



सत्यमेव जयते

Government of India
MINISTRY OF FOOD PROCESSING INDUSTRIES
Panchsheel Bhawan
August Kranti Marg, New Delhi- 110049

Guidelines dated 08.06.2022

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

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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 modernization/ 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 Sectors**

- (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) Grains/ pulses, oil seed milling and processing based on modern technology,
- (f) Modern Rice milling,
- (g) Other agri-horti products including spices, coconut, soybean, mushroom processing, honey processing,
- (h) Fruits/ honey-based wines,
- (i) Natural 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) 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 Parks or Agro Processing Clusters approved by the Ministry from 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 (other than that covered under serial no. (xiii) above and packaged drinking water will not be considered for financial assistance under the Scheme.

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(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 facilities like canning, aseptic packaging, vacuum packaging, bottling, edible packaging, labelling, any other specialized packaging;
- (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 and insect repellents.

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**

- (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 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.

5) Eligible entities

(a) Any organisation 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.

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

6) Eligible location of the project

The proposals under the Scheme will be considered both inside Mega Food Parks (MFPs)/ Agro-processing Clusters (APCs) and anywhere outside MFPs/ APCs. As far as practicable, out of total fund allocation, 60% will be for units inside MFPs/APCs and 40% to units outside MFPs/APCs.

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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 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 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/ in-principle term loan sanction letter (inter alia, indicating whether proposal is for expansion/ upgradation 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 a Government-controlled Financial Institution or a non-banking financing company approved by the Reserve Bank of India.

(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 from a Scheduled Commercial Bank specific to the proposal.

Note: Detailed Project Report/ Techno-Economic Viability Report merely stamped or endorsed by the Scheduled Commercial Bank 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/ upgradation of existing facility(ies) is eligible under the scheme.

(i) No second proposal from an entity or promoter(s) of an entity, who have availed grants-in-aid earlier under the Scheme will be considered.

(j) Entities or promoter(s) of entities who have availed financial assistance under another scheme (any scheme other than the CEFPPC Scheme) of the Ministry will be eligible for grants-in-aid only after two years from the date of commercial operation of the previous project:

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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.

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 (initially valid till 60 days beyond scheduled completion of the project which would be required to be extended till 60 days beyond revised completion of the project in case the project is delayed) for 5% of eligible grants-in-aid within 30 days of issue of approval letter by the Ministry.

Provided that in case instalment(s) of grants-in-aid is released by the Ministry and the project is not completed by PIA, the Ministry may 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 its 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.*

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(iii) Mere submission of application (with required documents) against EOI does not confer any right on the applicant for claim of grants-in-aid under the Scheme. Grants-in-aid will be sanctioned based on merit, preference criteria 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 documentary proof.

(d) Final/ in-principle term loan sanction from a Bank.

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

(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 and Audited Financial Statement of Accounts for last two years (if applicable).

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(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. In case land for the project has been taken on lease from State Government/ its entities, the policy of 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 details of technical civil works envisaged duly certified by Chartered Engineer (Civil).

(o) Item-wise and cost-wise 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.

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) that will be valid for a period of 45 days and may be extended by the Ministry only in case sufficient proposals are not received. Applications can be filled only online on the Ministry's Sampada Portal (<https://www.sampada-mofpi.gov.in>).

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(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 at **Annexure-I**.

(e) A proposal will have to obtain a minimum of **60** marks in order to become eligible for consideration of grants-in-aid.

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

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

(g) An applicant aggrieved with rejection of its proposal may prefer an appeal before the Project Approval Committee detailing the grounds of such appeal.

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

(i) Presence of applicant or its authorized representative (in-person or virtually) is expected (to explain its proposal) during meetings of the Technical Committee and Project Approval Committee. The applicant/

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authorized representative may on its own or when asked by TC/ 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 and quantum of grants-in-aid 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, 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.

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

11) **Pattern of assistance**

(a) Grants-in-aid 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 will be considered.

(c) In case of proposals requesting for dropping of any of the approved components, the proportionate grants-in-aid (35% or 50%, as the case may be) approved for that particular component(s) shall be deducted from the approved grants-in-aid.



(d) No grants-in-aid 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.

(e) Grants-in-aid 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, Co-operation 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 SC/ST proposals.

(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 released, if any, shall be ordered to be recovered with 10% annual interest.

(i) Grants-in-aid 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) 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
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1.	1 st instalment	9 months
2.	2 nd instalment	18 months

(c) Time schedule may be extended 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 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.

(d) Extension 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 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 will be on basis of implementation schedule as per sub-clause (a) above.

(e) 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) Reduction in project components
- (iii) Change in Bank
- (iv) Change in shareholding pattern/ Board of Directors

- (v) Change in location of the facilities other than main facility/ centre
- (vi) Change in means of finance

(b) Change in components or cost of the project, other than that at (a) above, shall require approval of the Project Approval Committee.

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

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

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

(c) Before release of every instalment of grants-in-aid claimed by PIA, the Ministry will get the project visited and verified by PMA.

(d) 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.

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

(f) 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 from the Ministry for implementation of the project. Expenditure on the implementation of the project shall be from these accounts only.

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

(h) 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".

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



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

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

(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 from the Ministry.

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

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

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

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(ix) Bank certificate regarding release of term loan along with quantum (**Annexure-VIII**).

(x) Consent to Establish/ NOC from Pollution Control Board / Agency.

(xi) Approved building plan from the relevant Competent Authority.

(xii) Self-attested English/ Hindi version of land document in support of land title (ownership/ leasehold) in the name of PIA.

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): PIA is required to submit the following documents for re-imburement of 2nd and final instalment of grant after completion of the project (utilization certificate for 2nd instalment is not required) :

(i) PFMS generated Utilization Certificate for the grants-in-aid released as 1st 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.

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(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 2nd (final) instalment of grant in aid, eligible grant in aid for the project will be recalculated based on the appraised/ actual cost, whichever is less, for the

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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

(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 shall be deducted as below (irrespective of any extension in timelines except for reasons of force majeure):

Delay	Deduction in grants-in-aid
Up to three months	Nil
More than 3 months and up to 4 months	0.5%
More than 4 months and up to 5 months	1.0%
More than 5 months and up to 6 months	1.5%
More than 6 months and up to 7 months	2.0%
More than 7 months and up to 8 months	2.5%
More than 8 months and up to 9 months	3.0%

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More than 9 months and up to 10 months	3.5%
More than 10 months and up to 11 months	4.0%
More than 11 months and up to 12 months	4.5%
More than 12 months	5.0%

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

(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 released.

(e) If at any point of time, it comes to the notice of the Ministry that grants-in-aid has been availed by manipulation/ concealment of information/ facts, such grants-in-aid 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 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.

(g) In case of the failure on part of PIA to refund the grants-in-aid 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

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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.



CALCULATION OF NET-WORTH

(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 provisional 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 provisional 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, land and building (supported by valuation report at circle rate, circle rate notification and land ownership documents), 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.
- (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 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 integrated cold chain 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 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

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for each year since incorporation will be required in support of proof of non-commencement of commercial operations.

A handwritten signature in blue ink, consisting of a stylized, cursive letter 'J' followed by a horizontal line extending to the right.

(To be submitted with EoI)

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

Date: _____

(If project has multiple locations, the location wise details should be submitted with area/capacity as per DPR)

i. **Project Cost: (₹ in lakh)**

S. No.	Components (as per DPR)	Proposed Area/ Capacity	Proposed cost		
			Basic	Taxes etc.	Total
(a)	Capacity Building of FPOs 2a. Cost of formation of new FPOs 2b. Training of existing farmers/ FPOs 2c. Other (pl specify)				
(b)	Post-harvest processing facilities Civil Works - Technical civil works - Other civil works Plant & Machinery				
(c)	Agri Logistics				
(d)	Marketing Infrastructure				
(e)	Pre-operative expenses				
(f)	Others				
(g)	Total Project Cost				

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) 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
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 released, if any.

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

12. In case of non-implementation/ delayed implementation of the project, MOFPI will have absolute right in cancelling the approval granted and also recall the grants-in-aid 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:-

(i) Project Cost:

(Rs. in lakh)

Sl No.	Name of the Component/Item	Project Cost	Cost appraised by the Bank	Actual Cost incurred as on _____ (date)
1.	Land			
2.	Building / Civil Works			
3.	Plant & Machinery			
4.	Misc. Fixed Assets			
5.	Others			
	Total			

(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			
	Total			

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 criteria: **(A proposal would have to obtain a minimum of 60 marks in order to become eligible for consideration of grant-in-aid)**

Sl. No	Criteria for Evaluation of the proposal	Marks	Max marks	Modifications approved by IMAC
1	Priority Sector			
a	For Perishable Products (Fruits & Veg, Meat & Poultry, Milk & Aqua Products)	25	25	DPR/ Bank appraisal and IEM
b	For Consumer products (Bakery/Snacks/Breakfast cereals/RTE products)	20		
c	For Non- Perishable Products (Grain/Pulse/Oil milling)	15		
2	Possession of Appropriate Land			
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 along without CLU	10		Land Ownership Documents
c	Agreement to Sale/Purchase of Land in the name of PIA	5		Copy of Agreement
3	Investment on Eligible Project cost			
a	More than Rs.15 crore	15	15	DPR/ CE Certificate.
b	More than Rs 8 crore to 15 crore	10		
c	Less than 8 crore	08		
4	Net worth of the applicant			
a	More than 2 times of	15	15	Balance Sheet / CA

	proposed equity			Certificate / Supporting Documents
	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		
5	Debt Service Coverage Ratio (DSCR) based on Bank appraisal			
	a 3.0 and above	15		
	b Between 2.5 but less than 3.0	12	15	Bank Appraisal Report
	c. Between 1.5 but less than 2.5	10		
6	Project Strength- The promoter(s) having professional / special training in food processing / technology			
	a B.Tech/B.Sc. in Agri/Horti/Food Processing / Food Technology/Dairy Science/Technology/B.Voc. in Agri and above	05	05	Copy of Degree / Diploma / Certificate
	b Diploma in Agri/Horti/Food Processing / Food Technology/Dairy Science/Technology	03		
7	Turnover of applicant firm / promoter(s) having atleast 10% shareholding in Food Processing:			
	a Food processing business having annual turnover of ₹10 crore and above during previous year	10	10	Balance sheet, FSSAI license etc.
	b Food processing business having annual turnover of ₹5 crore but less than ₹10 crore above during previous year	7		
	Total		100	

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[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)

h

**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 released along with
Interest 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 or any future reduction in grants-in-aid 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 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.
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 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



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)



Annexure-V

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				
	TOTAL				

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 to CA certificate certifying details of payments made for Plant & Machinery and Civil Work

Sl. No.	Name of Party	Component	Voucher /Bill no.	Date of Voucher/Bill	Basic Cost	Taxes, freight, installations, insurance costs	Total Cost	Date of Payment as per bank statement	Mode of Payment	Amount paid as per bank statement

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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: (If project has multiple locations, the location wise details should be submitted in below format for each location)

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">• Ordered• Received at site• Installation in progress• Installed• Commissioned	
	Component - 2								
	TOTAL								

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

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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: (If project has multiple locations, the location wise details should be submitted in below format for each location)

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, insurance			
	Total								

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 1st 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 1st 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 1st 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.....
- v. In the event of bank recovering its loan liabilities from the promoter in case of default and/ or contravention of the scheme guidelines by the promoter, the Banks shall refund to the Government the grant amount in proportion to its own dues as finally recovered from the defaulter.

(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-aids 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 by the target dates, if any specified therein.

THAT the Obligors shall not divert the grants-in-aid 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 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 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 was intended of the property) buildings created/ acquired constructed largely from out of the grants-in-aid sanctioned by the Government of India, Ministry of Food Processing Industries or the

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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: _____

Notary Seal &
Signature



Annexure-X

(Forwarding letter of Bank for recommending conduct of Joint Inspection before release of 2nd 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.

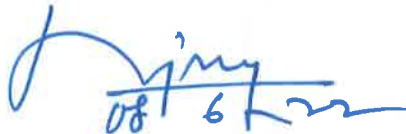
Sir,

The Ministry of Food Processing Industries has released Rs..... as 1st 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 1st 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 2nd and final instalment of grant:-

S.No.	Particulars	Yes/No
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 st Installment of grant has been credited	
6.	C.A. Certificate as per Annexure-VI	
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:

