

Ministry of Food Processing Pradhan Mantri Kisan Sampada Yojna

Highlights of Creation/Expansion of Food Processing & Capacities (CEFPPC) Scheme

(Application opens from 09.10.2023 to 22.11.2023 till 5 PM)

Eligible Entities

- Any organization or an individual engaged in or that plans to engage in creation /expansion / modernization of food processing and preservation capacities would be eligible for financial assistance under the scheme.
- Proposal received from Scheduled Caste (SC) / Scheduled Tribe (ST) holding at least 51% of stakeholder in the entity, will be treated as SC/ST proposals.

Eligible Locations

Both inside and outside of Mega Food Parks/Agro Processing Clusters

Eligible Sectors

- a. Fruits & Vegetable Processing
- b. Milk Processing
- c. Meat / Poultry / Fish Processing
- d. Ready to Eat / Ready to Cook Food Products / Breakfast Cereals / Snacks / Bakery & other Food products including nutritional health foods.
- e. Grains / Pulses, Oil Seed milling and processing based on modern technology
- f. Modern Rice Milling
- g. Other agri - horti products including spices, coconut, soyabean, mushroom processing, honey processing.
- h. Fruits / Honey based wines
- i. Natural Food flavor, food additives / food extracts and colours, oleoresins, guar gum, cocoa products.
- j. Manufacturing jiggery from sugarcane and value added products from jiggery (as raw material) except sugar mills

- k. Any other sector that makes food products fit for human consumption.
- l. Animal feed manufacturing unit(s), already set up or being set up, in Mega Food Park or Agro processing Clusters approved by the Ministry time to time.
- m. 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 Mega Food Park (MFP) and One (1) unit in Agro Processing Cluster (APC) can be sanctioned under this category.

Note:

- i. *Activities related to manufacturing of aerated water and packaged drinking water 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.*

Eligibility Criteria

- Net worth shall not be less than 1.5 times of grant amount (not less than of grant amount for difficult areas/ST/SC/FPO/SHG)
- **Final / in-principle term loan sanction letter (indicating whether proposal is for expansion/up gradation/fresh) from a bank**
- **Date of sanction letter should not be earlier than the date of EoI**
- Term loan should not be less than 20% of total project cost (10% for difficult areas/ST/SC/FPO/SHG)
- Detailed appraisal note from the bank
- Equity infusion should not be less than 20% of total project cost (10% for difficult areas/ST/SC/FPO/SHG)
- Value of land shall not be considered as part of project cost
- Minimum project cost Rs. 3 crore (Rs. 1 crore for difficult areas/ST/SC proposals)
- Only one application shall be considered from an entity against EoI
- No second proposal shall be considered from the entity who has earlier availed grant under the scheme

- Entities who have availed grant under another scheme (other than CEFPPC scheme) of the ministry will be eligible for grant after 2 years from the date of commercial operation of the previous project
- Entity shall not be eligible for financial assistance for more than 2 projects during period of 10 years
- Non-refundable demand draft of Rs. 20,000/- (15,000/- for ST/SC entity) shall be payable to “PAY AND ACCOUNTS OFFICER, MINISTRY OF FOOD PROCESSING INDUSTRIES, NEW DELHI”
- Successful candidate shall submit a refundable bank guarantee of 5% of grant amount within 30 days of issue of approval letter by the ministry
- Minimum qualifying marks is 60 (45 for ST/SC proposals)
- Grant amount @35% of eligible project cost (for difficult areas/ST/SC/FPO/SHG @50%), maximum Rs. 5 crores
- No upward revision of approved grant shall be considered.
- **No grants-in-aid shall be payable on any expenditure, of 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 installments of grant-in-aid.**
- Dovetail assistance available under various schemes of central/states government's provided there should be no duplication of assistance for the same component/activity of the project.
- Project should be completed and operationalized within 18 months from the issue of approval letter (extension may be granted after approval of competent authority).
- Grant shall be released in two equal installments (in 9 months & 18 months)
- Registered land either on ownership basis or leasehold basis at least 15 years in the name of applicant firm.

Ineligible items for calculation of Grant - in - Aid

- a. Compound Wall
- b. Approach Road / Internal Road
- c. Cost of Land & 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 vehicle 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 Cameras and Security System related equipment
- q. Consultancy fees, taxes, etc. on Plant & machinery
- r. Stationary Items
- s. Plant & Machinery not directly related to components of the scheme.
- t. Fly catchers, hand washers, laundry
- u. Reconditioned / Refurbished / Second Hand / Old Plant & Machinery

Note:

The list is only indicative and the Project Approval Committee Constituted by the Ministry will be the final authority to decide on ineligibility or otherwise of items for purpose of grant-in –aid.

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