

MINUTES OF MEETING OF THE INTER-MINISTRIAL APPROVAL COMMITTEE (IMAC) CONSTITUTED UNDER THE SCHEME FOR INTEGRATED COLD CHAIN AND VALUE ADDITION INFRASTRUCTURE HELD ON 22.03.2017

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 22.03.2017. This meeting was held pursuant to the decisions/discussions held in IMAC meeting on 16.03.2017 in connection with consideration of proposals received against the EOI issued on 31.08.2016.

2. List of participants is at **Annexure-I**.

3. Smt. Anuradha Prasad, Joint Secretary & Convener welcomed the Hon'ble Minister, FPI and other members of the IMAC and apprised that the IMAC held on 16.03.2017 had directed that the proposals of J&K may be relooked by the TC which have earlier been rejected on account of non-submission of Bank Appraisal/In-principle approval of term loan and other documents but subsequently, however the applicants have submitted the same.

4. JS (AP) apprised the Committee that in compliance of directions of IMAC, 5 proposals of J&K viz. M/s Nundresh Agro Products, M/s Hyacinth Product, M/s Dream Infra, M/s Future Agro Cold Chain and M/s Valley Agro Cold Chain were re-appraised by the Technical Committee in its meeting held on 20.03.2017.

5. It was noted that the Technical Committee has recommended the proposals of M/s Nundresh Agro Products and M/s Hyacinth Product for approval. Remaining three proposals, M/s Dream Infra, M/s Future Agro Cold Chain and M/s Valley Agro Cold Chain, are still ineligible on account of net worth criterion not being met.

6. IMAC reviewed the recommendations of the Technical Committee and approved the proposals of (i) M/s Nundresh Agro Products, Sopore, J&K with score of 49 and eligible grant-in-aid of Rs. 416.09 lakh and (ii) M/s Hyacinth Product, Srinagar, J&K with score of 62 and eligible grant-in-aid of Rs. 338.55 lakh.

Other decisions

7.(a) IMAC reconsidered the eligibility of proposals of M/s Cremica Food Industries Ltd., Noida, Uttar Pradesh, M/s Ananda Enterprises (India) Pvt. Ltd. and M/s Devi Sea Foods Ltd., Andhra Pradesh based on agenda note prepared by Cold Chain Division.

(b) Secretary, FPI submitted that the agenda note has been prepared by Cold Chain Division for reconsideration of IMAC on the grounds that inputs obtained from Mega Food Park Division indicate that there has been very slow implementation of the Mega Food Park projects of M/s. Cremica Mega Food Park (only 28.26% financial) and M/s. Godavari Mega Food Park (only 31.63% financial). Therefore, the promoters of these Parks may be advised to complete their Mega Food Parks projects first before considering their proposals for new Cold Chains. Also, the projects of the Mega Food Park and Cold Chain of each of these two promoters are overlapping – the FLI proposed by M/s. Cremica Food Industries Ltd. in their Cold Chain proposal is overlapping with their Mega Food Park in Una, Himachal Pradesh. Likewise, M/s. Ananda Enterprises has proposed Cold Chain in Bhimavaram Taluka, West Godavri District, Andhra Pradesh, where they are already implementing a Mega Food Park with similar components. It was also explained that the precedents quoted by ILFS where both projects were given to an applicant may not apply in these cases since guidelines were changed/ Mega Food Park given after completion of the Cold Chain by applicant, Shri Sukhinder Singh of Fazilka Mega Food Park and M/s. BY Agro of Wardha Mega Food Park.

(c) In this connection, it was submitted that the revised operational guidelines of Scheme for Integrated Cold Chain and Value Addition Infrastructure issued on 29.08.2016 do not place any restrictions on the promoters of the Mega Food Parks for applying against the Expression of Interest issued on 31.08.2016 for setting up integrated cold chain project. During the pre-bid meeting of Cold Chain EOI, a question was raised as to whether a promoter of a food park is eligible to apply against the EOI in respect of Cold Chain project. It was clarified that the applicant will have to fulfill the eligibility criteria as per the cold chain scheme guidelines, however, the financial assistance will not be considered for any components/ facilities supported under Food Park / Mega Food Park, including anchor unit required to be mandatorily set up in Mega Food Park.

(d) The Technical Committee had considered the proposals of M/s Cremica Food Industries, Uttar Pradesh, M/s Ananda Enterprises (India) Pvt. Ltd., Godavari Dist., Andhra Pradesh and M/s Devi Sea Foods Ltd., Prakasham Dist, Andhra Pradesh as eligible as they were fulfilling the basic eligibility criteria as per scheme guidelines. During discussions in the IMAC meeting held on 16.03.2017, the PMA mentioned that there is precedence wherein the past promoters of ongoing Mega Food Park have been allotted Cold Chain projects and vice versa.

(e) The issue was deliberated upon in detail in the IMAC meeting held on 22.03.2017. The representatives of DAH&DF, NABARD and DAC&FW were of the opinion that if there is no such provision in the Cold Chain scheme guidelines, which prohibits the promoters of ongoing Mega Food Parks from applying against the Cold Chain EOI then such proposals should not be rejected on the ground that their Mega Food Park is still under implementation, if they are fulfilling all other eligibility conditions. JS&FA although not present during this deliberation in the IMAC meeting on 22.03.2017 as she had to leave to catch a flight to attend an urgent out station meeting had however, discussed the issue with JS(AP) before commencement of the meeting and suggested that uniform treatment should be accorded to all the above mentioned three proposals and that this view may be placed before IMAC. The view of JS&FA was accordingly conveyed by JS(AP) in the IMAC meeting.

(f) After taking into account the views of the members of the IMAC and discussing the provisions of the scheme guidelines in detail IMAC approved the proposals of M/s Cremica Food Industries, Uttar Pradesh, M/s Ananda Enterprises (India) Pvt. Ltd., Godavari Dist., Andhra Pradesh and M/s Devi Sea Foods Ltd., Prakasham Dist, Andhra Pradesh.

(g) However, in regard to the proposal of M/s Devi Sea Foods IMAC further noted that while recommending the proposal for approval, the Technical Committee had observed that the promoters of M/s Devi Sea Foods Ltd have 12% stake in Indus Mega Food Park which is presently under implementation. Subsequently, as per the updated Fact Sheet of Indus Mega Food Park Pvt Ltd provided by the Mega Food Park Division of the Ministry it is noted that the share holding of M/s Devi Sea Foods Ltd., which has applied against the cold chain EOI and which had initial stake of 12% (Rs. 358.80 Lakh) in Indus Mega Food Park Pvt Ltd has subsequently been reduced to only Rs. 0.03 lakh. It is also noted that the SPV partners of Indus Mega Food Park

Pvt Ltd have as on 31.12.2016 contributed Rs. 2990.29 lakh against the approved equity of Rs. 2990 lakh. Therefore, the proposal of M/s Devi Sea Foods is eligible under cold chain EOI and its association with Indus Mega Food Park Pvt Ltd. does not impact its eligibility against Cold Chain EOI.

8. IMAC approved the top 101 proposals in the merit list with cut off marks of 65 for sanction. Consolidated merit list of 145 eligible proposals is placed at **Annexure-II**.

9. IMAC also deliberated upon ranking of remaining eligible proposals and directed that (a) in case of more than one proposal having equal score from different States/UTs, preference for ranking in the inter-se merit list will be given first to the project proposed in an uncovered State/UT and (b) in case of proposals with equal marks from same State/uncovered State, preference will be given to the proposal envisaging higher project cost.

10. IMAC revised the score of M/s P.D Shah & Sons, Maharashtra from 69 to 67 by reducing 2 marks against criteria no 11 (Projects proposing to use renewable/alternate energy source to power cold chain projects) as the proposal has proposed setting up of 300 KW of solar power plant.

11. IMAC also considered the supplementary agenda relating to the proposal for change in lending bank, project cost and means of finance of M/s Hind Terminals, Palwal, Haryana – a phase V project under implementation and approved (i) change of bank from Kotak Mahindra Bank to ICICI Bank, (ii) revised project cost of Rs. 3854 lakh with following means of finance:-

(Rs. in lakh)

Sources	Approved earlier	Approved revised
Equity	1539.00	1524.00
Grant (MoFPI)	930.00	930.00
Term Loan	1400.00	1400.00
Total	3869.00	3854.00

JS (AP) and convener of IMAC thanked the Chair and to all present.