

## INSTRUCTIONS/ GUIDELINES – XII PLAN SCHEME

1. Member exporters and Associate Members of the Cashew Export Promotion Council of India **who remain so till the discharge of their entire export obligation**, will be eligible for assistance under this scheme.
2. This scheme is not applicable for new units. It is for mechanization & automation/ Quality upgradation of the existing units by replacing /upgrading some existing machinery and for adding new ones.
3. For member exporters, the grant would be 33.33% of the total eligible investment subject to a maximum total grant of Rs. 100 lakhs per exporter for Process Mechanization & Automation of cashew processing units and Rs. 5 lakhs for Quality Upgradation.
4. For Associate members, the grant would be 33.33% of the total eligible investment, subject to a maximum of Rs. 10 lakhs per exporter for process mechanization & Automation of cashew processing units and Rs. 2.5 lakhs for Quality Upgradation.
5. Grant will be provided only for purchase of approved eligible finished items / equipments/activities. As such, bills for materials for fabrication/construction of various items will not be considered. For example, in respect of cutting tables the bills should be for cutting tables and not for material, labour charges, etc. This condition applies to all items .
6. **The expenses incurred after date of the Council's approval letter or as as specified in the Council's approval letter will only qualify for grant-in-aid. Any payments/advances made before the approval date will not be considered.**
7. All Payments should be made through crossed cheque / DD or Bank Transfer and copies of all bills, vouchers, certified bank statement, etc. should be duly certified by a practicing Chartered Accountant before submission of claim to the Council. **Cash payments will not qualify for grant-in-aid.**
8. Taxes, import duty and other levies will be eligible while installation, transportation, handling charges, electrical wiring & fittings, Erection / travel/ accommodation / food /stationery expenses etc. will not form part of the eligible items for grant-in-aid against any of the components under the scheme.
9. The claim form shall be submitted to the Cashew Export Promotion Council of India along with the following supporting documents/details
  - a. Statement of expenditure in the claim form to be signed by the applicant as well as the Chartered Accountant in all pages.
  - b. Legible photocopies of Bills and Receipts certified by the Chartered Accountant. Bills should clearly show the value specifically for each eligible item.
  - c. Certificate of completion duly signed by the applicant.
  - d. Self attested photocopies of ISO / HACCP/Food Safety /Organic certificate wherever applicable
  - e. Certificate by the applicant to the effect that no subsidy has been claimed or will be claimed for these expenditures from Government funds.

- f. Beneficiary will be required to remit 2% of the approved grant amount to the Council before release of grant amount..
10. **The claim, complete in all respects should be received in CEPCI within one month from the date of completion of the project,** along with a completion certificate duly endorsed by a Chartered Accountant.
  11. Any other details/clarifications on the project that are considered necessary for allowing grant-in-aid shall be furnished by the applicant, as & when called for by the Council.
  12. If considered necessary, the applicant may be required to be present before the Committee of Administration and the Selection Committee for clarifications, if any, with respect to the project for which the grant-in-aid is applied for.
  13. Grant will be reimbursed only after completion of the approved activity, inspection, verification, approval from the appropriate authority and fulfillment of export obligation subject to norms and availability of funds from the Govt. of India.
  14. The beneficiary has to fulfill an **export obligation to effect cashew/cashew product export of five times of the grant amount provided to the beneficiary which will be achieved over one year period from the date of completion of the project. For Associate Members, the obligation would be that they start exports and become members within one year.**
  15. The release of the grant will be subject to production of a Bank Guarantee for an equivalent amount until the export obligation is fulfilled by the exporter. If the applicant fulfills the export obligation before release of eligible grant-in-aid, bank guarantee would not be required. If the export obligation of five times the grant is not achieved, the entire amount has to be refunded to the Council with interest at commercial lending rates of nationalized banks from the date of disbursement of grant.
  16. For Associate Members, a bank guarantee for 1.25 times of the grant amount will have to be produced until the obligation to become an exporter within one year is fulfilled. If the obligation is not fulfilled, the entire grant has to be refunded with interest at commercial lending rates of nationalized banks from the date of disbursement of grant.
  17. **The last date for submission of application under the scheme would be 30 June 2016 and that for completed claims would be 31 October 2016.**
  18. In case of any dispute, the decision of the Selection Committee shall be final.

**Eligible Items** identified under the scheme are :

**(1) Process Mechanization and Automation of Cashew Processing units:**

1. Electrical / Electronic Steam Cooking Vessels, Boiler, etc.
2. Automatic Cutting Machines.
3. Automatic Peeling Machines.
4. Kernel Sizing Machine
5. Colour Sorting Machine

6. Rawnut Sizing Machine
7. Cashew kernels roasting machinery
8. Salting / coating / flavouring machinery
9. Consumer pack packaging machines
10. Automatic Labeling machines
11. Barcoding machines
12. Automatic Carton Strapping Machine and carton sealing machine
13. Any other relevant item directly related to processing / quality control or packaging

## 2. Quality upgradation and Food Safety Certifications

1. Certification Consultancy charges
2. Certification charges
3. Certification Audit charges
4. Safety equipments
5. Any other relevant item directly related to Quality control / Food Safety Certifications.

### **Scheme implementation**

1. The CEPCI would be the implementing agency.
2. The period of implementation would be 2012-13 to 2016-17.
3. The applicants will first submit their proposal along with proforma invoice, etc. for consideration of the Council. The Committee of Administration of the council, after considering the scheme will give approval for implementation.
4. The expenditure incurred after the approval of the scheme only will be considered for grant.
5. After completion of the proposal, within one month, the applicant will submit the claim form along with necessary proof, copies of bills, receipts etc. for reimbursement of the grant amount.
6. An Expert Committee consisting of representatives of IIP/NIIST(CSIR), MoC, etc. and CEPCI will visit the factory for inspection and physically verify the implementation of the proposed activity.
7. Based on the report of the inspection team, grant-in-aid will be recommended for approval.
8. Selection Committee under the Chairmanship of Director/ Dy. Secretary , MoC consisting of members of the expert committee, representatives of DCCD, Dept. of Industries of the respective States & Chairman of CEPCI will then consider the application and approve the final grant-in-aid to be disbursed.
9. The grant-in-aid is then disbursed subject to fulfillment of all norms including export obligation and availability of funds from MoC.

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