

फाइल सं. CE-13016/11/2018-CEFPPC

भारत सरकार  
खाद्य प्रसंस्करण उद्योग मंत्रालय  
पंचशील भवन, अगस्त क्रांति मार्ग  
नई दिल्ली - 110049

दिनांक: 22.01.2025

**Subject: Operational guidelines for the Scheme for Creation / Expansion of Food Processing & Preservation Capacities (CEFPPC) of Pradhan Mantri Kisan Sampada Yojana (PMKSY).**

Ministry of Food Processing Industries (MoFPI) is implementing a Central Sector Scheme for Creation / Expansion of Food Processing & Preservation Capacities (CEFPPC) of Pradhan Mantri Kisan Sampada Yojana (PMKSY). The detailed guidelines for implementation of the scheme were last issued on 08.06.2022.

2. Based on the experience gained during the implementation of the scheme, the operational guidelines dated 08.06.2022 of the Scheme for Creation / Expansion of Food Processing & Preservation Capacities (CEFPPC), have been updated.

3. The updated operational guidelines for the Scheme for Creation / Expansion of Food Processing & Preservation Capacities (CEFPPC) are hereby notified for the information of all the stakeholders and public at large. These guidelines will supersede the guidelines dated 08.06.2022.

*Karabi Shyam*  
*22/01/2025*

(Karabi Shyam)

Under Secretary to the Govt. of India

टेली नं: 26406526

ईमेल: cefppc-mofpi@gov.in



सत्यमेव जयते

**Government of India**

**MINISTRY OF FOOD PROCESSING INDUSTRIES**

**Panchsheel Bhawan**

**August Kranti Marg, New Delhi- 110049**

**Guidelines dated 22.01.2025**

**PRADHAN MANTRI KISAN SAMPADA YOJANA**

Scheme for  
Creation/ Expansion of Food Processing & Preservation Capacities  
(CEFPPC/ Unit Scheme)

## 1) Objective

The main objective of the Scheme for Creation/ Expansion of Food Processing & Preservation Capacities (hereinafter also referred to as "the Scheme") is creation of processing and preservation capacities and expansion of existing food processing units which will help in increasing the level of processing, value addition and thereby lead to reduction in food loss and result in enhancement of farmers' income.

## 2) Eligible Segments

- (a) Fruits & vegetables processing,
- (b) Milk Processing,
- (c) Meat/ poultry/ fish processing,
- (d) Ready to Eat/ Ready to Cook Food Products/ Breakfast cereals/ Snacks/ bakery and other food products including nutritional health foods,
- (e) Food Grains/ pulses, oil seed milling and processing based on modern technology,
- (f) Other agri-horti products including spices and condiments, mushroom processing,
- (g) Honey processing,
- (h) Fruits/ honey-based wines,
- (i) Food flavours, food additives/ food extracts & colours, oleoresins, guar gum, cocoa products,
- (j) Manufacturing jaggery from sugarcane and value-added products from jaggery (as raw material) except sugar mills,
- (k) Animal feed manufacturing unit(s), set up, in Mega Food Parks or Agro Processing Clusters approved by the Ministry from time to time. A maximum of two (2) units in a Mega Food Park (MFP) and one (1) unit in Agro Processing Cluster (APC) can be sanctioned under this category.
- (l) Carbonated drinks/ beverages containing fruit juice/ pulp (more than 5% in case of lime/ lemon and more than 10% in case of other fruits, will be considered for financial assistance under the Scheme. A maximum of two (2) units in a MFP and one (1) unit in APC can be sanctioned under this category.
- (m) Any other segment that makes food products fit for human consumption,

Note:

*(i) Activities related to manufacturing of packaged drinking water (other than that covered under serial no. (l) above) will not be considered for financial assistance under the Scheme.*

(ii) Farming activities such as dairy farming, poultry farming, mushroom farming, hatcheries etc. are not eligible for financial assistance under the Scheme.

3) **Eligible processing activities**

- (a) Sorting, grading, washing, peeling, cutting, sizing;
- (b) Blanching, crushing, extraction, pulping;
- (c) Drying, de-husking, de-hulling, splitting, depodding, deseeding, colour sorting, pulverization, extrusion, freeze drying/ dehydration, frying;
- (d) Pasteurization, homogenization, evaporation, concentration;
- (e) Packaging line for approved processing units;
- (f) Chemical preservation, pickling, fermentation or any other specialized facility required for preservation activities;
- (g) Individual Quick Freezing (IQF), blast freezing, plate freezing, spiral quick freezing;
- (h) Controlled temperature transport like coolers and refrigerated/ insulated/ ventilated transport;
- (i) Other processing/ preservation/ transport/ storage facilities adjunct to value addition and shelf life enhancement of food products;
- (j) Fire Fighting equipment.

**Eligible components of project** would consist of the cost of technical civil work and plant & machinery and utilities essential for the plant such as DG set, Transformer, Boiler, Solid waste treatment plant, ETP, RO, control panel, weighbridge, forklift, pallets, solar panel/ equipment except for ineligible items as mentioned in para 4.

Note: (i) The above list is only illustrative and not exhaustive. Food Processing Industry is fast evolving and several innovative processing technologies are being developed day by day which can also be considered under this Scheme if deemed fit. The project should include and result in creation/ increase in processing capacity.

(ii) Standalone activities like temperature-controlled transportation/ storage facilities will not be considered for financial assistance under this scheme

4) **Ineligible items for calculation of grants-in-aid/subsidy**

- (a) Compound wall,
- (b) Approach road/ internal roads,
- (c) Cost of land and site development,
- (d) Administrative office building,
- (e) Canteen,
- (f) Labour rest room and quarters for workers,



- (g) Security/ guard room or enclosure,
- (h) Non-technical civil works not related to the components of the scheme,
- (i) Margin money, working capital and contingencies,
- (j) Fuel, consumables, spares and stores,
- (k) Transport vehicles except Controlled temperature vehicles like coolers and refrigerated/ insulated/ ventilated transport,
- (l) Pre-operative expenses,
- (m) Service charges, carriage and freight charges or other such charges/ fees,
- (n) Expenditure on painting of machinery,
- (o) AC ducting, furniture, computers and allied office items,
- (p) Closed Circuit TV Camera and security system related equipment,
- (q) Consultancy fee, taxes, etc. on plant and machinery,
- (r) Stationery items,
- (s) Plant & machinery not directly related to components of the scheme,
- (t) Fly catchers, hand washer, laundry,
- (u) Reconditioned/ refurbished/ second hand/ old plant & machinery,

Note: The list is only indicative and not exhaustive. The Project Approval Committee constituted by the Ministry will be the final authority to decide on ineligibility or otherwise of items for purpose of grants-in-aid/subsidy.

#### 5) **Eligible entities**

(a) Any individual / Central & State PSU / Joint Venture / NGO / Cooperative / Self Help Group (SHG) / Farmer Producer Organizations (FPO) / Farmer Producer Company (FPC) / Public & Private Sector Companies / Limited Liability Partnership (LLP) / Partnership Firm / Proprietorship Firm engaged in or planning to engage in creation/ expansion of food processing and preservation capacities would be eligible for financial assistance under the Scheme.

(b) Proposals received from Scheduled Caste (SC)/ Scheduled Tribe (ST) promoters holding at least 51% stake in the entity, only will be treated as proposals under SC/ST category.

#### 6) **Eligible location of the project**

The proposals under the Scheme will be considered both inside Mega Food Parks (MFPs)/ inside Agro-processing Clusters (APCs) or anywhere outside MFPs/ APCs.

*Kalyan*

7) **Eligibility criteria**

(a) Net worth: The combined net worth of the applicant shall not be less than 1.5 times of grants-in-aid/subsidy sought under the scheme.

Provided that in case of proposal from Difficult Areas, applicant(s) of SC/ST category, FPOs and SHGs, combined net worth shall not be less than grants-in-aid/subsidy sought under the Scheme.

Provided further that in case of proposal from SC/ST category, the sum of net worth of SC/ST member(s) shall not be less than 10% of the combined net worth of the entity.

Provided also that in case of proposal from Central Government (including entities/ organizations under the Central Government) or State Government (including entities/ organizations under the State Government), no net worth criteria will be applicable.

Note: *The net worth of applicant will be calculated as per **Appendix-I**.*

(b) Final term loan sanction letter (inter alia, indicating whether proposal is for expansion or a fresh proposal) from a Bank.

Note:

(i) *The date of sanction letter of term loan should not be earlier than the date of issue of Expression of Interest inviting applications under scheme.*

(ii) *Bank for the purposes of these Guidelines means a Scheduled Commercial Bank or NABARD or SIDBI or NEDFi.*

(c) Term loan from the Bank for an amount not less than 20% of the total project cost in respect of proposals from General Areas. In case of proposals from Difficult Areas or proposals from SC/ST or Farmer Producer Organisations or Self-Help Groups, term loan amount shall not be less than 10% of the total project cost.

Note: *Difficult Area for proposals under this Scheme means North-Eastern States (including Sikkim), State of Uttarakhand, State of Himachal Pradesh, Union Territories of Jammu & Kashmir and Ladakh, State Notified ITDP (Integrated Tribal Development Projects) areas and Islands (Union Territories of Andaman & Nicobar and Lakshadweep).*



- (d) A detailed Appraisal Note specific to the proposal from a Scheduled Commercial Bank / NABARD/ SIDBI/ NEDFi.

*Note: Detailed Project Report/ Techno-Economic Viability Report merely stamped or endorsed, by the Scheduled Commercial Bank / NABARD/ SIDBI/ NEDFi without detailed Appraisal Note shall not be considered as valid for the purpose of these Guidelines.*

- (e) Infusion of equity of at least 20% of the total project cost for proposals from General Areas (10% for proposals from Difficult Areas or proposals from SC/ST or Farmer Producer Organisations or Self-Help Groups).

*Note: The value of land in registered sale/ lease deed shall not be considered as part of the total project cost. Unsecured loan will not be treated as a part of equity.*

- (f) Minimum eligible project cost will be Rs.3 (three) crore for proposals in General Areas and Rs.1 (one) crore in case of proposal from Difficult Areas and for SC/ST proposals.

- (g) Only one application will be accepted from an entity against Expression of Interest of the scheme:

Provided that promoter(s) of Mega Food Parks (MFP) and Agro-Processing Clusters (APC) approved by the Ministry who are desirous to set up units in Mega Food Parks or Agro-Processing Clusters, as the case may be, will be eligible for availing financial assistance for more than one unit(s).

- (h) Expansion of existing facility(ies) is eligible under the scheme.

- (i) Entities or promoter(s) of entities who have availed financial assistance under this or any sub-scheme of PMKSY will be eligible for grants-in-aid/subsidy only after completion of two years from the date of commercial operation of the previous project up till the date of closure of the EOI.

Provided that an entity or promoter(s) of an entity shall not be eligible for financial assistance for more than two projects during a period of 10 years under any sub-components of PMKSY scheme of MoFPI.



8) **Fee and Performance Security**

(a) The entities applying for financial assistance are required to submit a non-refundable fee of Rs.20,000/- (Rupees twenty thousand only) through Demand Draft in favour of "Pay and Accounts Officer, Ministry of Food Processing Industries, New Delhi". Provided that the non-refundable fee shall be Rs.15,000/- (Rupees fifteen thousand only) for applications from SC/ST.

(b) On being selected for financial assistance by the Ministry, the successful applicant shall submit a refundable bank guarantee as Performance Security for 5% of eligible grants-in-aid/subsidy, valid upto 30 months from the date of approval, within 30 days of issue of approval letter by the Ministry.

Provided that in the event of falsification of information/non-compliance of Guidelines and/or terms and conditions of the approval letter by the PIA and in case the project is cancelled or withdrawn or the project is not completed by PIA, the Ministry shall forfeit/ encash such Bank Guarantee.

9) **Application filing and documents required**

(a) All applications shall be submitted online on the SAMPADA Portal of the Ministry. No physical application will be accepted and such application shall be summarily ignored. Applicants are required to submit following documents:

Note:

(i) *All pages of all documents submitted online must be self-attested by the applicant or their authorised signatory (supporting documents for such authorization to be furnished).*

(ii) *The Ministry will not be responsible for delay in submission of any proposal within the prescribed time limit indicated in EOI, and such proposals (not received in time) shall not be considered. Incomplete information or deficient documents submitted/uploaded by the applicant may lead to rejection of proposals.*

(iii) *Mere submission of application (with required documents) against EOI does not confer any right on the applicant for claim of grants-in-aid/subsidy under the Scheme. Grants-in-aid/subsidy will be sanctioned based on merit, compliance of scheme guidelines and evaluation of the proposal as per the assessment criteria.*



(iv) When original documents are in regional language, they should be accompanied by self-certified English/ Hindi translation.

(b) Detailed Project Report (DPR) indicating financial and technical profile of the entity, domain expertise available with the entity, raw material availability in the area where project is proposed to be set up, arrangements for procurement of raw material, marketing strategy of proposed products, process flow diagram of proposed products with production capacity per day, technology proposed for various activities in process line, financial estimates with key financial parameters, profit and loss statement, estimated employment generation from the project (direct as well as indirect), number of farmers estimated to be benefited etc.

(c) CA/ Statutory Auditor certificate (prepared in accordance with statutory provisions read with conditions indicated in **Appendix-I**) in support of net worth along with other documentary proof as applicable or prescribed.

(d) Final term loan sanction letter from Scheduled Commercial Bank / NABARD/ SIDBI/ NEDFi.

(e) A detailed Appraisal Note, specific to the scheme, from a Scheduled Commercial Bank / NABARD/ SIDBI/ NEDFi.

(f) Certificate of incorporation/ registration, Memorandum and Article of Association, bye laws of the society/partnership deed, PAN, TAN, SC/ST caste certificate (whichever applicable).

(g) IEM registration/ Entrepreneur's Memorandum/ Udyog Aadhaar registration.

(h) Bio-data/ background/ experience of the entity and its promoters relevant to the scheme.

(i) Annual reports, Audited Financial Statement of Accounts and Income Tax Return filed, for the last two years (if applicable).

(j) Details of land (on ownership basis or leasehold) along with relevant documents. In case of lease, the registered lease deed shall be for a period of at least 15 years in the name of the applicant firm from the date of application. In case land for the project has been taken on lease

from State Government/ its entities, the policy of respective State Government in this regard will be followed.

*Note: Self-attested English/ Hindi version needs to be submitted in case such document is in regional language.*

- (k) Proof of submission of requisite fee.
- (l) Quotations from Original Equipment Manufacturer (or its authorised dealer/ supplier) in respect of Plant & Machinery and equipment for the proposed project.
- (m) CA/ Statutory Auditor certificate as per **Appendix-II**.
- (n) Item-wise and cost-wise (Basic & GST/taxes separately) details of technical civil works envisaged duly certified by Chartered Engineer (Civil). Bill Of Quantities (BOQs) shall not be accepted.
- (o) Item-wise and cost-wise (Basic & GST/taxes separately) details of Plant & Machinery envisaged duly certified by Chartered Engineer (Mechanical).
- (p) An undertaking to be furnished by the applicant as per **Appendix-III**. The expenditure made/ incurred on the project before the date of submission of online application shall be furnished as per **Appendix-IV**.
- (q) Correspondences (emails/ letters) for possible forward or backward linkages.
- (r) Breakup of basic cost and taxes (Civil and Plant & Machinery) are mandatory in all requisite documents such as DPR, Bank appraisal, CE certificates, CA certificate. In case, GST/Taxes are not considered and shown as part of total project cost and means of finance, the proposal will be rejected due to non-disclosure of financials of the project. The projects, which are exempted from taxation like SEZs, manufacturing and other operations in warehouse (MOOWR) & Export promotion capital goods scheme (EPCG) etc. should invariably mention complete details about such exemptions in all requisite documents.

Note: All pages of the proposal are to be properly numbered and the proposal should contain an Index as first page of the proposal indicating the various

documents submitted along with page number, failing which the proposal is likely to be rejected.

#### 10) Selection of Proposals for Financial Assistance

(a) Proposals will be invited by the Ministry through Expression of Interest (EOI). Applications can be filled only online on the Ministry's SAMPADA Portal (<https://www.sampada-mofpi.gov.in>) when the EOI is open.

(b) The Ministry will constitute a Technical Committee (TC) and a Project Approval Committee (PAC) for scrutiny/ consideration/ approval of proposals received against EOI. Technical Committee and Project Approval Committee may be assisted by Project Management Agency(ies) (PMA) to be appointed by the Ministry.

(c) The Technical Committee so constituted shall also function as Technical Committee (or by whatever name it was called) for the purpose of previous guidelines. The Project Approval Committee so constituted shall also function as Inter-Ministerial Approval Committee (or by whatever name it was called) for the purpose of previous guidelines.

(d) The Technical Committee will scrutinize applications with respect to prima facie eligibility based on the eligibility criteria for the scheme. The proposals found prima facie eligible will be evaluated inter-alia on the basis of technical parameters as well as assessment criteria of the scheme as per Scheme Guidelines. A proposal will have to obtain a minimum of **60%** marks as per Technical Committee (TC) evaluation in order to become eligible for consideration of grants-in-aid/subsidy.

Provided that the minimum marks will be **45%** for an applicant belonging to SC/ ST.

(e) The Ministry shall inform the applicants whose proposals are rejected (either based on eligibility criteria or technical parameters or assessment criteria) along with the reasons for such rejection by the Technical Committee after completion of the selection process. Provided that before conveying rejection of a proposal, the approval of the Secretary of the Ministry shall be sought.

(f) An applicant aggrieved with rejection of its proposal may prefer an appeal before the Project Approval Committee within a period of 30 days from the date of communication by the Ministry detailing the grounds of such appeal.



(g) In respect of proposals that are found eligible for consideration of grants-in-aid/subsidy, recommendation(s) of the Technical Committee will be placed before Project Approval Committee for consideration and approval or otherwise.

(h) Presence of applicant or its authorized representative (in-person or virtually) is expected (to explain its proposal, if required) during meetings of the Technical Committee.

(i) The applicant/ authorized representative, when asked by Project Approval Committee (PAC), shall make a presentation regarding its proposal.

(j) In case of eligible proposals having equal marks, preference will be given to the proposal envisaging higher eligible project cost.

(k) The decision of the Ministry shall be final regarding eligibility or otherwise of the proposals, selection of proposals for grants-in-aid/subsidy and quantum of grants-in-aid/subsidy approved.

(l) The Ministry will issue approval letter to the successful applicants giving, inter alia, details of project, total project cost, eligible project cost, approved grants-in-aid/subsidy, completion schedule of the approved project and other relevant details.

(m) The Ministry shall inform the applicants whose proposals are not approved by PAC along with the reasons.

(n) Once approval letter is issued by the Ministry, the applicant has to provide Acceptance Letter as per prescribed format (**Annexure-II**) and notarised Affidavit on Rs. 100 Non-Judicial Stamp Paper as per prescribed format (**Annexure-III**) along with counter-signed copy of Approval letter and Bank Guarantee (BG) as applicable within a period of 30 days from the date of communication of approval by the Ministry.

(o) Once Acceptance Letter, undertaking and Bank Guarantee (BG) is given, the applicant will be called as Project Implementing Agency (PIA).



## 11) Pattern of assistance

(a) Grants-in-aid/subsidy will be @35% of eligible project cost for projects in General Areas and @50% of eligible project cost for projects in Difficult Areas as well as for projects of SC/ST, FPOs and SHGs subject to a maximum of Rs.5 crore.

(b) No upward revision, for any reason whatsoever, in approved grants-in-aid/subsidy will be considered.

(c) In case of proposals requesting for downward revision of eligible project cost on account of dropping of any of the approved components, the grants-in-aid / subsidy will be reduced in proportion to the reduction in the eligible project cost. Such cases shall be placed before the PAC for consideration.

(d) No grants-in-aid/subsidy shall be payable on any expenditure, of any nature whatsoever, made before the date of issuance of approval letter by the Ministry towards eligible components of the project. The same shall be verifiable from bank statement/ invoices to be submitted at the time of request for release of various instalments of grants-in-aid/subsidy.

(e) Grants-in-aid/subsidy will be considered in respect of eligible project components only.

(f) Cost Norms (excluding taxes) issued by the Ministry or the Mission for Integrated Development of Horticulture (MIDH) under Department of Agriculture and Farmers Welfare will be followed, wherever available.

(g) Proposals received from entities where Scheduled Caste (SC)/ Scheduled Tribe (ST) hold at least 51% stake, will be treated as proposals under SC/ST category.

(h) If there is any reduction in stake of SC/ST below 51% during implementation of the project, such projects shall be cancelled and grants-in-aid/subsidy released, if any, shall be ordered to be recovered with 10% annual interest.

(i) Grants-in-aid/subsidy will be released subject to availability of funds.



## 12) **Dovetailing of Assistance**

Considering the complexities and challenges associated with agricultural infrastructure projects of this nature, PIA may dovetail assistance available under various other schemes of other Central/ State Governments, which would improve the viability of the project. While dovetailing such assistance, it will be ensured that there is no duplication of assistance for the same component/ activity of the project.

## 13) **Implementation schedule and extension in timelines**

(a) Time for completion and operationalisation of projects will be 18 months from the date of issue of approval letter.

(b) Time schedule may be extended/delay condoned by Secretary of the Ministry beyond the period as indicated at clause (a) on account of events of force majeure. There shall be commensurate relief towards timelines without deduction in grants-in-aid/subsidy if such an extension is granted.

*Note: force majeure for the purpose of this Guidelines means act of god including drought, fire and explosion, earthquake, landslide, flood, cyclone and such other events; any unlawful, unreasonable or discriminatory action on the part of an Indian Governmental Instrumentality which is directed against the project provided that a competent court of law declares the action to be unlawful, unreasonable and discriminatory and strikes the same down; war, invasion, armed conflict or act of foreign enemy, blockade, embargo, revolution, riot, insurrection, terrorist or military action; industry wide strikes and labour disturbances, having a nationwide impact in India; a pandemic; or an event declared as an event of force majeure by Government of India for whole of India or a State Government for whole of State where project is located.*

(c) Extension/condonation up to six months on account of delay (except for reasons of force majeure) in completion of the projects may be granted by concerned Additional Secretary/ Joint Secretary of the Ministry, while extension/condonation beyond six months may be granted by the Project Approval Committee. Irrespective of any such extension in timelines for completion of the projects, deduction in grants-in-aid/subsidy will be on the basis of implementation schedule as per sub-clause (a) above and clause 18 of this guidelines.



(d) Extension in timeline may be granted for maximum period of six months at a time. Any extension under clauses (c) and (d) shall be in consultation with Financial Advisor of the Ministry.

**14) Change in components and cost of project**

(a) The following can be approved by the concerned Additional Secretary/ Joint Secretary:

- (i) Reduction (without change in equipment, civil work) in eligible project cost,
- (ii) Change in Bank,
- (iii) Change in shareholding pattern/ Board of Directors  
Change in location of the facilities other than main facility/ centre,
- (iv) Change in means of finance.

(b) Any changes other than that mentioned at (a) above, shall require approval of the Project Approval Committee.

**15) Release of grants-in-aid/subsidy**

(a) The grants-in-aid/subsidy will be released in two (2) equal instalments.

(b) Schedule for submission of claims for release of instalments (from the date of issue of approval letter) will be as under:

Sl. No.	Particulars	Timeline
1.	1 <sup>st</sup> instalment	within 9 months
2.	2 <sup>nd</sup> instalment	within 18 months

(c) Claim for instalments may be clubbed subject to compliance with requirements of the second instalment.

(d) Before release of every instalment of grants-in-aid/subsidy claimed by PIA, the Ministry will get the project visited and verified by PMA and Term Loan lending Bank.

(e) Before release of 2<sup>nd</sup> & final instalment, the Ministry will get the project visited by Joint inspection team comprising of MoFPI officials, PMA and Bank verifying the actual physical progress of the project at the ground including commercial production.

(f) Apart from visit by PMA, the Ministry may also depute its officials or consultants/ experts or any other person(s) to inspect the project before release of instalments.

(g) All the transactions out of the grants-in-aid/subsidy shall be uploaded on EAT (Expenditure, Advance, Transfer) module of PFMS (Public Financial Management System) and the same will be monitored by the Ministry.

(h) PIA needs to open three dedicated bank accounts with respect to (i) contribution by PIA, (ii) term loan from the bank and (iii) grants-in-aid/subsidy from the Ministry for implementation of the project. Expenditure on the implementation of the project shall be from these accounts only.

(i) Every page of documents uploaded on the Sampada Portal of the Ministry for claiming release of grants-in-aid/subsidy shall be signed by PIA or authorized representative of PIA.

(j) Before release of the final instalment, it has to be prominently displayed on the front of the project/ sides of the vehicles stating that the "Project is assisted by the Ministry of Food Processing Industries, Government of India".

(k) Before release of final instalment of grants-in-aid/subsidy, eligible grants-in-aid/subsidy for the project will be recalculated based on the appraised/ actual cost, whichever is less, for the already approved items and grants-in-aid/subsidy will be released accordingly.

#### 16) Requirement of documents before release of instalments

A. First instalment (50% of grants-in-aid/subsidy):

(i) Details of the three bank accounts (bank statements) with respect to (i) contribution by PIA, (ii) term loan from the bank and (iii) grants-in-aid/subsidy from the Ministry.

(ii) ECS mandate form in prescribed format (**Annexure-IV**) for the bank account related to grants-in-aid/subsidy.



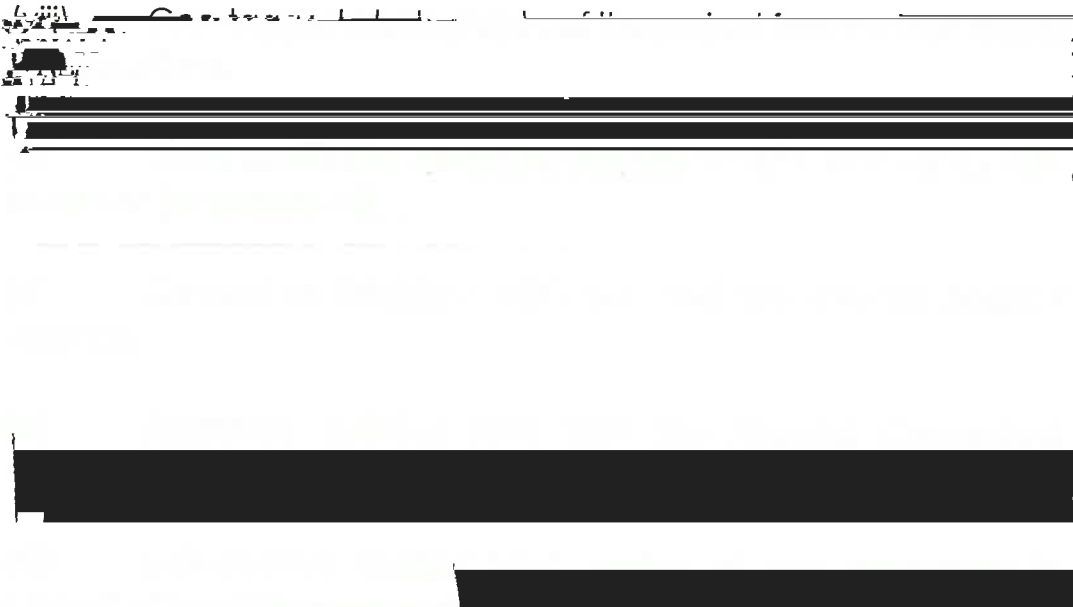
(iii) Certificate from Chartered Accountant to the effect that the expenditure on eligible components of the project has been incurred after the date of issue of approval letter by the Ministry.

(iv) Certificate from Chartered Accountant in prescribed format (**Annexure-V**) confirming cumulative expenditure of 50% of the eligible project cost on the eligible project components of the project. Out of the total expenditure incurred on the project, only 10% will be allowed as advance to vendors.

(v) Certificate from Chartered Engineer (Mechanical) and counter-signed by PIA or authorized representative of PIA in prescribed format (**Annexure-VI**) in respect of plant and machinery indicating item-wise progress on approved components, cost, quantity, manufacturers/ suppliers and comment on quality and status of implementation. All plant and machinery has to be new with unique machine number and month /year of manufacture.

(vi) Certificate from Chartered Engineer (Civil) and counter-signed by PIA or authorized representative of PIA in prescribed format (**Annexure-VII**) in respect of civil work indicating item-wise progress on approved components, cost, quantity, manufacturers/ suppliers and comment on quality and status of implementation. The certificate must also indicate that all civil construction of project is new in nature, including material used.

(vii) Change in Land Use (CLU) from relevant State Authority/Agency.



PI  
*Kishan*

Note: In case of leasehold land, duration of lease should not be less than 15 years.

(xiii) Notarised Surety Bond in prescribed format (**Annexure-IX**) on non-judicial stamp paper of not less than Rs. 100/-.

Note:

- (i) Original copy of Surety Bond shall be submitted to Ministry.
- (ii) Surety Bond is not required to be executed by the Central/ State Government Departments.

(xiv) Compliance of any other terms & conditions mentioned in the approval letter of the Ministry.

B. Second instalment (50% of grants-in-aid/subsidy): PIA is required to submit the following documents for re-imbusement of 2<sup>nd</sup> and final instalment of grant-in-aid/subsidy after completion of the project (utilization certificate for 2<sup>nd</sup> instalment is not required) :

(i) PFMS generated Utilization Certificate for the grants-in-aid/subsidy released as 1<sup>st</sup> instalment.

(ii) Certificate from Chartered Accountant to the effect that the expenditure on eligible components of the project has been incurred after the date of issue of approval letter.

(iii) Certificate from Chartered Accountant in prescribed format (**Annexure-V**) confirming expenditure of 100% of the eligible project cost incurred on the project as per the approved means of finance.

(iv) Certificate from Chartered Engineer (Mechanical) and counter-signed by PIA or authorized representative of PIA in prescribed format (**Annexure-VI**) in respect of plant and machinery indicating item-wise progress on approved components, cost, quantity, manufacturers/ suppliers and comment on quality and status of implementation. It should be mentioned in the certificate that all the approved P & M has been installed and commissioned and that the P & M are new, with unique machine number and month /year of manufacture.

(v) Certificate from Chartered Engineer (Civil) and counter-signed by PIA or authorized representative of PIA in prescribed format (**Annexure-VII**) in respect of civil work indicating



item-wise progress on approved components, cost, quantity, manufacturers/ suppliers and comment on quality and status of implementation. The certificate must also indicate that all civil construction of project is new in nature, including material used.

(vi) Geo-tagged photographs of the project from various angles and locations.

(vii) Documents confirming that 100% of term loan has been released by the Bank. Further, Bank Certificate confirming the commencement of commercial production of the project **(Annexure-X)**.

(viii) Consent to Operate/ NOC of Pollution Control Board/ Agency.

(ix) Valid copy of License issued under FSS Act, 2006.

(x) Proof of prominent display on front of the project/sides of the vehicles stating that the "Project is assisted by the Ministry of Food Processing Industries, Government of India", supported by photographs.

(xi) Compliance of any other terms & conditions mentioned in the approval letter of the Ministry.

*Note: Before release of 2<sup>nd</sup> (final) instalment of grants-in-aid /subsidy, eligible grant in aid for the project will be recalculated based on the appraised/ actual cost, whichever is less, for the already approved items and grant will be released accordingly.*

## 17) **Monitoring and evaluation**

(a) The Ministry may take assistance of Programme Management Agency (PMA) in scrutiny, examination, monitoring and evaluation of proposals received against EOI and for conduct of site inspections of approved projects.

(b) The Ministry may also constitute a panel of consultants/ experts for undertaking inspection of projects sanctioned under the component schemes.



(c) PMAs and/or consultants/ experts shall be selected in a transparent manner in accordance with prevailing norms of the Government.

(d) Pre and post inspection would also be undertaken by the Ministry as required (PMA may also be assigned inspection and monitoring works) to find out the physical, financial and operational progress. It will be binding on the entity to allow inspection/ physical verification of the unit at any time by representatives of Ministry or an authorised representative of the Ministry.

**18) Non-implementation or delay in implementation of project and adjustment, reduction and recall of grants-in-aid/subsidy**

(a) PIA shall make all possible efforts to complete the project as per the stipulated timelines of 18 months.

(b) In case of non-adherence to the stipulated timelines, the approved grants-in-aid/subsidy shall be deducted as below (irrespective of any extension in timelines or condonation of delay except for reasons of force majeure):

<b>Delay</b>	<b>Deduction in grants-in-aid/subsidy</b>
Up to three months	Nil
More than 3 months and up to 4 months	1.0%
More than 4 months and up to 5 months	2.0%
More than 5 months and up to 6 months	3.0%
More than 6 months and up to 7 months	4.0%
More than 7 months and up to 8 months	5.0%
More than 8 months and up to 9 months	6.0%
More than 9 months and up to 10 months	7.0%
More than 10 months and up to 11 months	8.0%
More than 11 months and up to 12 months	9.0%
More than 12 months	10.0%

(c) The decision of the Ministry shall be final and binding on PIA on period, quantum and deduction in grants-in-aid/subsidy.

(d) The Ministry shall have the right to close a project at any stage, after recording reasons thereof, with or without directions as to refund of grants-in-aid/subsidy released.



(e) If at any point of time, it comes to the notice of the Ministry that grants-in-aid/subsidy has been availed by manipulation/ concealment of information/ facts, such grants-in-aid/subsidy released by the Ministry shall be refunded along with interest @10% per annum. Manipulation/ concealment of information/ facts may also attract other civil/ criminal liabilities in terms of prevailing laws.

(f) In the event of PIA withdrawing from executing the project, the grants-in-aid/subsidy amount released to it (along with interest @10% per annum) by the Ministry will be returned by PIA to the Ministry within 30 days of communication for refund of such grants-in-aid/subsidy. Bank Guarantee submitted (as performance security) shall be forfeited.

(g) In case of the failure on part of PIA to refund the grants-in-aid/subsidy amount (or interest thereon) as directed by the Ministry, the due amount will be recovered as an arrear of land revenue as per the relevant laws in force.

#### 19) **Miscellaneous Provisions**

(a) Interpretation of the Ministry as regards provisions of the Guidelines and/or approval letter issued by the Ministry shall be final and binding on PIA.

(b) The Ministry may seek any clarification or direct to submit any document/ information from the applicant or the PIA at any stage of implementation of the project.

(c) The Ministry may inspect the premises of the project during implementation of the project. For this purpose, it may depute its officials, PMA or any other person(s) it deems fit. Such inspection may be undertaken in-person or through virtual mode. PIA or its successor, if any, shall extend all support and cooperation in any such inspection.

(d) PIA will comply with requirements of cold chain infrastructure as per directions of Ministry of Environment, Forests & Climate Change, Government of India with respect to use of non-ODS (non-Ozone Depleting Substances) and low-GWP (Low Global Warming Potential) refrigerants-based energy efficient cooling systems.

#### 20) **Jurisdiction of court**

Any dispute, including selection of proposals or release of financial assistance, arising out of implementation of the Guidelines issued for various



schemes under PMKSY will be subject to courts/ tribunals having jurisdiction over Delhi.

\*\*\*\*\*

A handwritten signature in blue ink, appearing to read 'Kafyans', is located in the middle-right portion of the page.

**CALCULATION OF NET-WORTH**  
**(Only on the basis of the supporting documents)**

**(I) In respect of companies (Private/ Public Limited) registered under Companies Act, 1956 or Companies Act, 2013:**

a. The net worth will be ascertained based on the paid-up share capital of the company and reserves created out of profits.

b. Revaluation reserves only in respect of land & building may be considered for ascertaining the net worth, which will be based on circle rates duly supported by circle rate notification and land ownership documents. Such revaluation reserves shall also be reflected in forward going balance sheet of the company.

c. Share application money would be considered towards calculation of net worth provided the same has been converted into Paid up Capital within stipulated time as per Companies Act but, in any case, it should be converted into paid up capital before submission of the proposal to the Ministry.

d. A latest audited balance sheet duly certified by the Statutory Auditor of the Company needs to be submitted for ascertaining the net worth.

e. Where a significant portion of its net worth stands invested in equity shares of unlisted companies or is shown as loans & advances to various parties with nil or negligible income/ revenue, then following additional documents would be required to be submitted by the applicant to ascertain the net worth:

- (i) Details of Investments made in unlisted companies by the applicant company,
- (ii) Audited Financial Statements (AFS) for the previous year or latest audited Balance Sheet of the companies wherein the investment has been made,
- (iii) Details of loans & advances along with reasons/justification for the same,
- (iv) In case it is observed that the equity contribution made by the promoter company has been utilised by the investee company in creating tangible assets/ Capital work in progress in projects which are under execution then such investments in shares would be considered at face value.
- (v) However, in case it is observed that the investment by the promoter company is further being reinvested by the investee company in equity shares of unlisted companies or given away as long term/short term advance to individuals/ related party/ other companies and the investor company has nil/ negligible income/ revenue, then no additional clarification shall be asked for and the net worth of such promoter company shall be considered after deducting such investments/loans & advances.

f. In case of newly formed companies, net-worth of individual promoter(s)/ director(s)/ shareholders(s) will be considered to assess the combined net-worth.

**(II) Entities other than companies (viz. Proprietorship/ Partnership firms/ NGOs/ Cooperatives/ SHGs/ LLPs/FPOs)**

The net worth will be ascertained on the basis of latest balance sheet of individual proprietor/partner(s) i.e. assets minus all liabilities, duly certified by the Chartered Accountant (CA). Assets include cash, current value of investments, stocks and debtors (supported by documentary evidence), land and building (supported by valuation report at circle rate, circle rate notification and land ownership documents), Plant & Machinery, Bonds, cash value of life insurance, current total balance of savings, current or fixed deposit accounts. The following methodology shall be adopted for determining the net worth:



a. Net-worth would be sum of the net-worth of the Individual partners and the partnership firm (avoiding duplication of the investment in the partner's capital account of the firm) & the investments of each individual partner towards the partnership firm.

b. If the applicant is ongoing partnership/ proprietorship firm and the applicant has submitted audited balance sheet of such partnership/ proprietorship firm, net worth based on the audited balance sheet will be taken into consideration. However, if the net worth as per balance sheet is insufficient, then the CA certified statement of Assets and Liabilities of the individual Partners/ Proprietors will be taken into consideration provided assets are supported by relevant documents as per the guidelines.

c. However, since in a partnership/ proprietorship firm, liability of partners/ proprietors is unlimited, therefore the applicant should submit CA certified "Nil Liability Statement" or Statement of "Assets and Liabilities" of the individual partners/ proprietors and the net liabilities based on these statements will be deducted while ascertaining the net worth.

- (III) The aforesaid net worth components need to be supported by relevant documents and Income Tax Returns (ITRs).
- (IV) Shares of unlisted companies will be considered at face value for net worth and shares of listed companies will be considered based on the average market price of the share for a period of 6 months prior to date of submission of proposal.
- (V) Assets such as car, jewellery, antiques, gold, cash in hand etc. would not be considered for net worth.
- (VI) Loans and advances given to group companies/ related concerns/ individuals will also not be considered towards computation of net worth.
- (VII) In the case of proposed shareholders, if there is cross holding of the net-worth amongst the Members (e.g. both a company as well as the shareholders that company are the proposed shareholders), the net-worth of the company would be considered in full, however, net-worth of the individual would be considered only to the tune after discounting its shareholding in the company which is a proposed shareholder.
- (VIII) The applicant(s) will have to give a self-certification regarding the details of the encumbrance of the property submitted by them towards the net worth.

*Note- In case of newly formed companies (except listed companies) for the purpose of setting up of food processing projects, the net worth of the share-holders of the company would be considered in the same manner as in case of partnership firms. However, if, one of the constituent of the newly formed company is a corporate entity, the net worth of the corporate entity will be considered to assess combined net worth.*

*Note- A company will be treated as newly formed, if it has been formed with the objective of food processing business and has not commenced commercial operations as on the date of submission of application to the Ministry, which should be supported by appraisal note from the Bank/Financial Institution and in such cases Balance Sheet/Financial Statement along with Memorandum of Association filed with the RoC for each year since incorporation will be required in support of proof of non-commencement of commercial operations.*

\*\*\*\*\*



(To be submitted with EoI)

**Chartered Accountant Certificate**  
(Letter Head of the Chartered Accountant along with membership/ registration number)

Date: \_\_\_\_\_

Name of Project:

Location:

**i. Project Cost: (₹ in lakh)**

Sl No.	Name of the Component/Item	Project Cost			Cost appraised as by the Bank			Actual Cost incurred as on _____ (date)		
		Basic	Taxes etc.	Total	Basic	Taxes etc.	Total	Basic	Taxes etc.	Total
1.	Land									
2.	Civil works									
	Technical civil works									
	Other civil works									
3.	Plant & Machinery									
4.	Misc. Fixed Assets									
5.	Others									
	<b>Total</b>									

**ii. Means of Finance: (₹ in lakh)**

Sl. No.	Item	Amount
(a)	Promoter's Equity	
(b)	Term Loan	
(c)	Grant sought from MFPI	
(d)	Unsecured loan*	
(e)	Others	

\*Details of unsecured loans along with PAN No. of lenders, if any, duly certified by CA.

**Signature and Seal of C.A (Statutory Auditor in case of company)**

Counter signature of authorized signatory of PIA



**UNDERTAKING**

I..... (Name of the authorized representative of PIA), son/  
daughter of Mr.....(father's name), resident of  
.....(residential address) declare/ undertake as  
under:

1. That I am authorized representative of  
..... (name of PIA) having its Registered  
Office at ..... (office address of PIA).

2. I hereby confirm that I am duly authorized in my own right/ by  
management vide its resolution no.  
.....dated.....to apply and sign this  
undertaking on behalf of ..... (name of PIA); and am fully  
aware of the facts relating to the setting up of food processing unit at  
..... (location of the project)  
for.....(activities to be undertaken by project).

3. I confirm that the term and conditions of the ----- (name of the scheme)  
scheme of the MoFPI under which an application is made by ----- (name of PIA)  
have been properly read and understood by ----- (name of PIA) and I affirm that  
the proposal complies with all the terms and conditions of the approval letter and  
provisions enshrined in the scheme guidelines.

4. The proposed activities to be undertaken under the proposal are covered  
under the above-mentioned scheme of MoFPI and no part of the scheme/  
infrastructure of the project is designed or assigned to be used for any activity  
other than the activities specified in the application at present or in the near  
future.

5. It is certified that \_\_\_\_\_ (name of PIA) or it's partners  
/ownership holders have not obtained or applied for grants for the same project,  
component, purpose or activity from any scheme of MoFPI/other Ministry or  
Department of the Government of India or State Government or their agencies.

6. It is to certify that \_\_\_\_\_ (name of PIA) has not incurred any  
expenditure on the project before the date of issue of approval letter by MOFPI.

7. It is to certify that disbursement of term loan sanctioned by bank for the  
project and its utilisation will be taken up only after the date of issue of approval  
letter by the Ministry.

8. In case of concealment of any facts in this regard, the MoFPI would have right to reject my application at any stage and recall grants-in-aid/subsidy released, if any.

9. ----- (name of PIA) will meet, from its own resources, any shortfall due to less admissibility of grants-in-aid/subsidy or any future reduction in grants-in-aid/subsidy or any escalation in cost of the project.

10. I shall not dispose-off or encumber or utilize the assets created wholly or substantially out of grants-in-aid/subsidy for purpose other than those for which they have been sanctioned, without obtaining the prior approval of MOFPI.

11. Before completion of the project, any change in ownership of the project, name of the entity, promoters of the entity, loan sanctioning Bank will be brought to notice of MOFPI at the earliest and would be subject to approval of the Ministry.

12. In case of non-implementation/ delayed implementation of the project, MOFPI will have absolute right of cancelling the approval granted and also recall the grants-in-aid/subsidy released, if any, along with interest as per the scheme guidelines.

13. All the information furnished in the application and Detailed Project Report with respect to the eligibility conditions are true and correct to the best of my knowledge and belief and nothing material has been concealed therefrom.

Date: \_\_\_\_\_  
Place: \_\_\_\_\_

**Signature of the Authorised signatory**



(Letter Head of the CA)

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

(a) Project Cost:

(Rs. in lakh)

Sl No.	Name of the Component/Item	Project Cost			Cost as appraised by the Bank			Actual Cost incurred as on _____ (date)		
		Basic	Taxes etc.	Total	Basic	Taxes etc.	Total	Basic	Taxes etc.	Total
1.	Land									
2.	Civil works Technical civil works Other civil works									
3.	Plant & Machinery									
4.	Misc. Fixed Assets									
5.	Others									
	<b>Total</b>									

(ii) Means of Finance:

(Rs. in lakh)

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

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

Signature and Seal of C.A.



**Criteria for Evaluation of proposals under Scheme for creation of food Processing & Preservation capacities**

The proposals found *prima facie* eligible based on conditions stipulated in the guidelines will be evaluated as per the following assessment and marking criteria:

Sl. No	Criteria for Evaluation of the proposal	Marks	Max marks	Supporting Documents
<b>1.</b>	<b>Priority Sector</b>			
a	For manufacturing products using predominant perishable raw material (Fruits & Veg, Meat & Poultry, Milk & Aqua/marine Products )	25	25	DPR/ Bank appraisal and IEM
b	Any processing segment other than at 1(a) and (i). Jaggery and jaggery based products, (ii). Any products from food grains, pulses, oil seeds, (iii). Honey and beverages as per eligible segments of guidelines, Animal feed.	20		
<b>2.</b>	<b>Possession of Appropriate Land</b>			
a	Complete land title - sale deed/registered lease deed/possession letter/allotment letter from State Govt. Agencies/ MFP/APC in the name of PIA along with CLU	15	15	CLU and Land Ownership Documents
b	Complete land title - sale deed/registered lease deed/possession letter/allotment letter from State Govt. Agencies/ MFP/APC in the name of PIA without CLU	10		Land Ownership Documents
c	Agreement to Sale/Purchase of Land in the name of PIA	5		Copy of Agreement
<b>3.</b>	<b>Net worth of the applicant</b>			
a	More than 2 times of proposed equity	15	15	Balance Sheet / CA Certificate / Supporting Documents and ascertained by Ministry as per scrutiny
b	More than 1.5 and upto 2 times of proposed equity	10		
c	More than 1 and upto 2 times of proposed equity in case of SC/ST applicant	10		
<b>4.</b>	<b>Debt Service Coverage Ratio (DSCR) based on Bank appraisal</b>			
a	3.0 and above	15	15	Bank Appraisal Report
b	Between 2.5 but less than 3.0	12		



	c Between 1.5 but less than 2.5	10		
<b>Note:</b> 15 marks will be given to entities under Central Government/ State/UTs Governments not claiming Bank Loan				
<b>5.</b>	<b>Project Strength- The promoter(s) having professional / special training in food processing / food technology</b>			
	a B.Tech/ B.Sc./ B.Voc. in Agri/ Horti/ fisheries/ Food Processing / Food Technology/ Dairy Science/ Dairy Technology	05	05	Copy of Degree / Diploma / Certificate
	b Diploma in Agri/ Horti/ fisheries/ Food Processing / Food Technology/ Dairy Science/ Dairy Technology	03		
<b>6.</b>	Projects availing benefits of renewable/alternate energy technologies (solar, bio-mass, wind etc.) for the project.  Note : Minimum 10% of the total sanctioned power load is required for obtaining marks.	5	5	Certified by CE-Mech
<b>7.</b>	<b>Projects from Aspirational Districts as notified by NITI Aayog</b>	05	05	List from NITI Aayog
	<b>Sub-Total</b>		<b>85</b>	
<b>ELIGIBILITY OF THE APPLICANT</b> For the general – minimum 60% of the sub-total For SC/ST – Minimum 45% of the sub-total				
<b>8.</b>	<b>Technical Presentation by the eligible promoters before the Project Approval Committee (PAC)</b>		15	
	<b>Total</b>		<b>100</b>	

Note:- In case multiple products of different priority Sector has been proposed, marks shall be awarded as per the lower category proposed.



[ACCEPTANCE LETTER]

(To be submitted on the letter Head of PIA)

**To**

Under Secretary (Name of component scheme)  
Ministry of Food Processing Industries  
Panchsheel Bhawan, August Kranti Marg  
New Delhi 110049

**Subject** : Proposal of M/s \_\_\_\_\_ for grant-in-aid for -----  
--- (name of project) under the ----- (name of scheme) at  
\_\_\_\_\_ (address of main location) -reg.

**Sir,**

With reference to the approval letter No. \_\_\_\_\_ dated  
\_\_\_\_\_ of the Ministry of Food Processing Industries, Government of India on  
the captioned subject I, \_\_\_\_\_ (authorized signatory of PIA  
\_\_\_\_\_) have carefully gone through the provisions of Scheme  
Guidelines and undertake to abide by the same.

2. I hereby also confirm that all terms and conditions mentioned in the aforesaid  
approval letter are unconditionally acceptable to the PIA ----- (name of PIA).

(Name & Signature)  
(Authorized signatory of PIA)



**Affidavit  
(Notarised on Rs.100 Non-Judicial Stamp Paper)**

I..... (Name of the authorized representative of PIA), son/ daughter  
of Mr..... (father's name), resident of  
..... (residential address) declare/ undertake as under:

1. That I am authorized representative of .....  
(name of PIA) having its Registered Office at ..... (office  
address of PIA).
2. I hereby confirm that I am duly authorized in my own right/ by management vide its  
resolution no. ....dated.....to apply and  
sign this affidavit on behalf of ..... (name of PIA); and am fully  
aware of the facts relating to the setting up of food processing unit at  
..... (location of the project) for.....(activities  
to be undertaken by project).
3. I confirm that the term and conditions of the ----- (name of the scheme) scheme of the  
Ministry under which an application is made by ----- (name of PIA) have been properly  
read and understood by ----- (name of PIA) and I affirm that the proposal complies  
with all the terms and conditions of the approval letter and provisions enshrined in the  
scheme guidelines.
4. The proposed activities to be undertaken under the proposal are covered under the  
above-mentioned scheme of the Ministry and no part of the scheme/ infrastructure of  
the project is designed or assigned to be used for any activity other than the activities  
specified in the application at present or in the near future.
5. It is certified that \_\_\_\_\_ (name of PIA) has not obtained or applied for grants  
for the same project, component, purpose or activity from any other Ministry or  
Department of the Government of India or State Government or their agencies.
6. It is to certify that \_\_\_\_\_ (name of PIA) has not incurred any expenditure  
on the project before the date of issue of approval letter by Ministry of Food Processing  
Industries.
7. It is to certify that disbursement of term loan sanctioned by bank for the project and its  
utilisation will be taken up only after the date of issue of approval letter by the Ministry.
8. In case of concealment of any facts in this regard, the Ministry would have right to  
reject my application at any stage and recall grants-in-aid/subsidy released along with  
interest as per the scheme guidelines, if any.
9. ----- (name of PIA) will meet, from its own resources, any shortfall due to less  
admissibility of grants-in-aid/subsidy or any future reduction in grants-in-aid/subsidy or  
any escalation in cost of the project.



10. I shall not dispose-off or encumber or utilize the assets created wholly or substantially out of grants-in-aid/subsidy for purpose other than those for which they have been sanctioned, without obtaining the prior approval of the Ministry.
11. Before completion of the project, any change in ownership of the project, name of the entity, promoters of the entity, loan sanctioning Bank will be brought to notice of the Ministry at the earliest and approval in this regard would be taken from the Ministry.
12. In case of non-implementation/ delayed implementation of the project, the Ministry will have absolute right in cancelling the approval granted and also recall the grants-in-aid/subsidy released, if any, along with interest as per the scheme guidelines as well as forfeit BG given as applicable.
13. All the information furnished in the application and Detailed Project Report with respect to the eligibility conditions are true and correct to the best of my knowledge and belief and nothing material has been concealed therefrom.

**Date:** \_\_\_\_\_  
**Place:** \_\_\_\_\_

**Signature of the Authorised signatory**



**ECS Mandate Form**

**ELECTRONIC CLEARING SERVICE (CREDIT CLEARING)/ REAL TIME GROSS SETTLEMENT (RTGS) FACILITY FOR RECEIVING PAYMENTS**

**DETAILS OF ACCOUNT HOLDER:**

NAME OF ACCOUNT HOLDER	
COMPLETE CONTACT ADDRESS	
TELEPHONE NUMBER/FAX/EMAIL	

**BANK ACCOUNT DETAILS: -**

BANK NAME	
BRANCH NAME WITH COMPLETE ADDRESS TELEPHONE NUMBER AND EMAIL	
BRANCH'S IFSC CODE	
BANK ACCOUNT	Grant-in-Aid
COMPLETE BANK ACCOUNT NUMBER (LATEST)	
MICR CODE OF BANK	

**DATE OF EFFECT: -**

I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information I would not hold the Ministry of Food Processing Industries responsible.

Date

Signature of Customer

Certified that the particulars furnished above are correct as per our records.

(Signature and Seal of Bank)



Chartered Accountant Certificate  
(Letter Head of the CA along with membership/registration number)

Date:

The certification is based on the verification of books of accounts, bills, invoices, work orders, bank statements, etc. related to the \_\_\_\_\_ (name of the project).

i. Project Cost: (₹ in lakh)

Sl. No.	Name of the Component/Item	Cost approved by the Ministry	Actual expenditure incurred as on -----		
			Basic	Taxes etc.	Total
1.	Land/development charges				
2.	Civil works — Technical civil works — Other civil works				
3.	Plant & Machinery				
4.	Misc. Fixed Assets				
5.	Others				
	<b>TOTAL</b>				

ii. Means of Finance: (₹ in lakh)

Sl. No.	Item	Means of finance approved by the Ministry	Actual expenditure incurred as on -----
1	Promoter's Equity		
2	Term Loan		
3	Grant from MFPI		
4	Unsecured loan*		
5	Others		

\*Details of unsecured loans along with PAN No. of lenders, if any, duly certified by CA.

\*Details of advance payment should be provided separately in Annexure

Signature and Seal of CA (Statutory Auditor in case of company)

Counter signature of authorized signatory of PIA



**Annexure-VI**

Chartered Engineer (Mechanical) Certificate for Plant & Machinery  
(Letter Head of the Chartered Engineer along with membership/ registration number)

Date:

Name of Project:

Location with address:

I, \_\_\_ (name of CE), visited the site on \_\_\_\_\_ (Date of site Visit) and verified the cost of various plant & machinery available at the project site and invoices for respective components as well. Based on this I certify that the plant & machinery brought to the site are new and are in line with prevailing cost in the industry.

Project Progress: The total expenditure incurred on the project towards plant & machinery is economical and its summary is enclosed hereby.

Sl. No.	Name of Component	Proposed/ appraised Quantity	Proposed/ appraised Cost (₹ in lakh)	Actual Quantity	Actual Cost (₹ in lakh)		Supplier/ Manufacturer	Status of implementation	Comments on quality, specifications, etc.
					Basic Cost	Taxes, Freight, installation, insurance			
	Component - 1							Such as: <ul style="list-style-type: none"><li>• Ordered</li><li>• Received at site</li><li>• Installation in progress</li><li>• Installed</li><li>• Commissioned</li></ul>	
	Component - 2								
	<b>TOTAL</b>								

It is also certified that all installed plant & machinery and equipment are new and with unique machine number and month/year of manufacture.

Signature and Seal of Chartered Engineer

Counter signature of authorized signatory of PIA with Seal

## Annexure-VII

Chartered Engineer Certificate (Civil) Certificate for Technical Civil Work:  
(Letter Head of the Chartered Engineer along with registration/ membership number)

Date:

Name of Project:

Location with address:

I, \_\_\_ (name of CE), visited the site on \_\_\_\_\_ (Date of site Visit) and verified the actual area and volume of work. Based on actual progress on the site and invoices for respective components, I certify that the civil work cost of the project components is in line with the prevailing unit rates of the civil cost depending on various specifications and requirements.

Project Progress: The total expenditure incurred on the project towards civil work is economical and its summary is enclosed hereby.

Sl. No.	Name of Component	Proposed/ appraised Area (sqm)	Proposed/ appraised Cost (₹ in lakh)	Actual Area(sqm)	Actual Cost (₹ in lakh)		Rate/ Unit (₹/ Sqm)	Remarks about the status of implementation	Comments on quality, construction standards, market rates
					Basic Cost	Taxes, Freight, installation,			
	<b>Total</b>								

It is certified that the material/ components used in the Technical Civil Work are new.

Signature and Seal of Chartered Engineer

Counter signature of authorized signatory of PIA with Seal



**(Recommendation of Bank for release of 1<sup>st</sup> instalment of grant)**

**To**  
**The Under Secretary**  
Ministry of Food Processing Industries  
Panchsheel Bhawan  
August Kranti Marg  
New Delhi- 110049

**Subject: Recommendation for release of 1<sup>st</sup> installment of financial assistance in respect of project of M/s ..... (Name & Address of project) –reg.**

**Sir,**

With reference to Ministry's approval letter no. .... dated ....., it is hereby recommended that Ministry may consider release of 1<sup>st</sup> installment i.e. 50% of approved grant amount in respect of project of M/s ..... (address of project location) Village ..... District ..... State ..... Till now our bank has released..... % of term loan to this project. Following is certified for consideration of release of grant:-

It is certified that:-

- i. The promoter has utilized \_\_\_% of promoter's contribution and \_\_\_% of term loan of the approved project cost on the implementation of the project.
- ii. The term loan in the project is not sanctioned for one or few components but for the entire project as appraised.
- iii. Activity and component considered in the project for loan are new. No old plant & machinery or component is recommended for consideration of grant.
- iv. The grant so released by the Ministry to the bank shall be credited in dedicated Account Number.....

**(Signature of the Bank Officer with Seal)**

**Name:**  
**Name of the Bank:**  
**Address:**  
**Phone/ Fax/ Mobile**  
**No.**  
**Email:**  
**Place:**  
**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 President of India (hereinafter called the "Government") for the sum of ₹ \_\_\_\_\_ (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 Ministry of Food Processing Industries' Sanction Order No. \_\_\_\_\_ Dated \_\_\_\_\_ (hereinafter referred to as the "Letter of Sanction") which forms an integral part of these presents, and copy whereof is annexed hereto and marked as Annexure-I, agreed to make in favour of the Obligors grants-in-aid/subsidys of ₹ \_\_\_\_\_ (Rupees \_\_\_\_\_ Only) for the purpose of \_\_\_\_\_, (description of the project) at \_\_\_\_\_, out of which the sum of ₹ \_\_\_\_\_ (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 and conditions of the grants-in-aid/subsidy by the target dates, if any specified therein.

THAT the Obligors shall not divert the grants-in-aid/subsidy 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 President of India, the entire amount of the grants-in-aid/subsidy with interest of 10% per annum thereon, as well as would be liable for forfeiture of BG given as performance security, if a part of the grants-in-aid/subsidy is left unspent after the expiry of the period within which it is required to be spent, interest @10% per annum shall be charged up to 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/subsidy was intended of the property) buildings created/ acquired constructed largely from out of the grants-in-



aid/subsidy sanctioned by the Government of India, Ministry of Food Processing Industries 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 Obligers.

AND THESE PRESENTS ALSO WITNESS THAT the decision of the Secretary to the Government of India in the Ministry of Food Processing Industries 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 Obligers and

IN WITNESS WHEREOF these presents have been executed as under on behalf of the Obligers the day herein above written in pursuance of the Resolution No. \_\_\_\_\_ Dated \_\_\_\_\_ passed by the governing body of the Obligers, a copy of whereof is annexed hereto as Annexure-II and by \_\_\_\_\_ for and on behalf of the president on the date appearing below:-

Signature of AUTHORIZED SIGNATORY

SIGNED FOR AND ON BEHALF OF

(Name of the obliger in block letters)

(seal/ stamp) of Organization)

1. Signature of witness

2. Signature of witness

Name & Address

Name & Address

**TO BE FILLED UP BY**

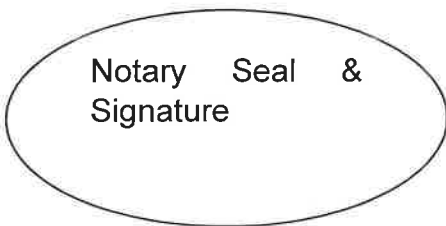
**THE MINISTRY OF FOOD PROCESSING INDUSTRIES (ACCEPTED)**

For and on behalf of the President of India

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

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

Dated: \_\_\_\_\_



(Forwarding letter of Bank for recommending conduct of Joint Inspection before release of 2<sup>nd</sup> and Final Instalment of grant)

To  
**The Under Secretary**  
Ministry of Food Processing Industries  
Panchsheel Bhawan, August Kranti Marg  
New Delhi- 110049

**Subject: Request for conduct of Joint Inspection in respect of project of M/s .....** (Name & Address of project) –reg.

**Sir,**

The Ministry of Food Processing Industries has released Rs..... as 1<sup>st</sup> Installment of grant in respect of project of M/s ..... (address of project location) Village.... District.....State... vide sanction letter no... dated... The grant amount of 1<sup>st</sup> Installment released to the project has been credited in dedicated account no. ... of the bank and utilized for the project. Now project is complete and has commenced commercial operations on ..... (DD/MM/YYYY). The bank has also disbursed full term loan sanctioned for the above mentioned project. Following documents required for Joint Inspection are submitted with the request to conduct Joint Inspection of the project in connection with release of 2<sup>nd</sup> and final instalment of grant:-

S.No.	Particulars	Yes/N o
1.	Details of date-wise release of term loan	
2.	Completion of the project and start of commercial operation by the unit	
3.	Statement of <i>eligible components used for assessing component wise cost</i> and eligible project cost.	
4.	Chartered Engineer Certificates for completed TCW & Installed P/M	
5.	Statement of TRA/ Escrow account of bank in which 1 <sup>st</sup> Installment of grant has been credited	
6.	C.A. Certificate as per <b>Annexure-VI</b>	
7.	Copy of consent to Operate from Central/State Pollution Control Board	
8.	Copy of License under Food Safety and Standards Act, 2006	

It is certified that the promoter has spent 100% of promoter's contribution and 100% of term loan of the approved project cost on the implementation of the project.

(Signature of the Bank Officer with Seal)

Name:  
Name of the Bank:  
Address:  
Phone/ Fax/ Mobile  
No.  
Email:  
Place:  
Date:

