

**GOVERNMENT OF WEST BENGAL**  
**DEPARTMENT OF FOOD PROCESSING INDUSTRIES AND HORTICULTURE**

**Guidelines for implementation of**  
**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:**

**State Level Empowered Committee (SLEC)**

To carry out administration of the WBFPIIS , 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

<b>Sl. No.</b>	<b>Designation</b>	<b>Designation in Committee</b>
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 Convenor

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.

**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

3. The Sub Committee on WBFPI, 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.

4. **Funding Pattern of WBFPI:** The West Bengal Food Processing Incentive Scheme (WBSFPI), 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.

**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 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 crore.

**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. This it does not apply to units written Kolkata / Siliguri / Asansole / 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 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.wbfpib.gov.in](http://www.wbfpib.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 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 installments:

### Release of 1<sup>st</sup> installment:

The first installment 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 1<sup>st</sup> installment 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 1<sup>st</sup> installment subject to the availability of all other requisite documents as per scheme guidelines.

### Release of 2<sup>nd</sup> installment:

The second installment 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 1<sup>st</sup> installment of released grant **(Appendix-C)**.
- (iii) **Bank Certificate** – certifying that they have released 100% of term loan and 1<sup>st</sup> installment of grant released by Department of FPI&H, Government of West Bengal. They have no objection in releasing 2<sup>nd</sup> installment of grant being released by Department of FPI&H, Government of West Bengal **(Annexure-III)**.
- (i) **Chartered Engineer Certificates** – Certifying the Item wise and cost wise details of Technical civil works envisaged duly certified by Chartered Engineer (Civil) and Item wise and cost wise details of Plant & Machinery envisaged duly certified by Chartered Engineer (Mechanical). certificates vetted by District Engineer, Zila 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/ Modernisation of Food Processing Industries under West Bengal Food Processing Incentive Scheme (WBFPIIS) 2021**

S.No.	Particulars	Details
<b>A. Promoters</b>		
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	
4.	Financial Status	
5.	Existing Industry if any	
<b>B. Project Description</b>		
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)	
<b>C. Project Cost (indicating proposed cost, appraised cost separately)</b>		
13.	Capital Investment (Fixed Capital) <ul style="list-style-type: none"> <li>i. Land Area Cost</li> <li>ii. Building</li> <li>iii. Civil Works</li> <li>iv. Technical Civil Works</li> </ul>	
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)	

20.	Effluent Disposal (Method/Machinery/Cost)		
<b>D. Means of Finance (indicating proposed &amp; appraised means of finance, separately)</b>			
21.	Means of Financing  a) Equity b) Loan (Term/working capital) c) Grant in aid under WBFPIIS 2021 d) other sources  <b>TOTAL</b>		
22.	Financial Benchmarks a) Cash Flow b) Break Even Point c) Internal Rate of Return d) Debt Equity Ratio e) Debt Service Coverage Ratio		
23.	In case of expansion/modernisation all the above benchmarks to be given separately- existing as well as projected		
24	In case of expansion/modernisation proposals Audited Balance sheet of last three years to be enclosed.		
<b>E. Marketing</b>			
25.	Marketing a) Existing Market b) Future Demand c) Marketing Strategy d) Linkage to farm/backward linkages e) Forward market linkages		
<b>F. Implementation Schedule</b>			
26.	Item of work	Date of implementation  (Bar charts/Milestone Charts may be enclosed)	
<b>G. Personnel</b>			
27.	Details of technical & Managerial personnel (Operation, Maintenance, managerial, finance, marketing etc.) required & available.		
<b>H. Employment Generation- Direct/Indirect</b>			
28.	a) Direct b) Indirect		

Date:  
Place:

Signature  
Name and Designation  
Seal of the organisation

Encl: List of documents attached.



**(Letter Head of the Bank)**

**Certificate**

1. Certified that this bank has appraised the project of M/s ..... (Name and address of the organization) for WBFPIIS 2021 grant as per guidelines of the scheme and also sanctioned term loan of Rs lakh .....
2. It is further certified that we have released Rs ..... lakh (50% of sanctioned term loan) to M/s ..... (Name and address of the organization).
3. We have no objection in releasing 1<sup>st</sup> installment of grant if sanctioned by the State Govt.

(Signature)  
(Name)  
(Branch Manager)  
(Branch IFSC Code)

---

**(Letter Head of the Bank)**

**Certificate**

1. Certified that this bank has released 100% of term loan sanctioned i.e. Rs.....lakh and also 1<sup>st</sup> installment of grant of Rs lakh released by the Department of Food Processing Industries and Horticulture, Government of West Bengal vide sanction order No. .... Dated..... to M/s (Name and address of the organization), which has been credited in account number .....of the firm.
2. We have no objection in releasing 2<sup>nd</sup> installment of grant if sanctioned by the State Govt.

(Signature)  
(Name)  
(Branch Manager)  
(Branch IFSC Code)

**Appendix-C**

**CA certificate (With membership No. of CA) in the following format:-**

**(i) Project Cost:**

**(Rs. in lakh)**

<b>Sl No.</b>	<b>Name of the Component/Item</b>	<b>Project Cost</b>	<b>Cost as appraised by the Bank</b>	<b>Actual Cost</b>
1.	Land			
2.	Building / Civil Works			
3.	Plant & Machinery			
4.	Misc. Fixed Assets			
5.	Other's			
	<b>Total</b>			

**(ii) Means of Finance:**

**(Rs. in lakh)**

<b>Sl. No.</b>	<b>Item</b>	<b>Project Cost</b>	<b>As per appraisal report</b>	<b>Actual Cost</b>
1.	Promoter's Equity			
2.	Term Loan			
3.	Unsecured Loan			
4.	Grant under WBFPIIS			
5.	Other's			
	<b>Total</b>			

Details of unsecured loans, if any, duly certified by CA.

**Signature and Seal of C.A**

**(Letter Head of the CA)****Utilization Certificate**

<b>S. No.</b>	<b>Letter No. &amp; Date</b>	<b>Amount</b>
1.		

Certified that out of **Rs. -----** of grant-in-aid sanctioned during the year ----- in favour of -----  
By Department of Food Processing Industries and Horticulture, Government of West Bengal under West Bengal Food Processing Incentive Scheme 2021 vide letter No. given in the margin and **Rs** \_\_\_\_\_ on account of unspent balance of the previous year, a sum of **Rs. -----** has been utilized for the purpose of ----- for which it was sanctioned, that the balance of **Rs. -----** remaining un-utilized at the end of the year ---- has been surrendered to Government of West Bengal (vide No. ----dated ----) will be adjusted towards the grants-in-aid payable during the next year --.

1. Certified that I have satisfied myself that conditions on which the grant-in-aid was sanctioned have been dully fulfilled/ are being fulfilled and that I have exercised the following checks to see that the money was actually utilized for the purpose for which it was sanctioned.

Kinds of checks exercised:

- 1.
- 2.
- 3.

Signature\_(CA) \_\_\_\_\_  
Designation \_\_\_\_\_  
Date \_\_\_\_\_

SURETY BOND

KNOW ALL MEN BY THESE PRESENTS that we, M/s \_\_\_\_\_, a \_\_\_\_\_ (Type of organization) incorporated / registered under the \_\_\_\_\_ (Name of the Act) and having its registered office at \_\_\_\_\_ (hereinafter called the "Obligors") are held fully and firmly bound to the Governor of State of West Bengal (hereinafter called the "Government") for the sum of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) well and truly to be paid to the Government on demand and without a demur for which payment we firmly bind ourselves and our successors and assignees by these presents.

SIGNED on the \_\_\_\_\_ day of \_\_\_\_\_ in the year Two Thousand \_\_\_\_\_.

WHEREAS on the Obligors' request, the Government as per Sanction Order No. \_\_\_\_\_ Dated \_\_\_\_\_ (hereinafter referred to as the "Letter of Sanction") which forms an integral part of these presents, and a copy whereof is annexed hereto and marked as Annexure-I, agreed to make in favour of the Obligors grants-in-aids-in-aid of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) for the purpose of \_\_\_\_\_ (description of the project) at \_\_\_\_\_ out of which the sum of Rs. \_\_\_\_\_ (Rupees \_\_\_\_\_ only) have been paid to the Obligors (the receipt of which the Obligors do hereby admit and acknowledge) on condition of the Obligors executing a bond in the terms and manner contained hereinafter which the Obligors have agreed to do. NOW the conditions of the above written obligation is such that if the Obligors duly fulfill and comply with all the conditions mentioned in the letter of sanction, the above written Bond or obligation shall be void and of no effect. But otherwise, it shall remain in full force and virtue. The Obligors will abide by the terms & conditions of the grants-in-aid by the target dates, if any specified therein.

THAT the Obligors shall not divert the grants-in-aids and entrust execution of the Scheme or work concerned to another institution(s) or organization(s).

THAT the Obligors shall abide by any other conditions specified in this agreement and in the event of their failing to comply with the conditions or committing breach of the bond, the Obligors individually and jointly will be liable to refund to the Government of West Bengal, the entire amount of the grants-in-aid with interest of 10% per annum thereon. If a part of the grants-in-aid is left unspent after the expiry of the period within which it is required to be spent, interest @10% per annum shall be charged upto the date of its refund to the Government, unless it is agreed to be carried over.

The Obligors agree and undertake to surrender / pay the Government the monetary value of all such pecuniary or other benefits which it may receive or derive / have received or derived through / upon unauthorized use of (such as letting out the premises on adequate or less than adequate consideration or use of the premises for any purpose other than that for which the grants-in-aid was intended of the property) buildings created / acquired constructed largely from out of the grants-in-aid sanctioned by the State Government of West Bengal, or the administrative Head of the Department concerned. As regards the monetary value aforementioned to be surrendered / paid to the Government, the decision of the Government will be final and binding on the Obligors.

AND THESE PRESENTS ALSO WITNESS THAT the decision of the Chief Secretary to the State Govt. of West Bengal on the question whether there has been breach or violation of any of the terms or conditions mentioned in the sanction letter shall be final and binding upon the Obligors and

IN WITNESS WHEREOF these presents have been executed as under on behalf of the Obligors the day herein above written in pursuance of the Resolution No. \_\_\_\_\_ Dated \_\_\_\_\_ passed by the governing body of the Obligors, a copy whereof is annexed hereto and by for and on behalf of the Governor of State of West Bengal on the date appearing below.

\_\_\_\_\_  
Signature of the AUTHORISED SIGNATORY  
Signed for and on behalf of  
(Name of the Obliger in block letters)  
(Seal / Stamp of Organization)

2. Signature of witness  
Name & Address

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

2. Signature of witness  
Name & Address

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

TO BE FILLED UP BY THE DIRECTOR, FOOD  
PROCESSING INDUSTRIES (ACCEPTED)  
For and on behalf of the Governor of State of West Bengal

Name: \_\_\_\_\_  
Designation: \_\_\_\_\_

**On non-judicial stamp paper of Rs. 100/-**

**Affidavit  
[As per GFR-209(1)]**

I ..... S/o ..... Resident of ..... director / proprietor of  
M/s ..... do here by solemnly affirms and state as follows:

- (a) That organization's sister concern (s)/ inter connected company/Group company as well as the applicant company itself has not obtained any financial assistance for a food processing project in the past from Government of West Bengal.
- (b) That 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.

Deponent

**Verification :**

Verified that the content of this affidavit are true and correct to the best of the knowledge and belief of the deponent and no part of this affidavit is kept concealed therein, If anything is found false in this Affidavit subsequently deponent and organisation shall be liable jointly and severally for action under the laws, hence verified at (Place) on (Date).

Deponent

**Notary Seal& Signature**