



CENTRAL GOVT. SCHEME FOR CREATION/ EXPANSION OF FOOD PROCESSING & PRESERVATION CAPACITIES



KNOWLEDGE SERIES



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Greetings from Bizastra!

This edition focuses on the

- The **Pradhan Mantri Kisan Sampada Yojana (PMKSY)** aims to transform India's food processing sector.
- Under this, the Scheme for **Creation/Expansion of Food Processing & Preservation Capacities (CEFPPC)** was notified on **January 22, 2025**.
- It is implemented by the **Ministry of Food Processing Industries (MoFPI)**.
- The key focus areas include **reducing food loss, increasing value addition, and enhancing farmers' income**.

A commitment to innovation, collaboration, and green energy.



Eligible Segments

Fruits & vegetables processing and Milk Processing

Meat/ poultry/ fish processing

Ready-to-Eat/ Cook foods, breakfast cereals, snacks, bakery items, and nutritional health foods.

Food grain, pulse, and oilseed processing using modern technology.

Agri-Horti products, including spices, condiments, and mushrooms processing

Honey processing

Fruits/ honey-based wines

Food flavors, food additives, food extracts & colors, oleoresins, guar gum, and cocoa products.

Jaggery manufacturing from sugarcane and value-added products, excluding sugar mills.

Animal feed manufacturing units in Mega Food Parks (max 2) and Agro Processing Clusters (max 1) approved by the Ministry

Carbonated beverages with more than 5% lime/lemon or 10% other fruit pulp qualify for assistance (Max: 2 per Mega Food Park, 1 per Agro Processing Cluster).

Any segment enhancing food products for human consumption.

Target Segment



**Food manufacturing
units**



**Animal feed
manufacturing unit**



Beverages



**Fruits & Vegetables
processing**



**Grains/ Pulses, Oil seed
Milling, etc**



**Processing
activities.**



**Any other sector that
makes food products fit
for Human consumption**



Milk Processing

**A commitment to innovation, collaboration, and green
energy.**



Eligible processing activities



Eligible components of project

COMPONENTS

**Technical Civil
Work**

**Plant &
Machinery**

**Essential
Utilities**

**Power &
Energy:** DG
Set,
Transformer,
Solar Panel

**Processing
Support:**
Boiler, Control
Panel

**Waste
Management**
: Solid Waste
Treatment
Plant, ETP, RO

**Logistics &
Handling:**
Weighbridge,
Forklift,
Pallets

Eligible entities:



Any individual

Central & State PSU

Joint Venture

NGO

Cooperative

Self Help Group (SHG)

Farmer Producer Organizations (FPO)

Farmer Producer Company (FPC)

Public & Private Sector Companies

Limited Liability Partnership (LLP)




Partnership Firm

Proprietorship Firm engaged or planning to engage in creation.

Eligibility criteria

Net Worth: Must be at least **1.5 times** the grant/subsidy sought, with SC/ST members contributing **at least 10%** combined net worth of the entity.

Final Term Loan Sanction Letter: Must indicate whether the proposal is for expansion or a fresh project, with a sanction date **not earlier than January 27, 2025.**

	General Areas		Difficult Areas
Term Loan	Minimum 20% of the total project cost		Minimum 10% of the total project cost.
Equity Infusion	At least 20% of the total project cost.		At least 10% of the total project cost.
Project Cost	Minimum ₹3 crore.		Minimum ₹1 crore.

One application per entity, except MFP (Mega Food Parks) & APC(Agro-Processing Clusters) promoters, who can apply for multiple units.



(FAQ)'s

Q1. What is the last date to apply for the CEFPPC scheme?

The application period is open till March 28, 2025.

Q2. Who is eligible to apply?

Any organization or individual engaged in food processing can apply.

Q3: How much financial help can I get?

- A. 35% subsidy for projects in normal areas
- B. 50% subsidy for projects in difficult areas (Northeast, Himalayan states, tribal areas) & for SC/ST, FPOs, SHGs
- C. Maximum subsidy: ₹5 crore

Q4: How is the subsidy given?

The subsidy is paid in two installments:

- A. First 50% after project setup progress is verified
- B. Final 50% after completion & start of production

Q5: How long do I have to complete the project?

18 months from approval date. Extensions may be given in case of natural disasters or unavoidable delays.

6. What happens if my project is delayed or canceled?

- A. If delayed, subsidy amount may be reduced.
- B. If canceled or found fraudulent, the full subsidy must be returned with 10% interest.



Closing Note

The Scheme for Creation/Expansion of Food Processing & Preservation Capacities under **PMKSY** modernizes India's food processing sector by reducing waste, adding value, and boosting farmers' income. It supports diverse entities, including marginalized groups, ensuring inclusive growth. With strong guidelines and monitoring, the scheme drives industry development effectively.



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