

**F. No. CE-13016/11/2018-CEFPPC
Government of India
Ministry of Food Processing Industries
Panchsheel Bhawan, August Kranti Marg
New Delhi -110049**

Dated the 31st October, 2023

Subject: FAQs in relation to the queries raised by the prospective entrepreneurs during the Pre-Bid meeting on 19.10.2023 and received through emails on Operational Scheme Guidelines of Creation/ Expansion of Food Processing and Preservation Capacities (CEFPPC) dated 08.06.2022-reg.

Reference Pre-bid meeting held on 19.10.2023 under the Chairmanship of Shri Pankaj Kumar, Director (CEFPPC) on the Operational Scheme Guidelines of Creation/ Expansion of Food Processing and Preservation Capacities (CEFPPC) dated 08.06.2022.

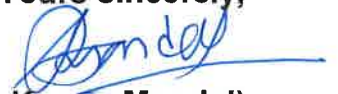
The queries raised by the prospective entrepreneurs during the pre-bid meeting on 19.10.2023 and received through emails have been examined by this Ministry in consonance with the Operational Scheme Guidelines of Creation/ Expansion of Food Processing and Preservation Capacities (CEFPPC) dated 08.06.2022 and clarifications against the same are provided in the form of FAQs (attached below).

FAQs dated 13th July, 2022 and 30th August, 2023 issued earlier on the Operational Scheme Guidelines of Creation/ Expansion of Food Processing and Preservation Capacities (CEFPPC) dated 08.06.2022 are also to be taken into account while applying online under the CEFPPC scheme.

This is issued with the approval of the Competent Authority.

Encl: as above.

Yours sincerely,



**(Prodip Kumar Mondal)
Under Secretary (CEFPPC)
011-26406526**

Frequently Asked Questions (FAQs) in relation to the queries raised by the prospective entrepreneurs during Pre-Bid meeting on 19.10.2023 and received through emails on operational scheme guidelines of Creation/ Expansion of Food Processing and Preservation Capacities (CEFPPC) dated 08.06.2022

S. No.	Queries raised by the prospective entrepreneurs during Pre-Bid meeting on 19.10.2023 and received through emails	Clarifications by the Ministry
1.	Whether an entity can apply for subsidy under both APC and CEFPPC schemes simultaneously.	No. Only after approval of proposal under APC scheme, any entity can apply for subsidy under CEFPPC scheme.
2.	Latest notification on ITDP areas	The updated version of notification on ITDP areas as notified by M/o Tribal Affairs, GOI has been made available in the Ministry's website.
3.	Whether two companies with same directors are eligible to apply for subsidy	Yes, two companies with same directors are eligible to apply for subsidy. However, only one proposal will be considered for approval on merit basis.
4.	A unit which was set up by the investment of directors of a company and subsidy from the Ministry may carry out job works for other?	The Ministry does not decide issues related to contracting/ sub-contracting.
5.	Whether projects of perishable and consumer goods can be submitted under a single application?	Separate application is required for each sector under the scheme.
6.	If a food technologist is working as professional director in a company, how much marks, will the company get on evaluation?	A project wherein a food technologist is working as professional director will get marks only when the person is also a promoter with minimum shareholding of 10%.
7.	Whether the project of Mushroom production –cum- processing is eligible under the scheme.	Only mushroom processing project will be eligible.
8.	Whether subsidy part will be considered while calculating net worth	Subsidy will not be considered as one of the components of the net worth.
9.	Whether expansion project will be considered under CEFPPC scheme	An expansion project may be submitted with a clear-cut demarcation in area along with the details of expansion project cost, means of finance, TCW (for existing and expansion project) and P&M (for existing and expansion project). Further, justification for existing capacity utilization and proposed



		capacity expansion is required along with other requisite documents.
10.	If a promoter want to set up two units at two different locations within same city, in such case can he apply with single DPR & bank appraisal under unit scheme	Only one project can be approved under CEFPPC scheme even if a promoter applies for more than one unit (except in case of promoters of Mega Food Park and Agro Processing Clusters). Further, no single DPR and bank appraisal note can be used for proposals at two locations.
11.	Whether cold storage facility is eligible for grants-in-aid under CEFPPC scheme	Standalone cold storage including Frozen storage and IQF are not supported. However, integrated food processing / preservation unit containing cold storage are considered eligible.
12.	Are utilities like boiler, air compressor, ETP, Transformer, Electric Panel, water tanks, etc. are eligible for grants-in-aid	Yes. Boiler, air compressor, ETP, Transformer, Electric Panel, water tanks are eligible components.
13.	Whether value of land shall be considered as part of promoter's equity / contribution under Means of Finance of the project?	No.
14.	Whether cottonseed oil milling is a part of eligible sector?	Edible oilseed milling (including edible cottonseed oil milling) and processing based on modern technology is considered as eligible sector.
15.	What is the percentage allocation of eligible project cost under utilities?	No specific bifurcation is provided for eligible project cost under the scheme. However, utilities shall be allowed as per the requirement of the processing/ preservation unit.
16.	Equity Shares in case of unlisted company are allotted at fair market value. Equity shares are allotted at face value and premium under the Income Tax rules. Therefore, equity shares issued at a premium should be the part of the net worth of the company. Kindly confirm.	Share premium, which is mentioned in the audited balance sheet of the company along with its detail in the schedule, will be considered. However, debit balance in the P&L account will be deducted from the share premium while computing the net worth of the company.



17.	<p>Whether the business of manufacturing of Natural Caffeine and Green Coffee Bean Extract (used as Food Additives/ Food Extracts) from imported crude caffeine and domestically procured tea waste will be considered for grants-in-aid as per clause 2) (i) Natural Food flavours, food additives/ food extracts & colours, oleoresins, guar gum, cocoa products under CEFPPC scheme dated 08.06.2022.</p>	<p>The raw materials used for extracting natural caffeine and green coffee bean extract are imported crude caffeine and domestically procured tea waste. No agro-horti based raw materials- either coffee beans/ tea-leaves are proposed to be used in manufacturing natural caffeine.</p> <p>The process of manufacturing caffeine by the aforesaid method will neither help in reducing food loss nor result in enhancement of farmer's income thereby not meeting the objectives of CEFPPC scheme. Hence, it would not be possible to allow such proposals under CEFPPC scheme.</p>
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