

8. The amount will be credited to the loan account of the entrepreneur based on the approval of the Governing Body of SFAC.
9. The entrepreneur should successfully continue with the project activities and production of value added products at least for a minimum period of 5 years from the date of commissioning of the project and is liable to refund the subsidy to Govt. as per rules if this condition is violated.
10. For more details and application form please visit the website of SFAC, Kerala www.sfackerala.org.



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Scheme for promotion of Agricultural Crops based Value addition projects in Kerala



**SMALL FARMERS
AGRICULTURE CONSORTIUM (SFAC),
THIRUVANANTHAPURAM,
KERALA**

Department of Agriculture Development and Farmers' Welfare
Government of Kerala
Farm Information Bureau



Kerala State holds a monopoly in the production of a number of agricultural commodities of national importance in view of their potential for exports or import substitution. The physical loss and quality deterioration of agricultural produces after harvest is alarmingly high. A strong and effective agro-processing sector can play a key role in reducing this by utilizing the agricultural produces for the production of value added products. Value addition and agro processing are regarded as sun rise sector of Kerala economy in view of its large potential for economic growth. Value addition refers to the techniques applied to agricultural produce after harvest for its protection, conservation, processing, packaging, distribution, marketing and utilization to meet the food and nutritional requirements of the people in relation to their needs. The purpose of value addition is to maintain or enhance quality of the products and make it readily marketable. Value added agricultural enterprises allow producers or growers to earn a greater portion of consumer expenditure by processing, packaging and marketing of various value added products. In order to provide thrust to promote value addition in agricultural crops, Govt. of Kerala have proposed to support value addition projects during the 12th Five Year Plan. SFAC has been identified as the implementing agency of the scheme. Small Farmers Agribusiness Consortium is an organization under the Department of Agriculture Development and Farmers Welfare, Government of Kerala working for the promotion of agribusiness to the benefit of farmers and entrepreneurs by providing necessary linkages for establishment and running of successful agribusiness.



1. Projects for value addition of all agricultural crops except spices with the total project cost above Rs. 5 lakhs will be considered under the scheme.
2. SFAC provides financial assistance limited to 40% of the capital investment or Rs. 10 lakhs whichever is less, However, the entrepreneur can avail subsidy from other Govt. schemes / programmes and the overall subsidy will be limited to 50% of the total project cost. Cost of land will not be considered in the total project cost for the purpose of granting subsidy.
3. Individual entrepreneurs, SHGs, Clusters, NGOs, partnership firms, FPOs etc. will be considered under the scheme.
4. The subsidy is back ended. The entrepreneur should avail loan for the implementation of the project from any nationalized/ scheduled/ Co-operative/ Regional Rural Banks/ other non banking financial institutions.
5. The entrepreneur should submit the application in the prescribed format to SFAC along with the project report and loan sanction letter obtained from the financing institution.
6. The entrepreneur should ensure forward and backward linkages.
7. Based on the Inspection Report of SFAC officials and recommendation of Value Addition Committee, the Governing Body of SFAC shall accord sanction for release of the financial assistance. The decision of the Governing Body will be final.