



सत्यमेव जयते

Government of India

MINISTRY OF FOOD PROCESSING INDUSTRIES

Panchsheel Bhawan

August Kranti Marg, New Delhi- 110049

Guidelines dated 08.06.2022

PRADHAN MANTRI KISAN SAMPADA YOJANA

**Scheme for Creation of Infrastructure for
Agro Processing Clusters (APC)**

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1. Introduction

1.1 The Government of India has approved the Scheme for Creation of Infrastructure for Agro Processing Clusters as a sub-scheme of Central Sector Scheme - "PRADHAN MANTRI KISAN SAMPADA YOJANA (PMKSY)" for 15th Finance Commission cycle.

1.2 The Scheme aims at development of modern infrastructure to encourage entrepreneurs to set up food processing units based on cluster approach. The Scheme is to be implemented in the areas of horticulture/ agriculture production identified through a mapping exercise. These clusters will help in reducing the loss of surplus produce and add value to the horticultural/ agricultural produce which will result in increase of income of the farmers and create employment at the local level.

1.3 Certain capital-intensive common facilities are required to be created by food processing units irrespective of nature of their processing. These capital-intensive facilities like cold storages, blast freezers, specialized packaging, IQF, warehousing, if developed as common facilities, will encourage entrepreneurs to set up more food processing units. The nature of operation of the food processing units also requires development of basic enabling infrastructure to take care of continuous process, water supply, effluent treatment and clean surrounding, etc. There is lack of such modern infrastructure in the country which is hampering the development of food processing sector. If this infrastructure is made available with the financial support from the government, there is a potential of developing food processing sector with much higher speed than it is today.

2. Objective

- a) To create modern infrastructure for food processing closer to production areas.
- b) To provide integrated and complete preservation infrastructure facilities from farm gate to the consumer.
- c) To create effective backward and forward linkages by linking groups of producers/ farmers to food processors and markets through well-equipped supply chain.

3. Salient Features of the Scheme

3.1. At least 5 food processing units with a minimum aggregate investment of Rs.25 crore will be set up in the agro-processing cluster. These units may be set up by the promoters and associates of Project Implementing Agency (PIA) or by other entrepreneurs. The investment in these food processing units will not be eligible for financial assistance under the Scheme.

3.2. Food processing units will be set up simultaneous to the creation of core infrastructure in the agro-processing cluster. The core infrastructure facilities being developed in the agro-processing cluster shall be as per the requirement of food processing units to be set up in the agro-processing cluster or as per the available raw material for processing in the area.

3.3. Agro-processing clusters may be developed by:

2

- a) the promoter(s) willing to set up their own units in the cluster and also allow utilization of common infrastructure to other units in the area; or
- b) the promoter(s) willing to develop common infrastructure for use by the units to be set up in the food processing cluster by other entrepreneurs; or
- c) the promoter(s) willing to develop common infrastructure in the existing food processing cluster.

3.4. The extent of land required for establishing the agro-processing cluster would depend upon the business plan of Project Implementing Agency (PIA), which may vary from project to project. However, at least 10 acres of land for the project shall be arranged by PIA either by purchase or on lease of at least 50 years. Vertical setting up of projects/ units in cities may be considered where land availability is less. The requisite land for APC can be 5 acres in lieu of 10 acres in urban areas on similar lease.

3.5. Preference in sanction of proposal will be given to:

- a) setting up agro-processing clusters in agri-horti clusters identified from time to time by Central/ State Governments and its entities such as Department of Agriculture, Co-operation and Farmers Welfare (DAC&FW) under Mission for Integrated Development of Horticulture (MIDH), APEDA etc. An indicative list of such clusters is at **Appendix-I**.
- b) setting up of export oriented agro-processing clusters aligned with the clusters identified by the Department of Commerce and mentioned in Agri-export Policy 2018 document. An indicative list of such clusters is at **Appendix-II**.
- c) setting up agro-processing clusters by State Government and/or its entities on Public Private Partnership (PPP) mode.

3.6. It is expected that on an average, each agro-processing cluster may have around 5-10 food processing units to be set up with an employment generation potential (both direct and indirect) of about 500 to 1500 persons providing livelihood to about 6000 persons (based on an average household size of 4 members). However, actual configuration of the project may vary depending upon the business plan for each agro-processing cluster.

3.7. The food processing industries that make food products fit for human and animal consumption (except alcoholic products) may be permitted to be set up in these agro-processing clusters. Preference will be given to projects proposing preservation and/or processing of perishable food products. Packaging facilities of food products as ancillary to the food processing industries (proposed to be set up in the agro-processing cluster) may also be permitted to be set up in the agro-processing clusters.

4. Components of the Scheme

4.1. The scheme will have following components:



a) **Basic enabling infrastructure:** It will include site development such as development of industrial plots, boundary wall, roads, drainage, water supply, electricity supply including power backup, effluent treatment plant, parking bay, weigh bridges, common office space, firefighting, labour rest room, security guard room etc. However, the cost of basic enabling infrastructure not exceeding 40 percent of the eligible project cost would be eligible for financial assistance under the Scheme. The cost of any basic enabling infrastructure outside the boundary wall of the agro-processing cluster will not be eligible for financial assistance under the Scheme.

b) **Core infrastructure:** The common facilities will be based on need of the units which will be set up in these clusters. The common facilities of capital-intensive nature may include food testing laboratory, cleaning, grading, sorting and packing facilities, steam generation boilers, dry warehouse, cold storage, pre-cooling chambers, ripening chambers, IQF, specialized packaging, other common processing facilities, etc.

Note: The list of facilities is only illustrative and the exact nature of facilities may vary from project to project based on requirements of the units in the cluster and availability of agriculture/ horticulture produce in the catchment area of the project.

5. Ineligible items for calculation of grants-in-aid

- (a) Approach road
- (b) Cost of land
- (c) Canteen
- (d) Quarters for workers
- (e) Non-technical civil works not related to the components of the scheme
- (f) Margin money, working capital and contingencies
- (g) Fuel, consumables, spares and stores
- (h) Transport vehicles except Controlled temperature vehicles like coolers and refrigerated/ insulated/ ventilated transport
- (i) Pre-operative expenses
- (j) Service charges, carriage and freight charges or other such charges/ fees
- (k) Expenditure on painting of machinery
- (l) AC ducting, furniture, computers and allied office items.
- (m) Closed Circuit TV Camera and security system related equipment.
- (n) Consultancy fee, taxes, etc. on plant and machinery.
- (o) Stationery items
- (p) Plant & machinery not directly related to components of the scheme
- (q) Fly catchers, hand washer, laundry
- (r) 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.



6. Eligible entities:

Agro Processing Cluster Projects can be set up by an entity/ organisation such as Govt. Departments / PSUs / Joint Ventures / NGOs / Cooperatives / Self Help Groups (SHGs) / Farmer Producer Organizations (FPOs) / Private Sector Companies / Partnership Firms / Proprietorship Firms etc.

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-III**.*

(b) In-principle/ final 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.

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

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 their respective 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).

(g) Expansion/ upgradation of existing facility(ies) is not eligible.

(h) 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.

(i) Entities or promoter(s) of entities who have availed financial assistance under another scheme (any scheme other than this 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:

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.

(j) In case of more than one proposal from same district, the proposal having higher score in the merit based on criteria for assessment as per **Appendix-I** will be preferred.

(k) New agro-processing cluster will not be sanctioned in the same district where CPC of Mega Food Park (MFP) approved by the Ministry is located.

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 (DD) 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

2

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.*

(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, status of availability of land, potential investors for food processing units in the cluster, proposed level of investment including the estimated project cost, the proposed means of finance and the number and type of food processing units along with complete details.

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

(d) CA/ Statutory Auditor certificate as per **Appendix-IV**.



- (e) In-principle/ final term loan sanction from a Bank.
- (f) A detailed Appraisal Note, specific to the scheme, from a Scheduled Commercial Bank.
- (g) Certificate of incorporation/ registration, Memorandum and Article of Association, bye laws, PAN, TAN, SC/ST certificate (whichever applicable).
- (h) Bio-data/ background/ experience of the entity relevant to the scheme.
- (i) Annual reports and Audited Financial Statement of Accounts for last two years (if applicable).
- (j) Details of land (on ownership basis or leasehold) along with relevant documents in support of land title in the name of the applicant or land lease, duly registered with the competent authority for not less than the period of 50 years.
 - (i) Note: *Self-attested English/ Hindi version needs to be submitted in case such document is in regional language.*
 - (ii) *The proposals having ownership and possession of suitable land with Change in Land Use (CLU) for the project will be given preference.*
- (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) 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.

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 filed only online on the Ministry's Sampada Portal (<https://www.sampada-mofpi.gov.in>).
- (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.

7

(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.

(e) A proposal will have to obtain a minimum of **60** marks on the criteria for Assessment/ Evaluation (**Annexure-I**) 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/ 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 countersigned 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 maximum of Rs.10 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 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

7

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 24 months from the date of issue of approval letter for projects in General Areas and 30 months for projects in Difficult Areas.

(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	General Areas	Difficult Areas
1.	1 st instalment	8 months	10 months
2.	2 nd instalment	16 months	20 months
3.	3 rd instalment	24 months	30 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 three (3) equal instalments.

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

(j) Advance up to 10% to vendors of technical civil work and plant & machinery will be allowed at the time of release of all instalments except last instalment.

16. Requirement of documents before release of instalments

A. First instalment (one-third of grants-in-aid) -

(i) Details of the three bank accounts 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 expenditure of one-third of the eligible project cost on the eligible project components of the project.

(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 P & M 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) Geo-tagged photographs of the project from various angles and locations.

(viii) Final term loan sanction letter and status for release of term loan from the Bank.

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

(x) Approved building plan, from relevant Competent Authority.

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

9

Note: In case of leasehold land, duration of registered lease deed should not be less than 50 years.

- (xii) Change Land Use (CLU) from relevant State Authority/Agency.
- (xiii) Notarised Surety Bond in prescribed format (**Annexure-VIII**) 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) Bank Statements of the three accounts relating to the project.
- (xv) Compliance of any other terms & conditions mentioned in the approval letter of the Ministry.

B. Second instalment (one-third of grants-in-aid)-

- (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 at least two-third of the eligible project cost on the eligible project components of the project, and also confirming cumulative expenditure of at least 60% of the eligible project cost of basic enabling infrastructure and at least 40% of the eligible project cost of core processing facilities/ infrastructure
- (iv) Certificate from Chartered Engineer (Mechanical) and counter-signed by 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 P & M has to be new with unique machine number and month /year of manufacture.
- (v) Certificate from Chartered Engineer (Civil) and counter-signed by 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.

2

- (vi) Geo-tagged photographs of the project from various angles and locations.
- (vii) Documents confirming that at least 50% of term loan has been released by the Bank.
- (viii) Statement of TRA from the Bank relating to the project.
- (ix) Proof of 100% allotment of leasable plots / areas to food processing units and 50% progress in technical civil works of at least two of the units.
- (x) Details of unsecured loan (along with PAN numbers of lenders) or bridge loan, if any, duly certified by Chartered Accountant and countersigned by the PIA.
- (xi) Compliance of any other terms & conditions mentioned in the approval letter of the Ministry.

C. Third instalment (one-third of grants-in-aid) will be released to the PIA as reimbursement after completion of the project (utilization certificate for 3rd instalment is not required), subject to fulfillment of following conditions

- (i) PFMS generated Utilization Certificate for the grants-in-aid released as 2nd 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 full amount of total project cost.
- (iv) Certificate from Chartered Engineer (Mechanical) and counter-signed by 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 i.e. installed & commissioned. 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 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 i.e. completed. 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 full term loan has been released by the Bank.
- (viii) Statement of TRA from the Bank relating to the project.
- (ix) Completion of Core Infrastructure Facilities and basic enabling infrastructure.
- (x) Copy of registration certificates of vehicles, if applicable.
- (xi) Consent to operate from Pollution Control Board/ Agency.
- (xii) Copy of license (if applicable) issued under FSS Act, 2006.
- (xiii) Proof of setting up and operationalization of at least three food processing units and start of construction work of remaining 2 units with an aggregate investment of Rs. 25.00 crore in the agro-processing cluster.
- (xiv) Compliance of any other terms & conditions mentioned in the approval letter of the Ministry.
- (xv) Proof of prominent display on front of the project/ sides of vehicles stating that the "Project is assisted by the Ministry of Food Processing Industries, Government of India", supported by photographs.

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 Scheme.
- (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, deduction and recall of grants-in-aid

2

(a) PIA shall make all possible efforts to complete the project as per the stipulated timelines (24 months in General Areas and 30 months in Difficult Areas).

(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%
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.

2

- (b) The Ministry may seek any clarification or direct to submit any document/ information from the applicant or the Project Implementing Agency (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) Publish the user charges/ hiring rates for common facilities and lease rental rates/ sale price for plots in agro-processing cluster on their websites and also on a board at the gate of the agro-processing cluster for wider information of the prospective investors. Rate of plots in the agro-processing cluster will also be made available to Ministry of Food Processing Industries (MoFPI) and State Government concerned for uploading on their websites.
- (e) PIA may sell/ lease plots in agro-processing cluster to other food processing units. But the common facilities in the cluster cannot be sold or leased out. They can only be offered to units on rental basis.
- (f) PIA of APC shall not deny setting up of any unit in the APC, once approval of such unit is accorded by the Ministry under CEFPPC scheme.
- (g) 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.



Indicative list of clusters identified by MIDH, DAC&FW PACKAGE

A. Perishables:

Sl. No.	Product	Region	State	District
1	Apple	North	J&K	Shopian Kupwara, Baramulla
			Himachal Pradesh	Kullu Kinnaur
2	Mango	West	Gujarat	Junagarh Valsad, Navsari
			Maharashtra	Ratnagiri, Sindhudurg
		North	Uttar Pradesh	Meerut, Saharanpur Lucknow, Malihabad
		South	Telangana	Rangareddy, Mehboobnagar Warangal
			Andhra Pradesh	Chittoor, Kurnool Krishna
3	Pineapple	North	Tripura	Siphahijala
			Nagaland	Dimapur
		South	Kerala	Wayanad
			Karnataka	Uttara Kannada
4	Pomegranate	South	Andhra Pradesh	Anantapur, Kurnool
			Karnataka	Bijapur, Chitradurga
		Central	Madhya Pradesh	Khargone, Khandwa, Burhanpur
		West	Maharashtra	Solapur, Ahmednagar, Pune
5	Orange	West	Maharashtra	Nagpur, Amravati, Wardha

PACKAGE B. Highly Perishables

Sl. No.	Product	Region	State	District
1	Banana	South	Kerala	Thrissur, Wayanad Thiruvananthapuram
			Andhra Pradesh	Kadapa, Anantapur
			Tamil Nadu	Trichy, Theni, Pollachi

		West	Maharashtra	Jalgaon, Kolhapur, Solapur
			Gujarat	Bharuch, Narmada, Surat
2	Grapes	West	Maharashtra	Pune, Nashik, Sangli
3	Litchi	North	Bihar	Muzzafarpur
4	Strawberry	West	Maharashtra	Satara
		North	Meghalaya	Shillong, RiBhoi

PACKAGE C. Priority Vegetables

Sl. No.	Product	Region	State	District
1	Onion	West	Maharashtra,	Nasik
			Rajasthan	Awar
		Central	Madhya Pradesh	Indore Sagar, Damoh
2	Potato	North	Uttar Pradesh	Agra, Farukhabad
			Punjab	Jalandhar, Hoshiarpur, Kapurthala, Navashehar
		Central	Madhya Pradesh	Indore Gwalior
		West	Gujarat	Banaskantha, SabarKantha
3	Tomato	South	Andhra Pradesh	Chittoor
			Karnataka	Kolar, Chikkaballapur
		Central	Chattishgarh	Raipur
		North	Haryana	Karnal
		West	Maharashtra	Nashik

List of clusters identified by APEDA, Ministry of Commerce & Industry

Sr. No.	State	Product	Districts
1	AP	Poultry & Poultry Products	Rangareddy, West Godawari and Chittoor
2		Vegetables (fresh/IQF/dehydrated)	Saran, Muzaffarpur, Samastipur, Vaishali and Patna

3	Bihar	Honey	Saran, Muzaffarpur, Samastipur, Vaishali and Patna
4	Gujarat	Vegetables (fresh/IQF/dehydrated)	Surat, Navsari, Valsad, Bharuch and Narmada
5		Banana	Bharuch, Khera, Narmada and Anand
6	Jharkhand	Vegetables (fresh/IQF/dehydrated)	Hazaribagh, Lohardaga, Ranchi and Ramgarh
7	Maharashtra	Vegetables (fresh/IQF/dehydrated)	Pune, Satara and Nashik
8		Pomegranates	Solapr, Sangli, Ahmednagar, Pune, Nashik, Latur , Aurangabad, Beed and Osmanabad
9		Poultry & Poultry Products	Pune, Solapur, Satara, Raigarh and Sangli
10		Banana	Kolhapur and Solapur
11	Punjab	Vegetables (fresh/IQF/dehydrated)	Fatehgarh Saheb, Patiala, Sangrur, Ludhiana , Amritsar and Hoshiarpur
12	Tamil Nadu	Banana	Theni and Trichy
13		Poultry & Poultry Products	Namakkal and Udumalpet
14	UP	Vegetables (fresh/IQF/dehydrated)	Lucknow, Unnao, Hardoi, Sitapur and Barabanki
15	West Bengal	Vegetables (fresh/IQF/dehydrated)	Nadia, Birbhum, Barsaat, 24 Parganas, Midnapur and Kolkata
16		Dried flowers	Jalpaiguri, Coochbehar South 24 Parganas, Birbhum and Nadia

7

Appendix - II

The list of product-district clusters identified by Department of Commerce, Ministry of Commerce and Industries for export promotion under Agriculture Export Policy 2018

Product	Region	State	District
Banana	South	Kerala	Thrissur, Wayanad, Thiruvananthapuram
		Andhra Pradesh	Kadapa, Anantapur
		Tamil Nadu	Trichy, Theni, Pollachi
	West	Maharashtra	Jalgaon, Kolhapur, Solapur
		Gujarat	Bharuch, Narmada, Surat
Pomegranate	South	Andhra Pradesh	Anantapur, Kurnool
		Karnataka	Belgaum, Mysore
	West	Maharashtra	Solapur, Ahmednagar, Pune
	Central	Madhya Pradesh	Khargone, Khandwa, Burhanpur
Mango	West	Maharashtra	Ratnagiri, Sindhudurg
		Gujarat	Junagarh, Valsad, Kutch, Navsari
	North	Uttar Pradesh	Saharanpur, Meerut, Lucknow
	South	Telangana	Rangareddy, Mehboobnagar, Warangal
		Andhra Pradesh	Krishna, Chittoor, Kurnool
Grapes	West	Maharashtra	Pune, Nasik, Sangli
Rose Onion	South	Karnataka	Bangalore Rural, Chikkaballapura
Onion	West	Maharashtra	Nasik
	Central	Madhya Pradesh	Indore, Sagar, Damoh
Potato	North	Uttar Pradesh	Agra, Farukkabad
		Punjab	Jalandhar, Hoshiarpur, Kapurthala, Navashehar
	West	Gujarat	Banaskantha, Sabarkantha
	Central	Madhya Pradesh	Indore, Gwalior
Tea	East	Assam	Tinsukia, Sibsagar, Dibrugarh
Coffee	South	Karnataka	Chikkamagaluru, Kodagu, Hassan
Marine products	South	Andhra Pradesh	East Godavari, Vishakapatnam, West Godavari, Nellore
	East	Odisha	Jagatsinghpur, Bhadrak, Balasore
	West	Gujarat	Kutch, Veraval, Navasari, Valsad

2

Chilli	South	Telangana	Khammam, Warangal
		Andhra Pradesh	Guntur
Turmeric	South	Telangana	Nizamabad, Karimnagar
		Kerala	Wayanad, Alleppy
	East East	Meghalaya	West Jaintia Hills
		Odisha	Kandhamal
Cumin	West	Gujarat	Banaskantha, Mehsana
	North	Rajasthan	Jalore, Jodhpur, Barmer, Nagaur, Pali
Pepper	South South	Kerala	Wayanad
		Karnataka	Chikmagalur
Cardamom	South	Kerala	Idukki
Isabgol	North	Rajasthan	Jodhpur, Nagaur, Barmer, Jaisalmer
Castor	West	Gujarat	Banaskantha, Kutch, Patan, Sabarkantha, Mehsana
Orange	West	Maharashtra	Nagpur, Amravati, Wardha

Note: The list of clusters provided above is tentative and could be expanded, provided the conditions for formation of cluster are met.



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)**

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:

2

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.

2

Appendix-IV

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

Date:

i. Project Cost: (₹ in lakh)

Sl. No.	Name of the Component/Item	Proposed Area/ Capacity	Proposed Cost		
			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.

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

Counter signature of authorized signatory of PIA

2

Annexure-I

Criteria for Assessment/ Evaluation of EOIs/ Proposals

Sl. No.	Criteria	Max. Score	Reference Documents to be reviewed
A	Land	50	
A 1	Possession of Appropriate Land	25	
a)	Complete title and possession of land or Allotment letter from State Govt. Agencies in the name of PIA along with CLU	25	CLU and Land Ownership Documents
b)	Complete title and possession of land or Allotment letter from State Govt. Agencies in the name of PIA (without CLU)	15	Land Ownership documents
c)	Agreement to Sale/Purchase of Land in the name of PIA	5	Copy of Agreement
d)	Land identified, but not acquired	0	
A 2	Location of Land	25	
a)	Proof of Water and Power Connection (5 marks each)	10	Letter/Certificate from respective Municipal body/Govt. authority
b)	Availability of Approach Road	5	Letter from local body confirming the availability of approach road
c)	Nearness to the location of the crop production cluster	10	DPR/ Cluster Analysis and Project Components / concerned State Govt. Authority letter
B	Viability of Cluster	10	
a)	Synchronization of Core Processing facilities with	10	DPR/ Cluster Analysis and Project Components

2

	requirements of food processing units & crops in agro cluster		
b)	Synchronization of Core Processing facilities with requirements of food processing units	7	DPR/ Cluster Analysis and Project Components
c)	Synchronization of Core Processing facilities with crops in agro cluster	5	DPR/ Cluster Analysis and Project Components
d)	No synchronization	0	
C	Details of PIA	25	
C 1	Net-worth of PIA	15	Audited Balance Sheet/ CA Certificate/ Related Net-worth Documents
a)	More than 2 times of equity	15	
b)	1.5 to 2 times of equity	10	
c)	1 to 2 times of equity for SC/ST applicants	10	
C 2	Food Processing Experience of promoter(s) having at least 10% shareholding in PIA	10	Balance Sheet of existing operations / FSSAI license
a)	Turnover > Rs.10 crore*	10	"
b)	Turnover from Rs. 5 crore to Rs.10 crore*	5	"
D	Special Strength	10	
a)	Setting up of APC in the clusters identified by DAC&FW (MIDH), APEDA, export	5	Supporting documents

2

	oriented clusters identified by Ministry of Commerce or on PPP model		
b)	Focus on processing and preservation of perishables in core processing facilities and proposed food processing units in the cluster (1 mark/ unit)	5	Supporting documents / DPR / Bank Appraisal
E	Investment on Eligible Project cost	5	DPR/ CE certificates
a)	More than Rs. 20 Crore	5	
b)	Less than Rs. 20 Cr.	3	
	Total	100	

*Annual turnover of the promoter claiming food processing experience shall be in at least two of the years out of previous three years.



[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)



Notarised Affidavit 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 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: _____
signatory
Place: _____

Signature of the Authorised



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
Customer**

Signature of

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 Chartered Accountant 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-VI

Chartered Engineer Certificate (Mechanical) 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								

Signature and Seal of Chartered Engineer

Counter signature of authorized signatory of PIA with Seal



Annexure-VII

Chartered Engineer Certificate (Civil) 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

7

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 administrative Head of the Department concerned. As regards the monetary value

2

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

Name & Address

2. Signature of witness

Name & Address

TO BE FILLED UP BY

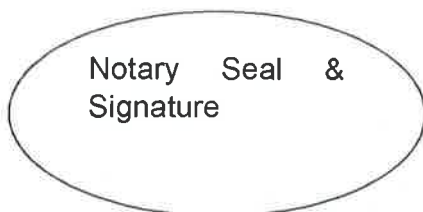
THE MINISTRY OF FOOD PROCESSING INDUSTRIES (ACCEPTED)

For and on behalf of the President of India

Name: _____

Designation: _____

Dated: _____



4 *J. J. J.*
08/6/22

