

**Ministry of Food Processing Industries
Cold Chain Division**

**FAQs RELATED TO EXPRESSION OF INTEREST DATED 29.01.2020 FOR
APPLICATION UNDER SCHEME FOR INTEGRATED COLD CHAIN AND VALUE
ADDITION INFRASTRUCTURE**

Queries raised/clarifications sought during the Pre-Bid Meeting held on 06.02.2020

1. Can the numbers of Milk Chilling / Bulk Milk Cooling/ Automatic Milk Collection Unit/ Milk Processing Unit (including packing) be more than 50?

Clarification: No. Maximum 50 numbers of Milk Chilling/Bulk Milk Cooling/Automatic Milk Collection Unit will be assisted per project.

2. Can the refrigerated containers be considered as cold storage under the scheme?

Clarification: No. Refrigerated containers including multi-modal container units are part of para 4 (c) of the scheme guidelines.

3. Is there any capping on the capacity of the components proposed in a project?

Clarification: No, there is capping but the capacities proposed should be justifiable as per the viability and availability of raw material.

4. Can the applicant having processing line apply for a standalone cold storage?

Clarification: No. Setting up of standalone cold storage are not considered under the scheme.

5. Is there any minimum capacity required for associated Frozen storage with IQF?

Clarification: No. However, all the facilities proposed should be synchronized with each other.

6. Can the cost of land be included in the total project cost and means of finance?

Clarification: No. The cost of land will not be considered for assessment of total project cost as well as means of finance. In case the cost of land is included in the total project cost

as well as means of finance, then the amount for land will be deducted from the total project cost as well as proposed promoter's contribution and thereafter the minimum eligibility requirement as well as scoring will be assessed.

7. Can net worth of directors be considered for estimating net worth in case of a newly constituted Pvt. Ltd. Company?

Clarification: No, the net-worth will be calculated as per the para 8(a) of the scheme guidelines dated 17.12.2019.

8. How the net worth of Farmers Producer Company and Farmer Producer Organizations (FPOs) will be calculated?

Clarification: As per para 8 (a) (ii) of the scheme guidelines dated 17.12.2019, the net worth of all entities other than companies will be ascertained on the basis of latest balance sheet of individual proprietor/partner(s) i.e. assets minus all liabilities, duly certified by the Chartered Accountant (CA).

9. Is availing term loan mandatory from the Bank/ FIs in case of Govt. Entity?

Clarification: Yes. In-principle or Final term loan sanction from the Bank/ Financial Institution for availing term loan for an amount not less than 20% of the project cost is mandatory, except in case of North East States. In case of North East States, term loan amount shall not be less than 10%. This is a basic eligibility criterion.

10. Will the Foreign Currency Term Loan (FCTL) sanction be considered?

Clarification: Yes, provided that the applicant shall submit a detailed appraisal note along with the term loan sanction letter.

11. In case of dairy proposals, will the loan from National Dairy Development Board (NDDB) be considered?

Clarification: Yes, the loan from Financial Institution including NDDB will be considered, if the same is submitted with the detailed appraisal note of the project and governed by rules & regulations of RBI.

12. What does “Ministry” mean in para 8 (f) of the scheme guideline “Same applicant/ organization shall not be entitled for more than two grants from the Ministry under any of its schemes in five years”?

Clarification: “Ministry” means Ministry of Food Processing Industries in this case.

13. What supporting document is required in case the applicant has already availed grant under other schemes of the MoFPI?

Clarification: Sanction order for final installment may be submitted as a supporting document.

14. Will a new construction in the premises having the existing facility be eligible under the scheme?

Clarification: No. As per para 8(i) of scheme guideline expansion/upgradation of the existing facility in same premises will not be entertained. In case of a new facility in same premises, a boundary wall should be constructed for distinction of the plots.

15. If some of Technical Civil Works (TCW) of the project is partially completed before the date of EOI, will the remaining work of TCW be eligible for subsidy?

Clarification: No. Ongoing projects as well as partially completed projects will not be considered eligible for subsidy under this scheme. Only greenfield projects will be considered under the scheme.

16. Can a land leased from government after the date of EOI with existing constructed building be eligible for setting up of processing unit?

Clarification: No.

17. Is it feasible to set up a processing facility on the land already registered and CLU obtained prior to date of Eoi?

Clarification: Yes, applicant can set up processing facility on the land registered and CLU obtained prior to date of Eoi, subject to meeting conditions of the CLU.

18. Will the general notifications/ orders issued by States Government for change in land use be acceptable?

Clarification: Yes. The applicant can upload the copy of general notifications/ orders issued by States Government instead of CLU for individual project, subject to meeting the conditions mentioned in the notifications/ orders.

19. What if the land classification of the proposed project location is unclassified?

Clarification: The applicant shall obtain a certificate from competent authority certifying that the proposed land is unclassified and can be used for the purpose of Integrated Cold Chain Project (mentioning the details of the facilities proposed).

20. Is Change in Land Use (CLU) required only for main facility or Farm Level infrastructure (FLI) and Distribution Hub (DH) also at the time of application?

Clarification: CLU is required for main facility during the submission of application while CLU for other locations is required during the compliances of grant release.

21. Is PFMS (CGA) Registration mandatory at the time of uploading of documents?

Clarification: No. Applicant is only required to upload the filled and duly signed proforma available at the online portal.

22. Can anyone attend the Technical Committee Meeting and Inter-Ministerial Approval Committee Meeting?

Clarification: No, only director in case of Ltd./ Pvt. Ltd. Company, partner in case of partnership firm and proprietor in case of proprietorship firm, well versed with the proposal can attend the meeting.

23. In reference to the scoring criteria 1 (i) of Appendix-VI, if the Government published data on raw material availability is not available then can we submit the data on raw material availability certified by the competent governing body of the state?

Clarification: The score of 5 will be awarded for the raw material availability backed by latest available data published by Central/ State Government. Applicant has to clearly provide the data along with the source like annual report, website link etc. for authenticity.

In case the latest published data for raw material is older than the last 3 years, the latest published data along with the letter from the concerned state/central governing body must be provided to establish the latest year of data publication.

24. Will the experience of applicants apart from Cold Chain/Food processing industry be considered under scoring criteria 2 of Appendix VI?

Clarification: No, the applicant is required to have experience in Cold Chain/ Food Processing.

25. Whether in the scoring criteria 2 of Appendix VI for evaluation of cold chain proposals, experience of the promoters in Cold Chain/Food processing industry as an employee be considered?

Clarification: No. For award against the criteria 2 of Appendix VI i.e. Experience in Cold Chain/ Food Processing, the score will be awarded against the experience of the applicant (partnership firm/ proprietorship firm/ company) in cold chain **and /** food processing business, duly supported by the turnover mentioned in the latest audited/provisional Balance Sheet of the applicant.

26. Is the supporting document required in case of scoring criteria (5) of Appendix VI “States providing concessions/ benefits”?

Clarification: Yes, supporting documents are to be uploaded.

27. In order to avail 15 marks under scoring criteria 6(a) of Appendix VI, what should be the minimum distance between each of the locations proposed?

Clarification: The FLI should be in the catchment area and all the proposed locations should be distinct from each other.

28. Whether “the road milk tankers with capacity not less than 70 MT be considered as investment in reefer transport” under scoring criteria 8 of Appendix VI?

Clarification: Yes

29. Is it mandatory to upload the MoUs for Backward and Forward Linkages?

Clarification: No. It is not mandatory for applicant to upload the MoUs for Backward and Forward Linkages.