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Govt. of India

Ministry of Food Processing Industries
Panchsheel Bhawan, August Kranti Marg
New Delhi - 110049

Dated: 21.11.2016

OFFICE MEMORANDUM

Subject: Meeting of the Inter Ministerial Approval Committee (IMAC) for Cold Chain, Value Addition and Preservation Infrastructure – Forwarding of minutes of meeting - reg.

The undersigned is directed to forward herewith the minutes of the meeting of Inter-Ministerial Approval Committee (IMAC) held on **11.11.2016** under the Chairpersonship of Hon'ble Minister (FPI) for information and necessary action please.

Encl: As above


21/11/16

(Dr. Atya Nand)

Deputy Secretary to the Govt. of India

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To

1. Joint Secretary & Financial Advisor, Ministry of Food Processing Industries, Panchsheel Bhawan, New Delhi.
2. Joint Secretary (Smt. Anuradha Prasad), Ministry of Food Processing Industries, Panchsheel Bhawan, New Delhi
3. Joint Secretary, In-charge, Mission for Integrated Development of Horticulture (MIDH), Department of Agriculture & Cooperation, Ministry of Agriculture, Krishi Bhawan, New Delhi.
4. Dr. Harsh Kumar Bhanwala, Chairman, National Bank for Agriculture and Rural Development, C-24, G Block, BandraKurla Complex, Bandra (E), Mumbai – 400051, (Tel. No. 022-2653000, 2653001), (Fax No. – 022-26530113), (Email – chairman@nabard.org).
5. Additional Chief Secretary (Agri& Marketing), Agriculture, Animal Husbandry, Dairy Development, & Fisheries Department, Government of Maharashtra, Mantralaya, Annex Building, Madam Cama Road, HutatmaRajguruChowk, Mumbai-400032 Email: sec_agri@maharashtra.gov.in

6. Principal Secretary (Horti.), Department of Horticulture & Food Processing, Govt. of Uttarakhand, Govt. Garden, Circuit House, Dehradun, Tel: 0135-2712057
7. Principal Secretary (Agriculture), Department of Agriculture and Cooperation, 5th Block, 1st Floor, Sachivalaya, Gandhinagar (Gujarat), Tel. No. 07923250801, 07923250802 Fax: 07923252365, Email: secagri@gujarat.gov.in
8. Financial Commissioner Cum Secretary, Industries & Commerce Department, Govt. of J&K, Jammu: 2/26 Mini Block, Civil Secretariat, Jammu Tel. 0191-2544050/2547883
9. Secretary, Department of Horticulture and Food Processing, R. No. 530, 5th Floor, Bapu Bhawan, Secretariat, Lucknow, U.P., Tel. 0522-2238102 / Fax: 0522- 2239591
10. Principal Secretary (SSI & KVI), Department of Industries, Govt. of Rajasthan, Civil Secretariat, Jaipur, Rajasthan Ph: 0141-2227600
11. Secretary, Industries and Commerce Department, Govt. of Telanagana, Telangana Secretariat, Hyderabad-500022, Tel. 040-23450335,
12. The Principal Secretary (Industries), Department of Industries, Govt. of Himachal Pradesh, Udyog Bhawan, Shimla, H.P. Tel. No. 0177- 2621911 Email: indussecy-hp@nic.in.
13. The Addl. Chief Secretary, Industries & Commerce Department, Govt. of Haryana, Room No. 46, 9th Floor, Haryana Civil Secretariat, Chandigarh, Tel. No. 0172-2740009, Fax: 0172: 2749985, Email: fcindustry@hry.nic.in
14. The Managing Director, National Horticulture Board(NHB), 85, Institutional Area, Sector-18. Gurgaon - 122015 (Haryana).
15. Principal Secretary, Department of Commerce & Industries, Govt. of Chhattisgarh, DKS Bhawan, Mantralaya, Raipur-492001, Chhattisgarh, Tel. No. 0771- 2510308. Fax: 0771-2510178.
16. Principal Secretary, Horticulture & Food Processing Department, Government of Madhya Pradesh, Mantralya, Ballabh Bhavan, Bhopal-462004, Tel:0755-2570005, Fax: 0755- 2441372. Email: pswrd@mp.gov.in

Copy to:

1. PS to Hon'ble Minister (FPI)
2. PSO to Secretary (FPI)
3. PA to JS (AP)
4. PA to JS (Fin)
5. Shri Ravi Ranjan Mishra, Senior Vice President, M/s IL&FS Cluster Development Initiative Ltd., 3rd Floor, NTBCL Building, Toll Plaza, DND Flyway, Noida – 201301, (U.P.)
6. Shri KunalSood, Partner, M/s Grant Thornton India LLP, 21st Floor, DLF Square, Jacaranda Marg, DLF Phase – II, Gurgaon – 122002

Handwritten signature

Minutes of meeting of Inter Ministerial Approval Committee (IMAC) for the scheme of Cold Chain, Value Addition and Preservation Infrastructure held on 11.11.2016

A meeting of Inter-Ministerial Approval Committee (IMAC) constituted under Scheme for Cold Chain, Value Addition and Preservation Infrastructure was held on 11.11.2016 at 02:30 PM under the Chairpersonship of Hon'ble Minister, FPI.

2. The list of participants is at Annexure-I. Agenda of the meeting is annexed at Annexure – II.

3. At the outset, Joint Secretary and Convener of IMAC welcomed the Hon'ble Minister and other members of the Committee. Thereafter, IMAC discussed and deliberated each agenda item. Based on the detailed discussions on each agenda item, IMAC took the following decisions:-

4. Agenda Item No. 1: Action Taken Note on the Minutes of Inter Ministerial Approval Committee (IMAC) meeting held on 23.09.2016

IMAC noted the actions taken on the decision of the IMAC in its meeting held on 23.09.2016. PMA M/s GT was asked to expedite fixation of responsibility for improper calculation of grant in case of M/s Neutrons Agri Produces, Uttarakhand.

5. Agenda item No. 2: Revision of grant-in-aid of M/s Western Super Fresh Corporation, Raigarh, Maharashtra

The proposal relates to recalculation and revision of grant at the time of release of 3rd and final installment of grant-in-aid in respect of M/s Western Super Fresh Corporation, Raigarh, Maharashtra.

IMAC took note of the agenda item and reduction in the final grant amount from Rs. 873.88 lakh to Rs. 846.05 lakh for the project of M/s Western Super Fresh Corporation, Raigarh, Maharashtra.

6. Agenda Item No.3: Consideration of case of M/s Himalaya International Limited, Gujarat for release of 3rd & final installment of grant

a. IMAC noted that the integrated cold chain project of M/s Himalaya International Limited, Gujarat was approved on 27.09.2013 for grant of Rs. 10 crore for setting up of integrated cold chain facilities for mushroom, vegetables and milk at Tehsil Vadnagar, District Mehsana, Gujarat, such as:

- (i) Frozen mushroom & vegetable processing and canning unit with IQF (9000 MT/annum),
- (ii) Appetizers (15000 MT/annum),

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- (iii) Stirred yoghurt plant (30KLPD/9000 MT/annum),
- (iv) Cheese manufacturing plant (20 KLPD/5940 MT /annum),
- (v) Reefer trucks (12 Nos),
- (vi) Milk Chilling Centers (20 Nos)

b. IMAC also noted the following facts and circumstances:

(i) The promoter has not set up any milk chilling centre and milk processing activity is not being undertaken on regular basis. The promoter has set up only Distribution Hub in his Integrated Cold Chain Project. Thus, the promoter has failed to comply with the conditions of the scheme guidelines which require establishment of at least two out of three components of collection centre, distribution hub and refrigerated/insulated transport.

(ii) The promoter has tried to mislead the Ministry by submitting RCs of the reefer vans for which he has already availed subsidy from NHB in respect of his Himachal Pradesh plant. This fact has also been informed by the Ministry to promoter. Now, the promoter has stated that he has placed order for 5 additional refer vehicles at the cost of around Rs. 153.25 lakh which will be purchased from the fund of Gujarat plant. IMAC took a serious view of the misleading behaviour of the promoter and felt that the placement of order for 5 new reefer vehicles is an afterthought after their wrong doings were detected by the Ministry & has not made a chain as per scheme guidelines.

c. After detailed deliberations IMAC decided to cancel the project and also that the Ministry shall recover the entire grant-in-aid amount which is already released to M/s Himalaya International Limited along with interest @ 10% per annum.

7. Agenda Item No. 4: Consideration of issue of approval letter to wait-listed proposals for grant-in-aid against the vacant slots

IMAC took note of the agenda item and deliberated that Expression of Interest dated 31.08.2016 has since been issued for inviting proposals for new Integrated Cold Chain Projects as per the revised guidelines of the Scheme for Cold Chain and Value Addition Infrastructure. The revised guidelines of the scheme have been issued on 29.08.2016. Accordingly, the wait list issued on 18.05.2015 is no longer applicable. In view of this, IMAC decided the following:

- a) A notice regarding cancellation of waiting list may be posted on Ministry's website immediately.
- b) Three available vacant slots will be carried forward and will be filled from the proposals received against current EOI as per new guidelines.
- c) Waitlisted applicants may reapply against current EOI, if they so desire.

Supplementary Agenda Items:

8. Agenda Item No. S 1: M/s Adani Agri Fresh Ltd., Himachal Pradesh – approval of Revised Project Cost and Means of Finance.

IMAC inter alia noted that the proposal of M/s Adani Agri Fresh was approved by the Approval Committee in its meeting held on 27.09.2013 for expansion of their integrated cold chain project with creation of facilities of 2420 MT CA storage, sorting/ grading line for apples (10MT/hour) and 2 refrigerated vans at Village Mehndli, Rohru, District – Shimla, Himachal Pradesh. As per the approval letter dated 04.10.2013, the approved grant to the project is Rs 1000 lakh.

IMAC took note of the agenda item and approved the final project cost and means of finance for the project as given below:

Project Cost:

(Rs. in Lakh)

Components	Appraised cost	Actual Cost (As on 31.03.2016)
Land / Development Charges	0.00	0.00
Civil Works	365.70	462.69
Plant & Machinery& Misc Fixed Assets	1136.20	1042.85
Other's	1129.00	717.82
Total	2630.90	2223.36

Means of Finance:

(Rs. in Lakh)

Source of finance	Appraised	Actual /Revised (As on 31.03.2016)
Promoter's Equity	260.90	443.60
Grant from MoFPI*	0.00	(592.82)
Term Loan	2370.00	1779.76
Total	2630.90	2223.36

* As per CA certificate, grant of MFPI has been adjusted against Loan.

b. IMAC also approved reduction in approved grant from Rs. 1000 lakhs to Rs. 769.29 lakhs

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9. Agenda item No. S 2: The Proposal of M/s Gopaljee Dairy Products Pvt. Ltd. for extension of time up to 31st December, 2016

The proposal relates to grant of extension of time up to 31.12.2016 to M/s Gopaljee Dairy Products Pvt. Ltd., Uttar Pradesh for achieving completion of their cold chain project and submission of documents for release of 3rd & final installment of grant.

After detailed deliberations, IMAC approved the extension of timeline for completion of the project and submission of documents for release of 3rd and final instalment of grant till December 31st, 2016 on the online portal. IMAC further decided that in case the promoter does not submit request for release of 3rd and final installment of grant by 31st December, 2016 then a joint inspection of the project shall be conducted in the month of January, 2017 and the project shall be closed for further financial assistance.

10. Agenda Item No. S 3: Proposal of M/s Akashdeep Cold Storage Pvt. Ltd. for decision on closure of project for further financial assistance.

IMAC noted that the proposal for integrated cold chain project of M/s Akashdeep Cold Storage Pvt. Ltd. was approved by the Ministry on 22.08.2012 for a grant-in-aid of Rs. 773.88 lakh. The project proposed to set up following facilities:

- Milk Processing Plant at Bhauti, Kanpur, Uttar Pradesh (1 Lakh LPD)
- 4 Milk collection and chilling centres (10,000 LPD each) at Fatehpur, Unnao, Auraiya and Akbarpur in Uttar Pradesh
- Bulk Milk Coolers (20 Nos.)
- Insulated milk tankers (6 x 24000 litre)
- Refrigerated Milk Tankers (6 x 6 MT)
- Refrigerated vehicles (6 x 14 MT)

IMAC also noted that 1st installment of grant-in-aid of Rs. 193.47 lakh has been released to the project on 23.09.2013. The promoter has not yet applied for release of 2nd installment. The promoter had requested that instead of further implementation, the project may be treated as completed with whatever facilities they have created, as it would not be economically viable to take the implementation to the next stage. It was further noted that a joint inspection of the project had been conducted on 8th August 2015 and as per the inspection report, the milk processing unit had been completed and operational while work on collection and chilling centre was in progress. IMAC was informed that the work has since been completed and the promoter has also purchased reefer/insulated transport.

After detailed deliberations IMAC decided to close the project after joint site verification and ensuring that the grant already released has been utilized for implementation of eligible components of the project.

Meeting of Inter-Ministerial Approval Committee (IMAC) constituted under Scheme for Cold Chain, Value Addition and Preservation Infrastructure held on 11.11.2016

List of Participants

1. Smt. Harsimrat Kaur Badal, Hon'ble Minister, FPI – Chairperson
2. Shri Avinash K. Srivastava, Secretary, FPI
3. Smt. Gargi Kaul, JS&FA, FPI
4. Smt. Anuradha Prasad, Joint Secretary, MoFPI – Convener
5. Shri Shri Prakash, Joint Secretary (Fin.), MoFPI
6. Dr. Pradeep Parate, NABARD, Head Office, Mumbai
7. Shri S.N. Srivastava, DAC&FW
8. Shri D.P. Singh, Joint Director, NHB
9. Shri J.D. Dave, Joint Secretary, Agriculture Department, Govt. of Gujarat
10. Shri Praveen Kumar, Principal, Department of Horticulture & Food Processing, Uttar Pradesh
11. Shri Ravi Ranjan Mishra, SVP, IL&FS Clusters
12. Shri Akshay Sahrawat, Grant Thornton India LLP

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