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Minutes of the 14th Meeting of Mission Operation Greens held on 24.04.2020Minutes of the 14th Meeting of Mission Operation Greens held over Webex (online meeting portal) at 3.00 pm on 24.04.2020

The meeting was held under the chairmanship of Joint Secretary, FPI to scrutinize the integrated value chain project proposals received under the scheme and make its recommendations to the Inter Ministerial Approval Committee (IMAC). Members of the Mission Operation Greens (MOG), PMA (GT) and applicants attended the meeting. The list of participants of the meeting is at Annexure-I.

2. At the outset, Chairman welcomed the participants and intimated the purpose of the meeting.
3. Detailed presentations were made by the PMA(GT) on the proposals and subsequent clarifications submitted by the applicant. Mission examined whether the applicants have complied with the basic eligibility criterion, total project cost, eligible project cost and means of finance as detailed out in the agenda notes.
4. The agenda wise recommendations of the Mission are as under:



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Agenda Item No. 1:

Dev Kisan Sangathan Producer Company Limited, Agra, Uttar Pradesh

Representative of applicant firm attended the WebEx meeting held on 24.04.2020.

PMA informed that the applicant has made applicant under FPO category but has not submitted any details of its shareholders / documents to verify the shareholdings of the applicant entity. The applicant was advised to submit PAS-3/share certificate to ascertain shareholdings of the small and marginal farmers in the FPO. PMA was directed to examine the shareholding patterns with the MCA website and submit its considered comment in this regard.

PMA informed that applicant has not submitted the term loan sanction letter along with application. The applicant has shared term loan sanction from State Bank of India during the meeting. However, prima facie, it was observed that neither the sanction letter was on the letter head of the bank nor the name/designation of the authorized signatory was mentioned on the sanction letter. Mission directed the applicant to submit the revised bank term loan sanction and detailed appraisal note on the bank letter head with name and designation the authorized signatory.

Mission observed that the proposed location for secondary processing is nearby the Taj Trapezium zone, due to which, it may be problem for applicant to obtain consent to establish from State Government. Applicant clarified that the proposed location of secondary processing is outside the Taj Trapezium zone, as it is over 40 kms from the Taj Mahal and hence informed that there is no risk in obtaining consent to establish from the state authorities. Applicant was advised to provide the relevant documents in support of their contention.

Mission noted that the applicant has proposed an expenditure of Rs.130.00 lakh towards the Capacity Building of FPOs without providing the requisite break-up of cost and basis of their estimation. Regarding training, the applicant was advised to submit a detailed *plan of action* duly vetted by ICAR institute, indicating types of new varieties proposed to be tested in the trial plots/demonstration farm, break-up of expenses, training module etc. PMA informed that the applicant has proposed Farm Mechanization equipment's under Quality Production, without mentioning their capacity and plan of action for utilization of such equipment.

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PMA informed that the applicant has proposed to set up Cold Storage of 10,000 MT, which seems to be quite high as there are two season of potato crops and several number of existing Cold Storage in the area. Applicant clarified that the processing variety of potato is harvested in one season only, so they need Cold Storage for regularly supply of processing variety. Director, Department of Horticulture and Food Processing, UP supported the proposal for setting up of 10,000 MT cold storage. It was clarified that the applicant should plan for 2-3 seasons of the potatoes with their farmer members, and to rationalize the size of cold storage considering optimum utilization of storage and existing cold storage in the surrounding areas.

In addition, PMA made the following observation in the Agenda note regarding deficiencies in the proposal:

- i. **Bank appraisal** - neither on the letter head of the lending bank, nor signed & stamped by any authorized signatory. Also, it cannot be ascertained whether the IRR has been calculated without or without grant.
- ii. Applicant has proposed investment of Rs.130.00 lakh towards capacity building of FPOs but the applicant has not provided details of trainings, workshops, promotional activities to be undertaken in capacity building of FPOs.
- iii. The cost of post-harvest processing facilities is Rs.6272.96 lakh which is 61 % of the total project cost. As per the scheme guidelines the percentage investment at secondary processing is 50% (max.). Therefore, amount shall be capped at Rs.5000.00 lakh.
- iv. As per the DPR Pg. No.55, the applicant has proposed to set up a 2 cold storage each with capacity of 10,000 MT at Sikandarpur and as per Pg. No. 53, a frozen storage of capacity 1,000 MT at main processing facility i.e. Arnota, whereas, as per CE Mechanical certificate the applicant has only proposed to set up a cold storage of 10,000 MT.
- v. Applicant has neither mentioned the varieties of seeds to be provided nor the applicant has provided any agreement with institution with respect to quality production. Also, the quotations for farm mechanization equipment's are not provided.
- vi. Applicant has not uploaded Copy of Board resolution/certificate from Board of Directors/promoters (as applicable) authorizing one of the directors/partners as authorized signatory to sign documents pertaining to the application. Instead, the applicant has uploaded Form Dir -2 (Consent to act as director of company).
- vii. The promoter has not uploaded the audited balance sheets or CA certificates of Dev Kisan Sangathan Producer Company Limited. The PIA has uploaded the

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- audit report of Om Ganesh Chilling Plant and Preservations Pvt. Ltd. which is an ongoing business of Mr. S. K. Tyagi.
- viii. Applicant has uploaded the CA certificate from Rajesh Garg and Co. However, the membership number, name and designation of the signatory from Rajesh Garg and Co. is not specified on the certificate.
- ix. The CE - Mechanical certificate uploaded by the applicant is not as per the format given in the guidelines. Further, the GST has been calculated as Rs.12,91,42,900 (at 18%). The applicant has not provided bifurcated GST on components.

Applicant was advised to submit the complete process flow chart showing input and output capacity (in MT at 100% capacity utilization) at each proposed facility from farm gate to marketing point and to provide the expected outcome of the project at 100% capacity utilization (indicating calculation methodology) in the following format:

Sr. No	Conditions	Standalone Capacity		Capacity MT (Per annum)	
		Input Capacity	Output Capacity	Input Capacity	Output Capacity
1	Total Annual Raw Material required				
2	Total Primary processing capacity				
3	Total Secondary processing capacity				
4	Total Storage capacity - At Farm Gate - At Main processing site - At Marketing Points				
5	Agri-Logistics				
6	No. of Retail Outlets				
7	Direct Employment Indirect Employment				
8	Farmers to be benefitted				

Mission observed that the applicant has proposed large project with total project cost of Rs. 110.90 Cr, and sought Rs. 50 Cr as grant in aid. Mission advised applicant to revise the proposal considering feasible components only and to lower the project size.



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Mission recommendation

Applicant was advised to rationalize the size of project to provide for creation of only required infrastructure of the appropriate scale so that it can be optimally utilized in the immediate future and to provide detailed clarifications, along with relevant documents on all the above stated points.

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Minutes of the 14th Meeting of Mission Operation Greens held on 24.04.2020**Agenda No.2:****Smartagri Agrovillage Producer Company Limited, Nashik, Maharashtra**

Representative of applicant firm attended the WebEx Meeting held on 24.04.2020.

PMA informed that the same applicant had applied before under the Scheme in FPO category, but IMAC approved the project subject to fulfillment of all the conditions of general category. Applicant has not fulfilled the conditions of general category; accordingly, the approval was withdrawn.

Now the applicant reapplied the proposal under FPO category. Mission observed that as per the shareholding pattern, the 2/3 of the shareholding is with in the family members and rest of the shareholding is of Small & Marginal farmers. Hence, the applicant cannot be considered under FPO category for enhanced percentage of grant-in-aid.

PMA informed that the applicant has proposed to set up 10 collection centers with 100 MT of low cost onion storage structures at each location. Also, the proposed location of collection centers lies in close proximity i.e. within the radius of 30 kms. It also informed that the applicant has proposed to set up cold storage of 7,000 MT at collection center's (Dhamanwadi - 3,000 MT; Dindori - 1,000 MT; Shinde - 1,000 MT and Niphad - 1,000 MT & Khedgaon - 1,000 MT). The applicant was unable to justify the proposed capacity of cold storage and numbers of collection centers.

Mission observed that the applicant has proposed large project with total project cost of Rs. 92.40 Cr, and sought Rs. 50 Cr as grant in aid. Mission advised applicant to revise the proposal considering feasible components only and to lower the project size.

Mission recommendation:

In view of the above, mission rejected the proposal with advise to the applicant to resubmit the proposal with appropriate project size under general category.

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List of the Members attended Mission Meeting held under the Chairmanship of Joint Secretary, MoFPI on 24.04.2020 at 03:00 PM over Cisco Webex Meeting (online portal)

MoFPI

S.No.	Name of the Officer	Email	Office no.
1	Shri Minhaj Alam, IAS (Joint Secretary)	minhaj@ias.nic.in	26499433
2	Shri Atya Nand (Deputy Secretary)	atyanand@nic.in	26497635, 26606523
3	Shri Shyam Sundar Agrawal (Deputy Director)	Ssagrawal.icoas@nic.in	26406545
4	Shri Dalveer Singh (Assistant Section Officer)	Dalveer.maana@gov.in	26406545

Members

S. No.	Name of the Officer	Office/Contact/Email
1	Shri B.K Baruah, AGM	APEDA, 8588864661 bbaruah@apeda.gov.in
2	Shri Mahender Singh Rawat , Manager	NAFED, 9868214014, mahenderrawat@nafed-India.com
3	Shri C S R Murthy	NABARD
4	Shri R K Tomar	Director, Department of Horticulture, Uttar Pradesh
5	Director of Horticulture	Department of Horticulture, Odisha
6	Shri K S Randhawa	GAICL, Gujarat

PMA

S. No.	Name of the PMA	Company
1	Dr. K. Inkarsal	NABCONS
2	Shri Abhinav Jaiswal	Grant Thornton
3	Shri Karan Sharma	Grant Thornton
4	Shri Meghraj Madke	Grant Thornton
5	Shri Saurabh Sood	Grant Thornton
6	Ms Deepti	Grant Thornton
7	Ms Shilpa Deshpande	NABCONS

Digitally signed by Shyam Sundar
Agrawal
Date: Thu Apr 30 16:32:56 IST 2020
Reason: Approved