

# Scheme for Creation of Backward and Forward Linkages

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**Source:** *Kurukshetra Magazine*

This Scheme is a sub-Scheme under the umbrella Scheme Pradhan Mantri Kisan Sampada Yojana (PMKSY) launched in 2017.

## **Objective**

To provide effective and **seamless backward and forward integration for the processed food industry** by plugging the gaps in the supply chain in terms of availability of raw material and linkages with the market.

## **Key features**

### **Financial assistance**

Under the scheme, financial assistance is provided for setting up of primary processing centers/ collection centers at farm gate and modern retail outlets at the front end along with connectivity through insulated/ refrigerated transport.

### **Applicability of the scheme**

The Scheme is applicable to perishable horticulture and non-horticulture produce such as fruits, vegetables, dairy products, meat, poultry, fish, Ready to Cook Food Products, Honey, Coconut, Spices, Mushroom, Retails Shops for Perishable Food Products, etc. The Scheme would enable the linking of farmers to processors and the market for ensuring remunerative prices for Agri produce.

### **Implementation**

The scheme is implemented by agencies/ organizations such as Govt./ PSUs/ Joint Ventures/ NGOs/ Cooperatives/ SHGs / FPOs /

Private Sector / individuals etc.

### **Technical Agencies(TAs)**

The Ministry has engaged Technical Agencies(TAs) for assisting farmer/ producer groups including Farmer Producer Companies, Farmer Producer Organization, Self Help Groups to facilitate their participation under the Scheme. The TAs are responsible for the preparation of the Business Plan, Detail Project Report, Capacity Building, Trainee and other related support services.

### **Project components**

#### **Backward Linkage:**

- Integrated Pack-house(s) (with mechanized sorting & grading line/ packing line/ waxing line/ staging cold rooms/cold storage, etc.)
- Milk Chilling Centre(s) /Bulk Milk Cooler(s)
- Pre Cooling Unit(s)/ Chillers
- Reefer boats
- Machinery & equipment for minimal processing and/or value addition such as cutting, dicing, slicing, pickling, drying, pulping, canning, waxing, etc.
- Machinery & equipment for packing/ packaging.

#### **Forward Linkage:**

- Retail chain of outlets including facilities such as frozen storage/ deep freezers/ refrigerated display cabinets/cold room/ chillers/ packing/ packaging, etc.
- Distribution center associated with the retail chain of outlets with facilities like cold room/ cold storage/ ripening chamber.

### **Transport**

- Refrigerated/ Insulated transport / Reefer Vans in conjunction with backward and forward linkages.

## **Pattern of assistance**

- The maximum grant extended per project is Rs 5.00 crore @ 35% of the eligible project cost for general areas and @ 50% for the North East States, the Himalayan States, ITDP Areas, and Islands respectively. The grant is provided only in respect of technical civil work and eligible plant & machinery.