

No.1-42/2005-PC
Government of India
Ministry of Food Processing Industries
Panchsheel Bhawan, August Kranti Marg,
New Delhi-110 049.

.....
Dated : 13th June 2007.

To

All the Banks/ Financial Institutions

Subject: Decentralisation of Plan Scheme of Technology Upgradation/Setting up/Modernisation/Expansion of Food Processing Industries – reg. Applications received after 31.03.2007.

Sir,

The Ministry of Food Processing Industries has been operating a Plan Scheme for Technology Upgradation/Establishment/Modernization of Food Processing Industries during the 10th Plan period providing financial assistance for technology upgradation /establishment/ modernization of food processing industries. The implementation of the above scheme has been decentralized through banks and other financial institutions from the current financial Year 2007-08 ie. with effect from 1st April 2007.

2. Presently, the following 11 banks/FIs have been designated under the scheme for participating in the above scheme for receiving claims from the entrepreneurs and processing of grant.

1. State Bank of India	7. State Bank of Bikaner & Jaipur
2. Canara Bank	8. UCO Bank
3. Punjab National Bank	9. Bank of India
4. Andhra Bank	10. SIDBI
5. Central Bank of India	11. North Eastern Development Finance Corporation (NEDFi)
6. Bank of Baroda	

3. These Banks may receive the applications - received either from the applicants directly or from the State Nodal Agencies (SNAs) which are State Government Departments/Corporations - and process the applications for grant strictly as per guidelines which have been sent to their Headquarters. The detailed guidelines in this regard are also available on Ministry's website www.mofpi.nic.in under "Decentralization of Plan Scheme". As indicated in para 6(ii) and (iii) of the guidelines, these Banks may co-opt other Co-operative/Commercial/ Regional/Rural Banks/Financial Institutions as Primary Lending Institutions (PLIs) under the scheme for sanction and disbursement

of loans so as to extend the reach. Ministry is considering inclusion of more banks to the above list.

4. The Ministry will be putting in place an e-portal system for on-line interface between the participating banks and the Ministry for providing information on the applications received by them, status of their processing/approval and claim for funds for disbursement of grant approved by the banks and transfer of funds for disbursement of grant by the Ministry to the banks through e-portal. This is likely to take a few months. Till such time this arrangement is made, the banks may process the grant and send the details of the grant approved to the Ministry to Shri S.K. Lohani, Director (Tel.No.011-26494032; Fax:011-26492176; e-mail: sk.lohani@nic.in) or by post in the format in Annexure III (copy enclosed) to the guidelines which is available in the Ministry's website indicated above. The grant sanctioning bank branch shall ensure that the grants are calculated, sanctioned and disbursed strictly as per the guidelines. In regard to the Computer Number indicated therein, till such time e-portal is established, the banks may provide a temporary No. (eg. Temp.No.1/SBI/Durgapur Br./Br. Code No./Month/2007). The disbursement of the first installment of grant will be due only after the unit has utilized 50% of promoter's contribution and Term Loan. However, the bank may send a report to the Ministry in the above format with suitable updation on (i) receipt of the application (ii) approval of the grant and (iii) when the grant is due for disbursement (ie.1st Installment) for transfer of funds.

5. The Ministry will be organizing regional workshops on the implementation of the scheme wherein the operational modalities including method of calculation of grant, etc. will be explained. The first such workshop is scheduled on 14.6.2007 at 10.00 AM in Conference Room No.120, Panchsheel Bhawan, August Kranti Marg, New Delhi. In case of any further clarifications, the banks may contact through e-mail or by post/phone the contact officer mentioned above.

Yours faithfully,

Sd/...
(S.K. Lohani)
Director
Tel:26494032

DETAILS OF PROPOSAL FOR GRANT-IN-AID FOR FPI UNITS

BANK NAME FINANCIAL YEAR
 COMPUTER NO. 2001-2002,2002-2003,2003-2004,2004-2005,2005-2006,2006-2007,2007-2008, 2008-2009,2009-2010, 2010-2011,2011-2012
 SECTOR APPLICATION DATE DD/MM/YYYY

APPLICANT NAME
 ADDRESS (Reg. Office)
 STATE / UT DISTRICT
 PHONE NO. FAX NO. E-Mail
 PROMOTER'S GENDER MALE/FEMALE

PROJECT LOCATION STATE / UT DISTRICT
 EMPLOYMENT: DIRECT INDIRECT MALE FEMALE COMMUNITY GEN GBC SC ST

CATEGORY OF ORGN. PRODUCT
 CENTRAL GOVT. UNDERTAKING, STATE GOVT. UNDERTAKING, EDUCATIONAL INSTITUTIONS, COOPERATIVE UNDERTAKING, STATE INDUSTRIAL GOVT. CORP. JOINT SECTOR UNDERTAKING, PRIVATE SECTOR UNDERTAKING, INDIVIDUAL PROMOTER, FOREIGN/NRI/OCB COMPANY, FOREIGN/NRI INDIVIDUAL, PARTNERSHIP FIRM, REGISTERED SOCIETIES, OTHERS
 AREA BACKWORD, URBAN, RURAL, HILL, TRIBAL, MINING

CATEGORY ESTABLISHMENT, TECH. UPGRADATION ETC.
 TOTAL COST IN LAKH Rs.
 ASSISTANCE ASKED FOR 50.00 IN LAKH Rs.

STATUS & DATE PENDING AS ON DD/MM/YYYY
 PENDING, APPROVED, COMPLETED, REJECTED
 DEFAULT VALUE IS APP. DATE TILL CASE IS PENDING. IF IT IS APPROVED OR REJECTED THEN CURRENT DATE WILL BE FLASHED AND FLASHED DATE CAN BE CHANGED (IF REQUIRED)

IN CASE OF REJECTION, REASONS

TOTAL APPROVED GRANT AMOUNT IN LAKH Rs.
 (To be filled in after Bank's Approval of the Grant)

AMOUNT RELEASED AS ON		
	AMOUNT IN LAKH Rs.	DATE
First Instalment	<input type="text"/>	<input type="text"/>
Second Instalment	<input type="text"/>	<input type="text"/>

EXIT HERE:



No.1-42/2005-PC
Government of India
Ministry of Food Processing Industries
Panchsheel Bhawan, August Kranti Marg,
New Delhi-110 049.

....

Dated : 13th June 2007.

To All SNAs

Subject: Decentralisation of Plan Scheme of Technology Upgradation/Setting up/Modernisation/Expansion of Food Processing Industries – reg. Applications received after 31.03.2007.

Sir,

I am directed to refer to the Ministry's letter of even number dated 20th April 2007 communicating decentralized procedure for processing of applications under the scheme for Technology Upgradation/ Modernisation/ Establishment of food processing units. It was indicated therein that the SNAs will receive applications upto 30th April 2007 and forward the same to the concerned banks for processing. It was also indicated that in respect of applications received beyond 30th April, the entrepreneurs may be advised to directly submit the applications to the concerned bank from which term loan has been obtained for claim in respect of grant under the scheme.

2. The Ministry is in process of putting in place an e-portal which will provide interface between bank branch and the Ministry for the purpose of request to the Ministry for transfer of funds in respect of grant approved by branch as well as for transfer of information relating to the applications. It is expected that this arrangement will take 3-4 months to be operational. It is, therefore, proposed that –

- (i) till such time, the e-portal become operational, the SNAs may also receive the applications in addition to any application directly submitted to the banks by the entrepreneurs.
- (ii) The SNAs will forward these applications to the concerned bank branch after providing acknowledgement to the entrepreneur as in **Format I** (enclosed)
- (iii) The SNAs shall forward a list (**Format -IV** enclosed) of such cases sent to the banks to the Ministry on a fortnightly basis giving a brief one page

summary of the application as per enclosed **Format II**. This fortnightly list as well as the one page summary may preferably be sent to the Ministry by e-mail on the address sk.lohani@nic.in

- (iv) While forwarding the applications to the banks, the SNAs may request the banks that the applications of the units may be examined for approval of grant in accordance with the guidelines provided to them by the Ministry. A copy of format for forwarding of applications to the banks in this regard is also enclosed (**Format III**).
- (v) The banks may also intimate the Ministry, of such approvals and make request for release of grant after the unit has utilised 50% of term loan and 50% of promoter's contribution towards the project. Any further query in this regard may be referred to the Ministry by telephone/fax/e-mail to Shri S.K. Lohani, Director, (Tel.No.011- 26494032/Fax No. 011-26492176, e-mail: sk.lohani@nic.in) for quick response.

3. It is also proposed that a meeting of the SNAs will be called to sensitize them in regard to various issues relating to implementation of the decentralization of the scheme.

Yours faithfully,

Sd/...

(S.K. Lohani)

Director

Tel:26494032

ACKNOWLEDGEMENT RECEIPT

The application for financial assistance from Ministry of Food Processing Industries under the Scheme of Technology Upgradation/Expansion/ Modernization/Establishment of food processing industries, has been received on From Shri/Smt representing M/s (Name and Address of the applicant)..... Telephone/Fax No/Email..... for consideration.

Dated:

(SIGNATURE OF THE OFFICER WITH OFFICE SEAL)
OFFICE ADDRESS AND TELEPHONE/FAX NO/Email

Format II

Brief Summary of the Application :

1. Name of the Company and Address :

2. (a) Proposal for (setting up/ modernization/
Technology Upgradation of _____) :

(b) Name of sector -

3. Appraised Project Cost :

4. Grant applied for :

5. Name and address of appraised Bank
(with contact telephone/Fax Nos.) :

6. Date of receipt of application in the SNA :

7. Date of forwarding to the bank/FI :

(Signature)

Format III

No.....

Dated the,.....

To

.....Bank

Subject: application for grant under the Scheme of Technology Upgradation/Expansion/ Modernization/Establishment of food processing industries of the Ministry of Food Processing Industries - regarding

Sir,

I am directed to forward herewith an application received from.....
Shri/Smt.....
representing M/s..... (Name and Address of
the applicant company) for..... setting up/
modernization/ Technology Upgradation of(sector/product)
for sanction of grant under the Scheme of Technology Upgradation/Expansion/
Modernization/Establishment of food processing industries of the Ministry of Food
Processing Industries for your consideration. The application may be processed
expeditiously as per Ministry of Food Processing Industries guidelines vide Letter No.
No.1-42/2005-PC dated 20th April 2007 copy enclosed. Copy of the guidelines is also
available on Ministry's website www.mofpi.nic.in under "Decentralization of Plan
Scheme". A copy of the grant sanction letter may please be sent to the undersigned
as well as to Shri S.K. Lohani, Director the Ministry of Food Processing Industries,
Panchsheel Bhawan, August Kranti Marg, New Delhi-110049.

Yours faithfully,

(Officer's signature)
Designation & address

Format IV

List of cases sent to Banks by the SNA

Name of SNA:

Sl.No	Name and address of applicant Company	Proposal for (setting up/modernization/Technology Upgradation of)	Sector	Grant Applied for Amount (Rs. Lakhs)	Date of receipt in SNA	Date of forwarding to Bank	Name and address of the Bank
1	2	3	4	5	6	7	8

GOVERNMENT OF INDIA
Ministry of Food Processing Industries
Panchsheel Bhavan, August Kranti Marg
New Delhi-110049

**DECENTRALISATION OF SCHEME ON TECHNOLOGY UPGRADATION/
MODERNIZATION / ESTABLISHMENT OF FOOD PROCESSING INDUSTRIES**
IMPORTANT INFORMATION FOR APPLICANT ENTREPRENEURS SEEKING
GRANT UNDER THE SCHEME AND THE BANKERS

The Ministry of Food Processing Industries has been operating a Plan Scheme for Technology Upgradation/Establishment/Modernization of Food Processing Industries during the 10th Plan period providing financial assistance for technology upgradation /establishment/ modernization of food processing industries. The implementation of the above scheme has been decentralized through banks and other financial institutions from the current financial Year 2007-08 ie. with effect from 1st April 2007.

All the applicant units/entrepreneurs are, hereby informed that they may submit their claim for grant under the above scheme direct to the concerned Bank branch from which Term Loan has been obtained for the project. Presently, the following 27 banks/FIs have been designated under the scheme for participating in the above scheme for receiving claims from the entrepreneurs and processing of grant.

1. State Bank of India	15. Syndicate Bank
2. Canara Bank	16. United Bank of India
3. Punjab National Bank	17. Karnataka State Financial Corporation
4. Andhra Bank	18. AP State Financial Corporation
5. Central Bank of India	19. Indian Overseas Bank
6. Bank of Baroda	20. J & K Bank Ltd
7. State Bank of Bikaner & Jaipur	21. Indian Bank
8. UCO Bank	22. Catholic Syrian Bank
9. Bank of India	23. UTI Bank
10. SIDBI	24. HDFC Bank
11. North Eastern Development Finance Corporation (NEDFi)	25. Federal Bank Ltd.
12. Union Bank of India	26. Tamilnadu Mercantile Bank
13. Oriental Bank of Commerce	27. Bank of Maharashtra
14. Corporation Bank	

These Banks may receive the applications and process the applications for grant as per guidelines which have been sent to their Headquarters. The detailed guidelines in this regard is also available on Ministry's website www.mofpi.nic.in under "Decentralization of Plan Scheme". As indicated in para 6(ii) and (iii) of the guidelines, these Banks may co-opt other Co-operative/Commercial/ Regional/Rural Banks/Financial Institutions as Primary Lending Institutions (PLIs) under the scheme for sanction and disbursement of loans so as to extend the reach.

The Ministry will be putting in place an e-portal system for on-line transfer of funds for disbursal of grant approved by the banks through e-portal. Till such time this arrangement is made, the banks may process the grant and send the details to the Ministry to Shri S.K. Lohani, Director (Tel.No.011-26494032; Fax:011-26492176; e-mail: sk.lohani@nic.in) or by post in the format in Annexure III to the guidelines which is available in the Ministry's website indicated above. The grant sanctioning bank branch shall ensure that the grants are calculated, sanctioned and disbursed strictly as per the guidelines. The disbursal of the first installment of grant will be due only after the unit has utilized 50% of promoter's contribution and Term Loan.

(Ajit Kumar)
Joint Secretary to the Government of India
19th June 2007