Board	Member Secretary