

**MINUTES OF MEETING OF THE INTER - MINISTERIAL APPROVAL COMMITTEE (IMAC) CONSTITUTED UNDER THE SCHEME FOR INTEGRATED COLD CHAIN AND VALUE ADDITION INFRASTRUCTURE HELD ON 22.02.2017**

A Meeting of the Inter-Ministerial Approval Committee (IMAC) constituted under the Scheme of Integrated Cold Chain and Value Addition Infrastructure was held under the chairpersonship of Hon'ble Minister, FPI on 22.02.2017 to consider the proposals received against the EOI dated 31.08.2016 for grant of financial assistance. The list of participants is at **Annexure-I**.

2. At the outset, Smt. Anuradha Prasad, Joint Secretary & Convener of IMAC welcomed the Hon'ble Minister and other members of the Committee and apprised that the Ministry had issued an EOI on 31.08.2016 inviting applications from prospective investors for setting up of integrated cold chain facilities with the financial assistance of the Govt. in accordance with the revised operational guidelines of the Scheme for Integrated Cold Chain and Value Addition Infrastructure issued on 29.08.2016. Last date for submission of proposals was 15.11.2016.

3. IMAC was informed by the Joint Secretary and Convener that tentatively 103 slots are available for sanction of the appraised and short-listed proposals. In all 308 Cold Chain proposals were received in response to the EOI dated 31.08.2016. Of this, 183 proposals were from the Fruits & Vegetables including RTE/ RTC & Spices, 78 from Dairy sector, 4 from Irradiation sector and remaining 44 pertained to Marine/ Meat/Poultry sector.

4. All the 308 Cold Chain proposals were scrutinized by the Programme Management Agencies (PMAs) viz., M/s IL&FS Clusters, M/s Grant Thornton India LLP & M/s PricewaterhouseCoopers for ascertaining the eligibility or otherwise of the

proposals, based on provisions of the scheme guidelines. Thereafter, all 308 proposals have been evaluated by the Technical Committee (TC) under the chairpersonship of Joint Secretary (AP). In all 11 TC Meetings were held on 09.12.2016, 12.12.2016, 16.12.2016, 21.12.2016, 26.12.2016, 06.1.2017, 07.01.2017, 10.01.2017, 12.01.2017, 19.01.2017 and 09.02.2017. In order to have openness and transparency in the appraisal/evaluation of the proposals the applicants were invited to the Ministry so that outcome of TC deliberations in respect of their proposals may be shared with them. Three meetings were held with the applicants on 17.12.2016, 24.12.2016 and 28.12.2016 to share the results of the evaluation in respect of proposals that were considered by the TC in the meetings on 09.12.2016, 12.12.2016, 16.12.2016 & 21.12.2016. In regard to other TC meetings, the observations / scoring of the eligible proposals was shared with the applicants in the course of the TC meeting itself. The submissions/clarifications, if any, made by the applicants based on the interaction, have been factored into the recommendations of the TC. During the interaction, however, the applicants were apprised that recommendations of the TC in each case are subject to the decision of the IMAC.

5. Representative of M/s Grant Thornton India LLP made a presentation and explained the criteria & methodology adopted by the TC for ascertaining the eligibility or otherwise of the proposals and subsequent evaluation/ scoring of the proposals found prima facie eligible. The methodology adopted by the TC was also explained in the agenda note placed before IMAC. The same is at **Annexure-II**.

6. Joint Secretary (AP) and Convener apprised the IMAC that this is the first time that the Ministry has computed the grant based on the cost norms determined by it and also as per the cost norms of Mission for Integrated Development of Horticulture

(MIDH) issued by Department of Agriculture, Cooperation and Farmers Welfare. Therefore, subsequently after issue of approval letter wherever the grant is revised upwards or downwards based on representation of the promoters, the same will be placed before IMAC for consideration/ approval.

7. IMAC in the meeting on 22.02.2017 considered 65 proposals pertaining to Fruits & Vegetables sector from states of Assam, Bihar, J&K, Manipur, Nagaland, Uttar Pradesh, West Bengal, Andhra Pradesh, Himachal Pradesh and Telangana.

**8. Decisions of IMAC:**

(a) IMAC reviewed the compliance status of each of the 65 proposals scrutinized/ appraised by the Technical Committee. Based on the deliberations, IMAC approved 20 proposals as eligible.

(b) The proposal of M/s Nundresh Agro Products, Baramulla, J&K was considered in-eligible by the TC in its meeting held on 21.12.2016 as the letter dated 10.11.2016 from J&K Bank was non-committal towards sanctioning of term loan and was subject to the fulfillment of all the formalities as required in the matter. Therefore, TC had not considered it to be a valid submission. In view of submissions made by the representative of J&K regarding disturbance in the valley from August to November, 2016, IMAC after discussion took the view that in view of critical situation in J&K during that period the submission made in the proposal regarding in-principle approval of term loan and bank appraisal may be reconsidered and the proposal may be scored.

(c) Details of the proposals approved by the IMAC, along with their grant calculation and marks secured are at **Annexure-III**. IMAC rejected 43

proposals as being in-eligible. Details of in-eligible proposals along with reasons of in-eligibility are at **Annexure-IV**.

- (d) The proposal of GMR, Hyderabad Aerotopolis Ltd, Telangana although considered eligible by the TC was reviewed by the IMAC in the meeting held on 22.02.2017 and it was decided that the proposal may be relooked to ascertain as to whether the proposed facility which is situated in the premises of Hyderabad International Airport which is a Special Economic Zone can be considered as Farm Level Infrastructure as per the scheme guidelines. Details are at **Annexure-V**.
- (e) The proposals of M/s Cremica Food Industries Ltd., Uttar Pradesh was considered eligible by the TC in its meeting held on 19.01.2017. IMAC considered the proposal and took the view that since the promoter has already been sanctioned grant-in-aid from the Ministry for the Mega Food Park project which is still under implementation, hence, it would be advisable to re-ascertain the facts based on the guidelines of the Cold Chain Scheme whether the applicant is eligible for another grant under the Scheme for Integrated Cold Chain and Value Addition Infrastructure.
- (f) While reviewing the score given by the TC to the eligible proposals, against the evaluation criteria no. 1 relating to availability of raw materials, product mix and no. of days of operations, IMAC directed that the methodology adopted by the TC may be revisited and the score against this criteria in respect of all eligible proposal may be reworked.

**9. Other decisions:**

- a) It was noted that out of 15 proposals received from NE States only 4 have been found to be eligible. IMAC decided that the eligible proposals may be considered for financial assistance and subsequently, a separate EoI exclusively for NE Region may be issued as and when additional slots are approved by the Government.
- b) The stipulation in scheme guidelines regarding minimum equity of 10% and term loan of 20% may be reconsidered for future proposals from Difficult Areas viz. NE States, Himalayan States, ITDP Areas & Islands.
- c) Letters may be written to NHB, DAC&FW, NHM, DAH&DF, APEDA and concerned State Govt. sharing the list of eligible proposals to ascertain as to whether any grant has been given for the facilities/ components in proposed projects.
- d) List of eligible proposals may also be shared with Mega Food Park Division in order to avoid duplication/ overlapping of components assisted by the Ministry in a location.
- e) All the scheme guidelines to be revisited to ensure that there is a condition that any entity which has availed grant from MoFPI for any project under another scheme of the Ministry, shall, in future, not be considered eligible for another grant until completion of earlier project.
- f) IMAC also decided that same applicant shall not be entitled for more than two grants in five years.
- g) After issue of approval letter wherever the grant is revised upwards or downwards based on representation of the promoters, the same will be placed before IMAC for consideration/ approval.

The meeting ended with a vote of thanks to the Chair and all present.