

**Creation/Expansion of Food Processing & Preservation  
Capacities (CEFPPC) under the Pradhan Mantri Kisan  
Sampada Yojana (PMKSY)**

**Scheme of Ministry of Food Processing (MOFPI)**

**February 2025**

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### Section I: Document Overview:

Particulars	Details
<b>Scheme Name</b>	Scheme for Creation/Expansion of Food Processing & Preservation Capacities (CEFPPC) under Pradhan Mantri Kisan Sampada Yojana (PMKSY)
<b>Issuing Authority</b>	Ministry of Food Processing Industries (MoFPI)
<b>Date of Issue</b>	22-01-2025
<b>Last Submission Date</b>	28-03-2025 (extended)
<b>Application form Link</b>	<a href="https://sampada-mofpi.gov.in/cefppc/Register.aspx">https://sampada-mofpi.gov.in/cefppc/Register.aspx</a>

### Section II: Objectives & Scope:

Parameter	Details
<b>Objective</b>	Enhance processing and preservation capacities to: • Increase level of food processing, add value to food products, Reduce food loss• Enhance farmers' income
<b>Scope</b>	Creation/expansion of processing units, adoption of modern technology, and development of value-added infrastructure for food processing and preservation

### Section III: Eligible Segments:

Eligible Segment	Details
<b>Fruits &amp; Vegetables</b>	Processing (sorting, grading, washing, peeling, cutting, etc.)
<b>Milk Processing</b>	Dairy and related products
<b>Meat/Poultry/Fish</b>	Processing units for meat, poultry, and fish
<b>Ready-to-Eat/Cook Foods</b>	Includes breakfast cereals, snacks, bakery items, and nutritional foods
<b>Food Grains/Pulses &amp; Oilseed Milling</b>	Modern technology-based processing of grains, pulses, and oil seeds
<b>Other Agri-Horti Products</b>	Spices, condiments, mushroom processing, etc.
<b>Honey Processing</b>	Also includes production of fruits/honey-based wines
<b>Food Flavors/Additives</b>	Food extracts, colours, oleoresins, guar gum, cocoa products
<b>Jaggery Manufacturing</b>	Production from sugarcane (excluding sugar mills)
<b>Animal Feed</b>	Manufacturing units – Maximum of 2 units in Mega Food Parks (MFP) and 1 unit in Agro Processing Clusters (APC)
<b>Carbonated Beverages</b>	Fruit juice/pulp-based beverages (criteria: >5% for lime/lemon; >10% for other fruits; max 2 in MFP and 1 in APC)

<b>Other Food Products</b>	Any segment that renders food fit for human consumption
<b>Exclusions</b>	Packaged drinking water (other than that covered in eligible segments) and farming activities (e.g. dairy farming, poultry, mushroom cultivation, hatcheries)

#### Section IV: Eligible Processing Activities:

Activity Category	Details
<b>Primary Processing</b>	Sorting, grading, washing, peeling, cutting, sizing
<b>Secondary Processing</b>	Blanching, crushing, extraction, pulping, drying, dehusking, dehulling, splitting, depodding, deseeding, color sorting, pulverization, extrusion, freeze drying/dehydration, frying
<b>Thermal Processes</b>	Pasteurization, homogenization, evaporation, concentration
<b>Packaging</b>	Installation of packaging lines for approved processing units
<b>Preservation Techniques</b>	Chemical preservation, pickling, fermentation, or specialized facilities for preservation
<b>Freezing</b>	Methods including Individual Quick Freezing (IQF), blast freezing, plate freezing, spiral quick freezing
<b>Temperature-Controlled Transport</b>	Refrigerated/insulated/ventilated transport (coolers)
<b>Ancillary Facilities</b>	Firefighting equipment and other adjunct systems for value addition and shelf-life enhancement

#### Section V: Eligible Entities:

Entity Type	General	SC/ST / Difficult Areas
<b>Types</b>	Individuals, Central/State PSUs, Joint Ventures, NGOs, Cooperatives, Public/Private Companies, LLPs, Partnerships, Proprietorships	Same as General; however, proposals from <b>SC/ST</b> promoters must have at least <b>51%</b> stake, and the net worth of SC/ST member(s) must be more than /equal to <b>10%</b> of the total entity net worth
<b>Location</b>	Projects may be located inside or outside Mega Food Parks (MFP)/Agro Processing Clusters (APC)	Same as General

## Section VI: Financial Criteria & Requirements

Parameter	General	SC/ST / Difficult Areas	Details/Notes
<b>Net Worth Requirement</b>	Combined net worth must be more than/ equal to <b>1.5 Times</b> the subsidy amount	Combined net worth must be more than /equal to the subsidy amount	For <b>SC/ST</b> proposals, net worth of <b>SC/ST</b> member(s) must be more than /equal to <b>10%</b> of the combined net worth. (Methodology in Appendix-I)
<b>Term Loan Requirement</b>	Term loan should be more than/ equal to <b>20%</b> of total project cost	Term loan should be more than/ equal to <b>10%</b> of total project cost	Final term loan sanction letter date must not pre-date the Expression of Interest (EOI)
<b>Equity Infusion</b>	Minimum equity infusion of <b>20%</b> of total project cost	Minimum equity infusion of <b>10%</b> of total project cost	Land value (registered sale/lease deed) is not counted; lien-secured loans are excluded from equity calculations
<b>Minimum Project Cost</b>	<b>₹3 crore</b>	<b>₹1 crore</b>	Defines scale of the project based on geographical area/demographic category
<b>Application Fee</b>	<b>₹20,000</b> (non-refundable)	<b>₹15,000</b> (non-refundable)	Payment via Demand Draft addressed to "Pay and Accounts Officer, MoFPI"
<b>Performance Security</b>	Refundable Bank Guarantee of <b>5%</b> of eligible subsidy; valid for 30 months; to be submitted within 30 days of approval	Same as General	For non-compliance, cancellation, or withdrawal, the BG may be forfeited

## Section VII: Application Process & Documentation:

Process/Document	Details
<b>Submission Mode</b>	Online submission only via the SAMPADA Portal
<b>Required Documents</b>	<ul style="list-style-type: none"> <li>• Detailed Project Report (DPR) with financial &amp; technical profiles</li> <li>• CA/Statutory Auditor Certificate (net worth)</li> <li>• Final term loan sanction letter</li> <li>• Bank Appraisal Note</li> <li>• Land documents (ownership/lease; lease must be for at least 15 years if applicable)</li> </ul>

	<ul style="list-style-type: none"> <li>• Equipment quotations and cost breakup (basic cost &amp; taxes)</li> <li>• Annexures (Undertaking, Affidavit, ECS Mandate, etc.)</li> </ul>
<b>Document Certification</b>	All pages must be self-attested. Documents in regional languages must have self-certified English/Hindi translations.
<b>Timeliness &amp; Completeness</b>	Incomplete, late, or deficient documentation may lead to rejection of the proposal
<b>Deadline</b>	Last date for submission: 28-03-2025

### Section VIII: Selection & Evaluation Process:

Parameter	Details
<b>Evaluation Committees</b>	Technical Committee (TC) and Project Approval Committee (PAC)
<b>Evaluation Criteria</b>	Proposals evaluated on technical parameters, financial eligibility, and overall compliance
<b>Minimum Marks Requirement</b>	<ul style="list-style-type: none"> <li>• <b>General:</b> Minimum of <b>60 marks</b> required out of 100</li> <li>• <b>SC/ST:</b> Minimum of <b>45 marks</b> required</li> </ul>
<b>Tie-breaker</b>	In cases of equal marks, preference will be given to proposals with higher eligible project cost
<b>Appeals</b>	Applicants aggrieved by a rejection may appeal to the PAC within <b>30 days</b> of receiving the communication along with stated reasons

### Section IX: Grant Subsidy & Disbursement Pattern:

Parameter	Details
<b>Subsidy Rate</b>	<ul style="list-style-type: none"> <li>• <b>General Projects:</b> Subsidy at <b>35%</b> of eligible project cost</li> <li>• <b>SC/ST / Difficult Areas:</b> Subsidy at <b>50%</b> of eligible project cost</li> </ul>
<b>Maximum Grant</b>	Up to <b>₹5 crore</b> per project
<b>Disbursement Method</b>	Subsidy is released in <b>2 equal installments</b>
<b>1st Installment</b>	Released within <b>9 months</b> from the approval letter date, after verification and site inspection
<b>2nd (Final) Installment</b>	Released within <b>18 months</b> from the approval letter date upon completion and after a final joint inspection by MoFPI, PMA, and bank representatives
<b>Expenditure Clause</b>	No subsidy is payable for any expenditure incurred before the issuance of the approval letter
<b>Revision Policy</b>	No upward revision allowed. If any approved components are dropped, the subsidy is reduced proportionally

## Section X: Project Implementation Timeline & Delay Deductions:

Parameter	Details
<b>Implementation Timeline</b>	Project must be completed and operational within <b>18 months</b> from the date of the approval letter
<b>Extension Policy</b>	Extensions can be granted up to <b>6 months</b> at a time, subject to conditions and only in cases of force majeure (e.g., drought, flood, cyclone, war, etc.)
<b>Delay Deductions (on Subsidy)</b>	The following penalty deductions apply if project completion is delayed beyond 18 months (calculated on the approved subsidy amount): <ul style="list-style-type: none"> <li>• For project delays beyond 18 months, there is no penalty for up to 3 months, followed by a 1% deduction per additional month, capping at 10% for delays over 12 months.</li> </ul>

## Section XI: Monitoring, Verification & Compliance:

Parameter	Short Details
<b>Inspections</b>	Regular on-site or virtual checks by MoFPI, PMAs, and bank representatives.
<b>Dedicated Bank Accounts</b>	Maintain three accounts: one for promoter's contribution, one for the term loan, and one for the subsidy.
<b>Record-Keeping</b>	All transactions must be uploaded on the PFMS EAT module with complete bank statements and receipts.
<b>Project Display Requirement</b>	Before final disbursement, the project must prominently display a "Assisted by MoFPI" sign on premises/vehicles.
<b>Non-Compliance Measures</b>	Non-compliance can trigger full subsidy recovery at 10% p.a. interest, forfeiture of the performance guarantee, and legal recovery actions.

## Section XIII: Appendices & Supporting Documents

Appendix	Details
<b>Appendix-I</b>	Net Worth Calculation methodology for companies, partnerships, and individual promoters (includes treatment of revaluation reserves, share application money, etc.)
<b>Appendix-II</b>	Format for Chartered Accountant Certificate detailing component-wise project cost and means of finance
<b>Appendix-III</b>	Undertaking by the Project Implementing Agency (PIA) confirming adherence to the guidelines and scheme conditions
<b>Appendix-IV</b>	ECS Mandate Form for bank account details
<b>Appendices V–VII</b>	Templates for technical certificates (e.g., Chartered Engineer certificates for Mechanical and Civil work, item-wise cost breakdowns)

<b>Appendix-VIII</b>	Bank Recommendation for the release of the 1st installment (including details of term loan disbursement and component-wise progress)
<b>Appendix-IX</b>	Format for Surety Bond (Performance Security)
<b>Appendix-X</b>	Bank's forwarding letter for recommending the Joint Inspection before the release of the 2nd and final installment

### Calculation of Net worth:

Criteria	Companies (Private/Public)	Non-Company Entities (Proprietorship/Partnership/NGOs/etc.)
<b>Basis of Calculation</b>	Paid-up share capital plus profit reserves.	Latest CA-certified balance sheet (Assets minus Liabilities).
<b>Revaluation of Assets</b>	Land/building revaluation reserves allowed if supported by circle rate documents; must reflect in the forward balance sheet.	Land/building must be supported by a valuation report, circle rate notification, and ownership documents.
<b>Share Application Money</b>	Counted only if converted into paid-up capital before submitting the proposal.	Not applicable.
<b>Audited Balance Sheet</b>	Latest audited balance sheet certified by the Statutory Auditor is required.	Use audited balance sheet; if insufficient, provide CA-certified individual statements with supporting documents.
<b>Additional Investments/Loans</b>	For significant investments in unlisted companies or loans with negligible income, additional details (investment records, AFS, justifications) must be submitted.	All net worth components must be supported by relevant documents and ITRs.
<b>Liability Adjustments</b>	Not applicable.	For partnerships/proprietorships (with unlimited liability), a CA-certified "Nil Liability Statement" or detailed statement of assets/liabilities is required, deducting personal liabilities.
<b>Share Valuation</b>	Unlisted shares are valued at face value; listed shares based on a 6-month average market price.	Same as companies.
<b>Exclusions</b>	Not explicitly mentioned here.	Exclude items such as cars, jewellery, antiques, gold, cash in hand, and loans/advances to related parties.

<b>Encumbrance Declaration</b>	A self-certification regarding property encumbrance is required.	A self-certification regarding property encumbrance is required.
<b>Newly Formed Entities</b>	For newly formed companies, the net worth of individual promoters/directors is considered.	Not applicable.

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