

फा.सं-01-MFPI/13-MFP  
भारतसरकार  
खाद्य प्रसंस्करण उद्योग मंत्रालय  
पंचशील भवन, अगस्त क्रांति मार्ग  
नई दिल्ली-110049

Dated: 27.05.2020

**Subject: Minutes of the Meeting of Inter Ministerial Approval Committee (IMAC) held on 18.05.2020 at 4:00 PM via video conference (VC) to consider the progress of implementation of Mega Food Parks approved under Mega Food Parks Scheme - reg.**

I am directed to forward herewith a copy of the minutes of above IMAC Meeting held on 18.05.2020 at 4:00 PM under the Chairpersonship of Hon'ble Minister FPI.

Encl.: As above



**(Prodip Kumar Mondal)**

Under Secretary to the Government of India

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To,

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Copy to:

1. PS to Hon'ble Minister, FPI
2. PS to Hon'ble MoS, FPI
3. Sr. PPS to Secretary, MoFPI
4. PPS to AS&FA,
5. Sr. PPS to AS(MJ)
6. PS to JS(AS)
7. PMAs i.e. M/s IL&FS CDI Ltd, M/s PWC Pvt Ltd and M/s SREI Infrastructure Finance Ltd.

**Minutes of the Inter-Ministerial Approval Committee (IMAC) meeting of Mega Food Park scheme held on 18.05.2020 at 4.00 PM through Video Conferencing under the chairpersonship of Hon'ble Minister, FPI.**

A meeting of the Inter-Ministerial Approval Committee (IMAC) was held under the Chairpersonship of Hon'ble Minister, Food Processing Industries on 18.05.2020 at 4:00 PM through Video Conferencing (VC) to discuss the following agenda. The list of participants who joined the meeting through VC is enclosed at Annexure.

2. Detailed presentations were made by the MFP division on the proposals. IMAC deliberated on the agenda items and decisions taken are recorded against each agenda item as mentioned below:

**Agenda Item No. 1**

**To consider the request of SPVs/IAs of Mega Food Parks for special relief package and the recommendation of committee constituted under Chairmanship of Additional Secretary, FPI to look into the issues raised by Operational Mega Food Parks during video conference (VC) dated 17.04.2020.**

IMAC noted that: -

- i. A Video Conference (VC) meeting was held on 17 April, 2020 with the promoters of operational Mega Food Parks under the chairpersonship of Hon'ble Minister, FPI. Hon'ble MoS, FPI, Secy, FPI, AS, FPI and officials of MFP Division were also present. During the VC, promoters of operational MFPs informed the status of operation of their parks during the Lockdown due to COVID-19 and also raised certain issues requesting for relief in the financial crisis due to lockdown.
- ii. To look into the issues raised by MFPs, a committee under the Chairpersonship of Additional Secretary, FPI has been constituted by Secretary, FPI. The committee had deliberated on all the issues raised by the promoters of MFP projects and submitted its recommendations on file to the Hon'ble Minister, FPI for consideration. Further, the recommendations were discussed with Hon'ble Minister, FPI through VC held on 11.05.2020. The recommendation of the committee has been placed before IMAC for consideration. The decision of IMAC on various issues is mentioned below:
  - A. **Release of 4<sup>th</sup> & last Instalment of grant for all projects which are operational and have invested more than 90% of stipulated funds, but do not meet the conditions of Leasing /Operationalization of units**

**Committee recommendation:**

- SPVs/ IAs of projects approved in Phase I & II may be directed to comply with the conditions of scheme guidelines and extant instructions for release of 4<sup>th</sup> and final instalment of grant.
- SPVs/IAs of projects approved in Phase III and thereafter may be considered for release of 50% of 4<sup>th</sup> instalment of grant in case it has complied all the conditions of scheme guidelines for 4<sup>th</sup> instalment except operationalization of units in plots. Regarding status of units on leasable plots, at least 25% of units



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(in terms of area leased out) should have got release of 1st instalment of grant under CEFPPC scheme or are operational. Remaining 50% of the 4<sup>th</sup> instalment of grant may be released as per conditions mentioned in scheme guidelines.

**Decision of IMAC**

The above recommendation of the committee was deliberated in detail during the meeting and it was agreed to accept the recommendation subject to MFPs achieving the relaxed norms within 6 months.

- B. Revisions in DPRs may be approved by permitting changes in costs/capacities of individual components as per Original DPR, within overall ceiling of total outlay as per approved (original)DPR Amount.**

**Committee recommendation:**

The committee agreed in principle that the revision in DPR originally approved may be permitted subject to submission of proper justification by the SPV/IA and such revision should not change the intent and scope of the project. Also, such revision should be within the total outlay as per the originally approved DPR with no increase in grant. Although, the request for revision may be considered on case to case basis along with the justification submitted, committee recommends guidelines for consideration which may be followed:

- i. In the case of projects implemented by Government entities, the increase in cost of a components as a result of transparent tendering process may be permitted;
- ii. The increase in cost/capacities for common processing facilities which is not being utilized by units in the park and is either being utilized by SPV only or SPV has entered into an agreement for its utilization by a single or limited source (less than 3 units) should not be permitted;
- iii. Projects proposing inclusion of additional contiguous land along with development of its enabling facilities, in cases where the same is required for meeting the statutory requirements or where the leasable area has been majorly leased out and further land is proposed to be acquired in contiguity for the purpose of developing and leasing the land, may be permitted within the originally approved outlay with no increase in grant;
- iv. The dropping or decrease of facility may be permitted wherever it is concluded that the same may not be required by the units coming up in the park;
- v. The proposal for creation of a new facility (except processing facility) arising due to the request of at least 3 units (having registered lease/sale deed with the SPV) coming up inside the park supported with the request that they would together utilise at least 75% of the proposed capacity may



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- be permitted within the originally approved outlay with no increase in grant;
- vi. The proposal for change in common processing facility arising due to the request of at least 3 units (having registered lease/sale deed with the SPV) coming up Inside the park supported with the request that they would together utilise at least 75% of the proposed capacity may be permitted within the originally approved outlay with no increase in grant;
  - vii. The proposal for increase in capacity of existing facility (except processing facility) supported with the request of at least 3 units coming up inside the park stating that they would together utilise at least 75% of the additional capacity over and above the already approved capacity may be permitted within the originally approved outlay with no increase in grant.

**Decision of IMAC**

The above recommendation of the committee was deliberated in detail during the meeting and it was agreed to accept the recommendations except points v, vi and vii above, since the application by unit owners as basis for change is not a foolproof method. However, changes in DPR of parks promoted by Govt. agencies are permissible in view of the public nature of the projects. Each case for revision should be placed before IMAC and each case should be decided on case to case basis subject to submission of proper justification by the SPV/IAs and in no case the increase in total project grant in aid originally approved will be permitted. However, the revision in DPR should not result in the change in basic objectives and scope of activities of the Mega Food Park project and such changes in DPR may be permitted only once for a project life cycle.

**C. Release of the amount deducted towards penalty on all projects till date**

**Committee recommendation:**

- Release of 25% of the deducted penalty now to such operational/completed MFPs which either have common facility in operation or has operational processing units. The SPV/IA of such park would have to submit documents in proof of utilization of common facility during at least past six months or of operational unit utilising common facility. However, the decision on the release of balance penalty may be taken after completion of project and at the time of release of final instalment of grant.
- For operational/completed projects with operational facilities and also having either achieved operationalization of at least 25% of units or at least 25% of units (in terms of area leased out along with proportionate total investment expected) have obtained release of grant under other schemes of the Ministry including CEFPPC scheme or are operational may be considered for release of their full deducted penalty.



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#### **Decision of IMAC**

The above recommendation of the committee was deliberated in length during the meeting and it was agreed to accept the recommendations of the committee except that 50% of the deducted penalty may be released instead of 25% of the deducted penalty to operational/completed MFPs which either have common facility in operation or has operational processing units. This decision will be applicable to SPVs/IAs complying the above conditions by 31<sup>st</sup> March 2021.

#### **D. Open ended extension of CEFPPC Scheme under Pradhan Mantri Kisan Sampada Yojana for one year with its extensive and constant promotion in media.**

Till date, 251 proposals involving grants-in-aid of Rs.921.38 crore have been accorded approval by Ministry against revised target of 304 slots (revised allocation of Rs.1068.5 crore) under the CEFPPC scheme.

#### **Committee recommendation:**

The committee deliberated on the request of MFPs regarding open ended extension of the timeline for submission of proposal for one year of CEFPPC scheme and its promotion in media. As learnt from CEFPPC Division, presently vacant slot of about 50 proposals is available and closing date of EoI has been extended upto 31.05.2020 depending upon the response and present targets fixed. As and when new targets would be fixed for the umbrella scheme (PMKSY), CEFPPC Scheme will also get further extension. Further, Ministry is regularly organising promotional events for promotion of various schemes under PMKSY including this scheme. Accordingly, the committee recommends continuing with the existing practice.

#### **Decision of IMAC**

The above recommendation of the committee was accepted and last date for EoI under CEFPPC scheme is extended till 30<sup>th</sup> August 2020.

#### **E. Provide solution for impact of GST @ 18% in Lease Premium for Plots by seeking exemption or permitting sale of plots**

#### **Committee recommendation:**

- The committee deliberated on the request of MFPs and noted that the issue regarding exemption of GST has already been taken up with the appropriate authority which was not acceded to. Regarding the request for permitting sale of plots in addition to existing provision for leasing, the committee noted that main stumbling block is issue related between SPV and other stakeholders (mainly bank) regarding already mortgaged land of the project and risk of liquidation of responsibility of SPV assigned in the scheme guidelines. Further, the committee noted that another infrastructure scheme of the

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Ministry i.e. Scheme for Creation of Infrastructure for Agro Processing Cluster permits both lease and sale of plots under para 6.3(x) of its guidelines and there appears to be no legal constraint on the issue. Further, the issue arising out of mortgage affects SPV and other stakeholders such as lending bank which has to be handled between them. However, Ministry's concern is mainly related to the issue that the land of project should be used for food processing activity only and SPV continues unabated with the responsibility of execution, ownership and management of the Mega Food Park i.e. to own and maintain the MFP project.

- Accordingly, the committee recommends that either sale or leasing of plots may be permitted in the MFPs subject to compliance of the following:
  - Sale/lease deed should clearly mention that plot would be exclusively used for food processing activity only including in case of subsequent resale made only with the consent of SPV/IA;
  - The responsibility of SPV/IA regarding execution, ownership and maintenance of MFP shall not get liquidated due to permitting sale of plots. An affidavit in this regard would be submitted by the SPV.

**Decision of IMAC**

IMAC deliberated on the matter and it was decided that Ministry may re-examine the matter regarding permitting sale of plots or otherwise. Further it was decided to pursue again with Ministry of Finance regarding reduction of GST from 18% to 12% or less in Lease Premium for plots in MFP projects implemented by SPVs.

**F. NABARD to take over the existing loan at affordable credit**

**Committee recommendation:**

- The committee noted that special fund of Rs. 2,000 cr has been set up for food processing in 2014 and at present NABARD has sanctioned loan of Rs 599.79 (as on 27.02.2020) only out of Rs 2,000 cr. Presently, the credit rate by commercial banks is more than 10% while the credit rate of NABARD is about 7.5%. Hence, in the present financial situation, takeover of loan by NABARD would reduce the financial burden of MFPs. Accordingly, committee recommends that Ministry may consider pursuing this matter again with NABARD.

**Decision of IMAC**

IMAC deliberated on the issue and it was decided not to pursue the matter regarding NABARD taking-over of existing loans sanctioned by other commercial banks to MFP projects.



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**G. Grant Permission to SPVs of MPFs to function as food processors for at least 3 years**

As per para 5.2.1(vii) of MFP scheme guidelines dated 10.02.2014 and 21.07.2016, the common facilities in the park cannot be sold or leased out and it can only be offered to units on rental basis.

**Committee recommendation:**

- Since, setting up of units in operational MFP has been slow and common facility created has been idling, number of operational MFPS were requesting from time to time to permit them to utilize the facility for processing for certain period. To enable utilization of facility created and also to increase the financial viability of SPVs/IAs, Ministry vide OM dated 26.12.2019 has allowed use of common facilities at CPC by the SPVs/IAs subject to the unit in the MFP to the extent operational having first right on the CPC facility.
- The committee deliberated on the request and noted that SPV should promote setting up units in the park for effective utilization of common facilities created and the present provision permits SPVs/IAs to function as processor and adequately covers their requirement.

**Decision of IMAC**

The recommendation of committee was accepted however, it was decided that the use infrastructure at PPC may also be allowed to SPVs/IAs for avoiding idling of facilities and its effective utilization.

**H. Permitting Dovetailing of all other interventions and support package that may be announced by Government of India/ State Governments, in addition to above the above measures**

**Committee recommendation:**

- The committee deliberated on the matter and noted that the existing provisions under para 8.1 of scheme is sufficient.

**Decision of IMAC**

IMAC accepted the recommendation of committee.



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**Agenda Item No. 2**

**To consider request of M/s Telangana State Industrial Infrastructure Corporation (TSIIC) implementing the Mega Food Park at Khammam, Telangana for revision in Project Cost and extension of project timeline up-to 31.12.2020.**

**IMAC noted that -**

1. The project was accorded Final Approval vide the Ministry's letter dated 05.02.2016 for setting up a Mega Food park project at Khammam District, Telangana with an approved project cost of Rs. 109.44 crore and the eligible cost for grant in aid as approved by the Ministry was Rs. 101.19 crore.
2. IMAC noted with concern that total expenditure incurred on the project is Rs. 45.50 Cr and Rs. 40.15 Cr incurred on eligible project cost. Only 40% expenditure incurred on the project till date. The project implementation is very slow and there is no progress on core processing facilities.
3. M/s TSIIC has proposed to change the project cost from Rs. 109.44 Cr to Rs. 108.83 Cr which is restricted to Rs. 99.91 Cr by the term loan sanctioning bank i.e. NABARD. NABARD has also submitted its appraisal to the Ministry vide email dated 03.04.2020. Further, IA has requested to extend the timeline for completion of project up-to 31.12.2020.
4. The major changes proposed in the revised DPR is as under:
  - a. P&M for IQF has been dropped as it is not required, however IA has proposed that there is a possibility of any New Units/ investor who wants to install their IQF Machinery in the IQF Hall may make use of the facility.
  - b. The IA has proposed to increase the cost of Deep Freeze from Rs. 3.61 Cr to Rs. 9.42 Cr whereas there is no change in the proposed capacity. Therefore, cost may be restricted to the approved cost by the Ministry.
  - c. IA has proposed to establish complete integrated facility which comprises of Filler machine along with Aseptic processing line in place of earlier proposed Aseptic Filler line after decision with various stakeholders and private investors as per demand. The same has also been approved by NABARD. IA vide email dated 18.04.2020 has also submitted quotation for Aseptic Processing Line of 1500 LPH capacity worth Rs. 2.06 Cr. The same has been considered eligible.
  - d. The IA has proposed to increase the cost of Packhouse (Incl. Washing, grading, weighing, packing) from Rs. 0.78 Cr to Rs. 2.98 Cr whereas there is no change in the proposed capacity. Therefore, cost may be restricted to the approved cost.
  - e. As per final approval letter, 4 chambers of 10 MT each for ripening chambers were approved at each PPC with aggregate cost of Rs. 1.74 Cr. The IA has proposed to shift the ripening chambers proposed in the PPC location to the CPC location due to the heavy demand to increase the capacity. There is no



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change in the proposed cost and capacity, therefore the same may be considered after approval from competent authority.

- f. IA has proposed to drop various facilities at all four PPCs i.e. Multi-purpose cold Storage, Boiler, Silos and sorting, grading and packing line for cereals and pulses, Reefer vans and Rice grain colour sorting facilities. As a result, there would be only Warehouse at Karimnagar & Khammam. While at Warangal PPC there will be Warehouse and Multi-purpose cold storage and at Nalgonda Ware house and Packhouse facility will be set up.
- g. IA has proposed to remove the components such as Integrated Waste Management, IT & Telecom Infrastructure and Signage & Landscaping.

**Decision of IMAC :**

- a. IMAC noted that IA has proposed considerable changes both at CPC and PPC, which needs to be relooked in view of decision taken regarding mechanism to be followed for revision of DPR in case of parks promoted by Government entity. Also, the requirement of having 4 PPCs with reduction in facility is required to be looked into. Accordingly, IMAC agreed in principle on the request of revision of DPR but deferred the decision on approval of components and calculation of eligible project cost for arriving at revised grant component and decided that the same may be approved on file after review by MFP division.
- b. TSIIC to submit a monthly plan for execution and no further extension is granted.



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**Agenda No. 3**

**Ratification of the on file approval of timeline extension till February 2020 for implementation of the Mega food Park project by Wardha Mega Food Park Pvt. Ltd. and to consider further extension till December'2020.**

**IMAC noted that:**

1. The project was accorded Final Approval vide the Ministry's letter dated 13.01.2016 for setting up a Mega Food park project at Sindhivihri village, Tehsil Karanja (G), Wardha district, Maharashtra with an approved total project cost of Rs. 92.36 crore, approved eligible project cost of Rs. 87.77 crore and approved grant in aid of Rs. 50 crore by the Ministry.
2. It was noted that the SPV has incurred an expenditure of Rs. 21.94 Cr till 04.03.2020 and the physical progress of the project is not commensurate with the financial expenditure. SPV has only shown progress on few enabling facilities such as compound wall, drainage and road. There is no progress on setting up of core processing facilities event after lapse of more than four years. AS&FA was requested to get the project audited.
3. SPV submitted action plan dated 23.10.2019 to take up the remaining implementation work in the Park. However, SPV failed to adhere to the timelines indicated in the action plan.

**Decision of IMAC:**

- a. IMAC ratified the on-file approval of timeline extension upto 15<sup>th</sup> February, 2020.
- b. Show cause notice to be issued to the SPV as there is no substantial progress on the project and to process for cancellation of the project and recall the grant.
- c. A forensic audit to be conducted in the case of Wardha MFP under the supervision of AS&FA.



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#### Agenda No. 4

To consider the request of M/s KSIDC implementing the Mega Food Park Project at Pallipuram, Cherthala, Alappuzha District, Kerala for the following:

- a. Extension of project timeline till August 31, 2020
- b. Approval of revised total project cost & revision in Means of finance.
- c. Approval for development of additional land of 16.84 acres adjoining to Mega Food Park of KSIDC.

The project was accorded Final Approval vide the Ministry's letter dated 27.11.2015 for setting up a Mega Food park project at Pallipuram, Cherthala, Allapuzha Dist, Kerala, with an approved total project cost of Rs. 129.15 crore, approved eligible project cost of Rs. 114.03 crore and approved grant in aid of Rs. 50 crore by the Ministry. At present the total expenditure incurred on the project is Rs. 71.26 Cr.

#### (a) Extension of project completion timeline

IA has requested to accord extension in time for completion of the project upto August 31, 2020. IA informed that despite their best efforts to complete the project at the earliest possible but it could not be able to complete the project within stipulated timelines. IA further informed that the outlet pipeline is to be laid for the discharge of the treated effluents through the local Panchayat area for a length of 950 meters for discharging to the nearby backwaters as per the Consent to Establish issued by the Kerala State Pollution Control Board. The matter has been escalated to the Government and now permission is expected soon and the balance facilities at CPC and PPC would be completed by August' 2020.

#### (b) Approval of revised total project cost & revision in Means of finance.

The project cost is proposed to be reduced from approved cost of Rs 129.15 crore to Rs 128.49 crore. As per revised DPR submitted by IA, reduction in the project cost by Rs 0.66 crore is due to dropping of two PPCs at Aroor & Neendakara, basic enabling infrastructure at CPC, miscellaneous assets and pre-operating expenses, Contingencies, MMWC and inclusion of basic enabling infra on additional land of 16.03 acres.

IA has proposed revision in DPR with the resultant change in total project cost from **Rs. 129.15 Cr to Rs. 128.49 Cr** and Eligible cost from **Rs. 114.03 Cr to Rs. 116.34 Cr**. Being State Govt. entity implemented project, the revision in DPR has been reviewed further from the agenda, considering the IMAC decision that changes in DPR of parks promoted by Govt. agencies are permissible in view of the public nature of the projects. Accordingly, the revised total project cost would be **Rs. 128.49 Cr** and

*Agenda*

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Eligible project cost is Rs. 108.07 Cr. The component wise break-up is as mentioned below:

Sr No	Components	Approved Project Cost as per Approval letter	Revised project Cost (Rs Crore)	
			Proposed by IA	PMA Recommendation
1	Land cost (CPC, PPC & CCs)	7.70	11.50 (9.61+1.89*)	11.50 (9.61+1.89*)
2	Basic enabling infrastructure	55.75	51.06 (37.26+13.80**)	47.37 (37.26+10.11**)
3	Core processing facilities	43.64	46.62	46.62
4	Non core facilities	6.22	7.51	6.22
5	Standard design factory for MSME Sheds	3.50	6.51	6.51
6	Interest During Construction (IDC)	1.10	0.45	0.45
7	PMC and other Consultancy expenses	0.90	1.26	0.90
8	Misc fixed assets	2.93	2.93	2.93
9	Pre operating expenses, Contingencies & MMWC	7.37	0.65	0.65
	<b>Total</b>	<b>129.15</b>	<b>128.49</b>	<b>123.15</b>
	<b>Eligible project cost</b>	<b>114.03</b>	<b>116.34</b>	<b>108.07</b>

\*cost of additional land proposed. \*\*cost of basic enabling infrastructure proposed at additional land of 16.03 Acres.

As assessed by PMA total project cost is reduced by Rs 0.66 cr (from Rs 129.15 cr to Rs 128.49 cr) and eligible project cost is reduced from Rs 114.03 cr to Rs 108.07 cr, with no change in grant component.

**(c) Development of additional land of 16.03 acre proposed to be merged with approved Mega Food Park of KSIDC**

IA vide its letter dated May 13, 2020 has proposed to consider development of additional land of 16.03 acre adjoining to mega food park of KSIDC already approved by the Ministry. The cost for development of basic enabling infrastructure as proposed by IA is estimated to be Rs 13.80 crore. IA informed that number of investors have shown interest in allotment of plots in the park and it has not been



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able to allot further due to non-availability of plots. Accordingly, IA requested to accord approval to consider it as extension of Mega food park and give permission for development of additional cost of Rs 13.80 crore for which additional grant may be considered while remaining cost shall be borne by KSIDC from their own resources.

IMAC noted that IA has already leased out 43.22 acres out of 44.72 acres of leasable land. Further it was noted that 4 units are functional, 6 units are under construction and remaining 16 units are to start construction. Therefore, IMAC agreed to the request of IA for inclusion of additional land of 16.03 acres for more units to come up in the park.

**Decision of IMAC:**

- a) IMAC approved the revised total project cost of **Rs. 128.49 Cr** and Eligible project cost as **Rs. 108.07 Cr**. There is no change in approved grant in aid component of Rs. 50 Cr.
- b) IMAC Approved development of additional land of 16.03 acres adjoining to approved Mega Food park as an extension of mega food park of KSIDC due to which total area of the park will increased from **68 acre to 84.03 acre**.
- c) IMAC approved extension of timeline for completion of the project upto 31.08.2020.



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#### Agenda No. 5

To consider the request of SPV (M/s North East Mega Food Park Pvt Ltd) implementing the Mega Food Park project at Village Nathkuchi in Nalbari District of Assam on the following issues:

- a. Revision of DPR and dropping of one PPC and 6 CCs
- b. Request for timeline extension till September, 2020

The project was accorded Final Approval vide the Ministry's letter dated 27.03.2009 for setting up a Mega Food park project at Village Nathkuchi, Dist. Nalabari, Assam, with an approved total project cost of Rs. 80.85 crore and approved grant in aid of Rs. 50 crore by the Ministry. At present the total expenditure incurred on the project is Rs. 84.96 Cr.

IMAC noted that around 92.77% of land is allotted and 90% of the constructed area of Standard Design Factory is being leased out. In terms of plot allotment, SPV has leased out 25.05 acres out of 27.61 acres of leasable land. Further, It was noted that within SDF (Standard Design Factory Building), three (3) units namely M/s Assam Agro-Tech, M/s P.L Industries Private Ltd and M/s Ravi Foods are functioning. Also one unit namely M/s Dukes Food Products Private Ltd is functioning in dry warehouse. In terms of allotment of leasable plots, out of 27 acres of leasable area comprising of 28 plots, 25.05 acres (26 plots) have been leased out, which was 92% of the total leasable area. It has been observed that these 26 plots are distributed within 11 units.

- a. Revision of DPR and dropping of one PPC and 6 CC.

IMAC noted that SPV has requested Ministry for approval for allowing dropping of 1 PPCs and 6 CCs, for which they have received lending Bank's concurrence letter dated 6<sup>th</sup> May 2020. Also SPV has requested Ministry for approval for allowing dropping of Truck Terminal as Truck Parking facilities as same was available outside the Park and in place of grading and sorting machine and refer van for each of the two PPCs constructed, multi-purpose fruits and vegetable washing and inspection conveyor and material handling equipments. Lending Bank has cited that dropping the above components would not affect the overall financial viability of the project and that sanctioning committee of NEDFi has approved the proposed changes.

IMAC noted the agenda for revision of DPR and changes proposed therein. As per the proposed revision the total project cost would be Rs. 84.96 Cr while the eligible project cost is Rs. 65.12 Crores and the eligible Grant in Aid as per the scheme



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guideline 75% of eligible project cost reduced to **Rs. 48.84 Crore** from Rs. 50 Crore. The break-up of the revised project cost is as under:

Head of Cost	As Per Approved DPR	Cost proposed by SPV and appraised by lending bank	Expenditure considered as eligible project cost
1 Land & Site Development Cost			
a) Cost of Land for CPC and PPCs	12.67	25.37	
b) Land Development Cost (AIDC) for CPC	202.34	202.35	202.34
c) Cost of Land filling	292.52	316.61	292.52
d) Compound wall	55.33	46.41	46.41
e) Boundary Wall	62.00	63.38	62.00
2 Core processing facility			
a) Warehouse	1,042.00	1,045.30	1,042.00
b) Cold storage	308.60	331.61	308.60
c) Quality control lab	53.72	58.28	53.72
3 Standard design factory	600.00	622.88	600.00
Expansion Joint			
4 Plant & Machinery			
a) Cold storage	548.54	456.67	456.67
b) Weigh bridge	19.00	20.03	19.00
c) Testing equipment	84.00	54.10	54.10
d) Fire hydrants	342.10	344.57	342.10
e) Telecom	14.90		
5 Non Core facility			
a) Common facility building	688.29	687.60	687.60
b) Furniture & Furnishing	50.00	13.75	13.75
6 Basic enabling facilities	257.48	260.16	257.48
7 Water Supply System			
a) Deep tubewell	8.29	7.45	7.45
b) IR plant	17.85	1.93	1.93
c) RCC reservoir	31.87	35.19	31.87
d) Pipe distribution	125.00	123.26	123.26
8 Drainage			
a) Storm water drainage	233.60	231.69	231.69
b) Ground water recharge pits	3.13	-	
c) Sewerage Network	50.00	49.33	49.33
d) ETP	209.00	290.16	209.00



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	e)Septic tank at common services at CFB, Warehouse, SDF	4.43	8.05	4.43
9	Roads & Culverts	263.42	287.85	263.42
10	Electrical Works	679.92	555.36	555.36
11	PPC and CCs	808.58	301.76	301.76
12	Miscellaneous Office assets & other Assets	-	79.56	
13	Technical Know-how & Consultancy Fees (DPR and PMC charges)	157.00	190.90	100.0
14	Preliminary Expenses	14.06	14.06	
15	Pre-Operative Expenses(including IDC of Rs.195 lakhs)	845.42	1,020.88	195.00
	<b>TOTAL</b>	<b>8,085.06</b>	<b>8496.12</b>	<b>6512.19*</b>

**b) Request for extension for project's timeline till September 2020.**

IMAC noted that SPV has requested for extension of additional timeline completion of the project up to September, 2020. SPV has further stated that due to COVID 19 and unprecedented impact, they have failed to complete necessary compliance for final completion of the project.

**Decision of IMAC:**

a) IMAC approved the revision in DPR with the revised total project cost of **Rs. 84.96 Cr**, Eligible project cost as **Rs. 65.12 Cr.** and revised grant in aid of **Rs. 48.84 Crore** including dropping of 1 PPC at Kajalgaon and 6 CCs.

b) IMAC approved extension of timeline for completion of the project upto 31.08.2020.



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**Agenda No. 6**

To consider the request of SPV (M/s Satara Mega Food Park Pvt Ltd) implementing the Mega Food Park project at Satara District of Maharashtra on the following issues:

- a. Converting leasable plots into SDF sheds on long term rental model at the cost of SPV.
- b. Request for timeline extension till 31<sup>st</sup> March 2021.

The project was accorded Final Approval vide the Ministry's letter dated 06.08.2014 for setting up a Mega Food park project at Village Deogaon, Dist. Satara, Maharashtra, with an approved total project cost of Rs. 139.33 crore and approved grant in aid of Rs. 50 crore by the Ministry. At present the total expenditure incurred on the project is Rs. 163.47 Cr. Ministry has released Rs. 44.49 Crore as grant in aid.

IMAC noted that SPV has informed that the allocated plots have been struggling with commencement of operations and has requested to permit SPV or the plot owners who already have taken plot on lease to convert these units into MSME Sheds and may be accordingly rented to food processing units.

IMAC noted that, Para 4.3 II of MFP guidelines mention that SDF sheds are to be built on maximum 10% of area of the CPC. Since SPV has been struggling in getting its park populated with the food processing units, it was agreed to consider relaxing the norms and permitting SPV only for construction of sheds on the leasable plots in their possession (13.11 acres) to be built by SPV at their own costs. The units to come up in these SDF sheds can apply for CEFPPC Scheme subject to meeting the conditions of the scheme but they will not be eligible to get grant for construction of sheds. However, Plot owners other than SPV is not permitted to build SDF sheds on their acquired plots which has been leased to them for setting up of food processing units.

**Decision of IMAC:**

- a) IMAC approved the conversion of leasable plots (13.11 acres) into SDF sheds on long term rental model to be built by SPV at their own costs. However, the units coming up in these SDF sheds will not be eligible to get grant for construction of sheds under CEFPPC scheme.
- b) IMAC approved extension of timeline for completion of the project upto 31.08.2020.



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#### Agenda No. 7

To consider the request of Gujarat Agro Infrastructure Mega Food Park Pvt Ltd (the SPV) implementing Mega Food Park Project at Surat District of Gujarat on the following issues:

- a. Revision of DPR of the Mega Food Park project.
- b. Extension of timeline for completion of Project for a suitable period.

The project was accorded Final Approval vide the Ministry's letter dated 22.05.2014 for setting up a Mega Food park project at Village-Jhahkharda, Shah and Vasravi, District-Surat, Gujarat., with an approved total project cost of Rs. 117.87 crore, eligible cost of Rs.101.95 crore and grant in aid of Rs. 50 crore. At present the total expenditure incurred on the project is Rs. 111.87 Cr. Ministry has released Rs. 42.45 Crore as grant in aid to this project.

#### a. Revision of DPR.

IMAC noted that SPV has informed that the units coming up at their Mega Food park have confirmed that they are having requirement for the facilities of Blast Freezer, packing line and an additional Warehouse inside CPC. Accordingly, SPV has requested for revision in DPR with these additional facilities and the additional cost of these facilities viz Blast Freezer for Rs.47.00 lacs, Packing line for Rs.15.00 lacs and Warehouse for Rs.295.00 lacs **would be borne by SPV.**

Further IMAC noted that as per its decision dated 02.12.2019 additional facilities such as Blast Freezer and Packing line was permitted to be set up inside CPC by the SPV but the cost of the same would be borne by SPV from its own contribution. However, then the request of SPV for shifting Warehouse facilities to CPC from PPC, Bharuch (approved for dropping) was not allowed by IMAC.

As mentioned above, now SPV has requested for setting up additional 5,000 MT warehouse at CPC **at their own cost to be included as a part of total project cost in-addition to Blast Freezer and Packing line also to be built at their own cost.** As SPV is now proposing to set up additional warehouse at their own cost at CPC, IMAC agreed to the request since the additional cost due to Warehouse, Blast Freezer and Packing line would not be included in eligible project cost and eligible grant. Accordingly, the revised total project cost would be Rs.121.86 Crore and revised eligible project cost as Rs.85.92 Crore with no change in eligible grant. The revised costs of major components of Mega Food Park as approved are as under:



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Si. No.	Components	Approved Cost as per MoFPI in Rs. Lac	Proposed revised Cost in Rs. Lac	Difference	Total project cost requested by SPV and accepted by IMAC	Total Eligible cost Considered as in IMAC
1	Land	1339.76	1333.03	-6.73	1333.03	
2	Basic Enabling Infrastructutre	4711.43	4341.32	-370.11	4341.32	3953.49
3	Core processing facilities at CPC	3091.82	4191.22	1099.4	4141.79	2855.19
4	Core processing facilities at PPCs	1079.21	556.17	-473.61	605.6	553.69
5	Non- Core Facility	425.85	393.04	-32.81	393.04	393.04
6	SDF	364.16	333.74	-30.42	333.74	333.74
7	PMC and other expenses	200	222.19	22.19	222.19	100.00
8	IDC	403.08	522.79	119.71	522.79	403.08
9	Pre operative expenses	171.66	293.3	121.64	293.3	
	<b>Total</b>	<b>11786.97</b>	<b>12186.8</b>	<b>449.26</b>	<b>12186.8</b>	<b>8592.23*</b>

*\*The eligible cost has been calculated considering originally approved cost and revised proposed cost whichever is lower.*

**b. Extension of timeline for completion of Project for a suitable period.**

IMAC noted that SPV has requested extension of project time line for suitable time upto 31.12.2020 in view of the ongoing lockdown due to Covid 19 for completion of balance work and getting the park populated with units as per the requirements of the scheme guidelines.

**Decision of IMAC:**

a) IMAC approved the revision in DPR as proposed in para a) above with cost of additional components at CPC such as Warehouse, Blast freezer and packing line to be borne by SPV.

b) IMAC approved extension of timeline for completion of the project upto 31.08.2020.

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Annexure

**List of participants attended IMAC meeting through VC on 18.05.2020**

1. Hon'ble Minister, Food Processing Industries, GoI- Chairperson
2. Hon'ble Minister of State, Food Processing Industries, GoI
3. Secretary, Ministry of Food Processing Industries, Panchsheel Bhawan, New Delhi
4. Shri Vijoy Kumar Singh, AS&FA, Ministry of Food Processing Industries, Panchsheel Bhawan, New Delhi-110049
5. Shri Manoj Joshi, Additional Secretary, Ministry of Food Processing Industries, Panchsheel Bhawan, New Delhi-110049
6. Shri Atul Saxena, Joint Secretary, Ministry of Food Processing Industries, Panchsheel Bhawan, New Delhi-110049
7. Dr. K. Ellangovan, Principal Secretary, (Mobile - 9446001265) Department of Industries, Government of Kerala, R.No. 626(4), 1st Floor, South Block, Government Secretariat, TVPM, Thiruvananthapuram, Kerala
8. GM, National Bank for Agriculture and Rural Development, C-24, G-Block, Bandra Kurla Complex, Bandra (E), Mumbai-400051
9. Shri Akhil Gawar, Director, Food Processing Society, Industry & Commerce Dept, Government of Telangana
10. Shri V Madhusudhan, CEO, Telangana State Industrial Infrastructure Corporation Ltd., Telangana.
11. Shri Umesh Andhare, CEO, Wardha Mega Food Park Pvt. Ltd, Maharashtra.
12. Shri Pranav Doshi, Director, Gujarat Agro Infrastructure Mega Food Park Pvt. Ltd.
13. Shri Binil Kumar, AGM, Kerala State Industrial Development Corporation Ltd. Kerala.
14. Shri Rajib Biswas, CFO, North East Mega Food Park Ltd, Nalbari, Assam.
15. Shri Vijay Kumar Chole, Vice President, Satara Mega Food Park Pvt Ltd



