F. No. Z-14/13/2018-APC
Government of India
Ministry of Food Processing Industries
Panchsheel Bhawan, August Kranti Marg
New Delhi -110049

Dated: the 1st July, 2025

Subject: FAQs in relation to the queries raised by the prospective entrepreneurs during the Pre-Bid meeting on 26.05.2025 and queries received through email on Scheme Guidelines of Creation of infrastructure for Agro Processing Cluster (APC) dated 25.04.2025 - reg.

Reference Pre-bid meeting held on 25.04.2025 under the Chairpersonship of Shri Pankaj Kumar, Director (APC Division) on the Scheme Guidelines of Creation of infrastructure for Agro Processing Cluster (APC) dated 25.04.2025.

2. The queries raised by the prospective entrepreneurs during the pre-bid meeting on 26.05.2025 as well as queries received through emails, have been examined by this Ministry in consonance with the Scheme Guidelines of Creation of infrastructure for Agro Processing Cluster (APC) dated 25.04.2025 and clarifications against the same are provided in the form of FAQs (attached below).

This issue with the approval of the Competent Authority.

Encl: as above.

1/7/2025

(Pankaj Kumar)
Director (APC)
Tele: 011-26406545

Frequently Asked Questions (FAQs) in relation to the queries raised by the prospective entrepreneurs during Pre-Bid meeting on 26.05.2025 and queries received through emails on operational scheme guidelines of Creation of infrastructure for Agro Processing Cluster (APC) dated 25.04.2025 and their clarifications are as under:

S. No.	Queries raised by the prospective entrepreneurs during Pre-Bid meeting on 26.05.2025 and received through emails	Clarifications by the Ministry
1.	Whether timeline for submission of EOI will be extended	As per EoI Notice dated 14.05.2025, Last date for submission of Expression of Interest under APC scheme is 14.07.2025. As per Clause 9 (a)(ii) of Scheme guidelines dated 25.04.2025, the Ministry will not be responsible for delay in submission of any proposal within the prescribed time limit indicated in EoI. As of now, there is no proposal for extension of timelines of this EoI.
2.	Whether setting up of one and more APC will be eligible in same district	Only one APC may be sanctioned in one district. As per Clause 7 (i) of scheme guidelines – In Case more than one eligible proposal from same district is there, the proposal having the higher score in the merit list shall be given preference.
3.	In case application has been submitted for Conversion of Land usage (CLU), will score be awarded	No, PIA is required to submit final copy of the order of CLU indicating permission has been granted for industrial purpose for availing score of CLU.
4.	In some states, State Govt. has already designated land for Industrial Purpose and there is no provision for issuance of CLU.	In case of no provision for issuance of CLU, PIA is required to submit copy of notification / orders of competent authority indicating land conversion for Industrial / Business purpose to obtain score for CLU.
5.	Whether, those proposals who have submitted in principle term loan sanction letter and appraisal note will be considered as eligible.	No. As per Clause 7 (b) of Scheme Guidelines, PIA was required to submit Final Term Loan Sanction Letter from Scheduled Commercial Bank or NABARD or SIDBI or NEDFi or a Government controlled Financial Institution or a Non-Banking Financial Institution approved by RBI. Now, in addition to the above, Final term loan sanction letter from NCDC is also allowed. Further, as per Clause 7 (d) of Scheme Guidelines, PIA was required to submit detailed appraisal note from Scheduled Commercial Bank / NABARD/ SIDBI or NEDFi only.
6.	Whether, The Ministry may revise notified Cost Norms.	No.

7.	(a) What is the percentage allocation of eligible project cost under Solar Panel / Equipment? (b) How much amount proposed for the solar shall be treated under eligible project cost. Is there any restriction on the cost?	Maximum expenditure up to Rs. 50 lakh on solar will be considered as eligible for calculating grants-in-aid / subsidy.
8.	Ministry may allow the investment after date of EoI from own contribution as well as Bank loan before sanction of project under APC Scheme?	Only in case the project and the component is finally approved, the expenditure after date of EoI and before the date of approval of the project, will be considered. The actual expenditure incurred from term loan account and personal equity account of the project as per APC Scheme Guidelines shall be verified from the invoices and bank statement. However, the projects/components found ineligible / not approved, will not have any claim on the Ministry in any manner. It is further reiterated that as per para 9(iii) of Scheme Guidelines dated 25.04.2025, mere submission of application (with required documents) against EoI does not confer any right on the applicant for claim of grants-in-aid (GIA) / subsidy under the Scheme. GIA/subsidy will be sanctioned based on merit, compliance of scheme guidelines and evaluation of the proposal as per the assessment criteria and budget availability.
9.	Whether Refurbished Plant & Machinery are allowed.	No. As per Para 5(r) reconditioned, refurbished, second hand and Old Plant & Machinery are considered as ineligible. All P&M has to be new, with unique machine number and month/year of manufacture embedded on it.
10.	Whether Cleaning, Grading & Sorting activities are allowed in common facilities. Kindly Confirm	Yes. As per Para 4(b) of Scheme guidelines, PIA may implement Cleaning, Grading, Sorting & Packing in Core facilities.
11.	Whether any score is awarded for proposing Dryer in Common facility.	Setting up of Dryer is allowed in Core Processing Infrastructure. However, there is no provision for awarding any score for such setting up in a core facility.
12.	Whether 3 Rice Mills are allowed out of 5 units under the APC.	Yes. Setting up 3 rice mills as units inside the APC, are allowed subject to proposing different processing techniques and different category for each unit. For example: Raw Rice, Parboiled Rice, Fortified Rice Kernels etc.

13.	Whether, Groundnut processing will be considered as perishable, Kindly Clarify.	No, Groundnut processing is a not considered as perishable material.
14.	Whether, Flour Mill will be considered as component of Core processing Infrastructure, Kindly Clarify.	No. Setting up of Flour mill shall not be considered as component of Core processing Infrastructure. In case of setting up of unit, Flour mill will be considered as eligible.
15.	Whether CA certificate will be considered for land valuation for Net worth.	Net worth of the applicant firm will be calculated based on the latest annual audited balance sheet along with supporting documents as per details given in Appendix-IV of the Scheme Guidelines.
16.	For claiming net worth from revaluation reserves, whether provisional balance sheet is accepted.	
17.	Availing subsidy from another department for same component is allowed. Kindly clarify	No. Availing subsidy for same components from another department is not allowed. PIA may dovetail assistance available under various other schemes of other Central/ State Governments, which would improve the viability of the project. As per Para 12 of Scheme guidelines, dovetailing assistance for same component / activity of the project, is not allowed.
18.	Whether, newly formed FPO is eligible to avail subsidy under APC Scheme.	Yes.
19.	Please clarify on the details / documents to be provided in respect of units to be set up by Promoters and others in a Cluster and tentative cost of proposed unit.	PIA is required to submit notarized MOU, MOA, LoI with units, intended to be set up in the APC. Further, there is no restriction on investment in a separate unit however for all 5 units, an aggregate investment of Rs. 25.00 crore is required (Refer to clause 3.1 of the Scheme Guidelines dated 25.04.2025.
20.	Is consultancy fee, taxes, etc. on civil work eligible for calculation of grants-in-aid	No. Consultancy fee, taxes, etc. on plant and machinery as well as civil work are Ineligible items for calculation of grants-in-aid.
21.	whether loan assistance from NCDC will be treated at par with loans from scheduled commercial banks for the purpose of eligibility under the APC scheme	Yes. Final term loan sanction order can be obtained from NCDC also at the time of applying under the EoI. However, detailed Appraisal Note (indicating all the financial transaction), specific to the scheme, should be from a Scheduled

		Commercial Bank/ NABARD/ SIDBI/ NEDFi only.
22.	As per Clause 3.4 of the updated guidelines, a minimum of 5 acres of land is required for agro-processing cluster projects located in urban areas. We seek clarification on whether this relaxation is applicable to land situated within urban local bodies in general, including municipal councils (nagar palikas) and municipal corporations (mahanagarpalikas) or if it is strictly limited to municipal corporation areas only. Kindly confirm whether land located in notified urban municipal areas will be considered eligible under this provision.	Areas that come under the jurisdiction of Municipal Corporation, Municipal council, Municipality will be considered as Urban Area.
23.	Whether an APC project can also be considered for approval if the proposed project is viable and addresses a separate agro-climatic zone, crop, or market need. We humbly request that APC proposals be considered on the basis of merit and viability, even if a CPC exists in the same district	Yes, will be considered as per the Scheme Guidelines dated 25.04.2025.
24.	When APC promoters set up their own 5 units within the cluster, all these units will have common GST NO , then how cluster and unis transaction for services shall be booked for MOFPI purpose	Separate GST number is required for each applicant firm.
25.	A company has 10 acres land and multiple product lines at one place with investment exceeding 50 CR. can this entity develop a cluster and have 5 units under the scheme on existing land of 10 acres out of which 8 acres is unutilised land. and on balance 2 acres existing unit is set up	No. At least 10 acres of continuous land for the project, excluding any existing unit, is required, to be eligible for grants under APC scheme.

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