

**Minutes of the Inter-Ministerial Approval Committee (IMAC) meeting of Mega Food Park scheme held on 02.11.2021 at 12.30 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 for Food Processing Industries on 02.11.2021 at 12:00 PM through Video Conferencing (VC) to discuss the agenda items. Hon'ble Minister of State, FPI Co-chaired the meeting. The list of participants who joined the meeting through VC is enclosed at **Annexure**.

Detailed presentation was 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. 01**

**Request of Kerala Industrial Infrastructure Development Corporation (KINFRA), Palakkad District, Kerala for:**

- i. **Revision in total project cost and eligible project cost**
- ii. **Extension of project timeline upto 31.12.2021 for completion of park.**

IMAC noted that:

- i. IMAC during its earlier meeting held on 18.05.2020 has agreed for the revision in the originally approved DPR, if it was within the total outlay with no increase in originally approved grant and that in the case of projects implemented by Government entities, the increase in cost of a component as a result of transparent tendering process shall be permitted.
- ii. The project was accorded Final Approval on 27.11.2015 and as per the scheme guidelines the stipulated timeline for completion of the project is 30 months from the date of final approval i.e. up-to 26.05.2018. The extended timelines for completion of project elapsed on 31.12.2019. Kerala Industrial Infrastructure Development Corporation (KINFRA), state government entity (IA), had requested for consideration of revision in approved total project cost and eligible project cost/grant and extension in project timeline upto 31.12.2021 for completion of park.
- iii. IMAC noted that IA requested for consideration of revision in Total Project Cost (TPC) and Eligible Project Cost (EPC) stating that originally total project cost of Rs. 119.02 crore was approved vide approval letter dated 27.11.2015 with an eligible project cost of Rs. 109.99 crore and grant-in-aid of Rs.50.00 crore. Further, during IMAC dated 21.08.2019, Total Project Cost was reduced to Rs 102.13 cr based on actual estimates and the eligible project cost was also reduced to Rs. 81.13 crores and accordingly grant got reduced from Rs 50.00 crores to Rs 40.565 crores.
- iv. The reasons cited by IA for subsequent upward revision in project cost were as follows:

- a. Introduction of GST: During the course of implementation of the project, GoI had introduced the GST in 2017 replacing the CST/ ST. The GST rate is considerably higher {@ 18%} than the CST/ST rate {12%} and it impact the increase of around 6% on project cost which was beyond the control of the IA.
- b. Additional Requirements insisted by Regulatory Authorities due to change in regulations
- c. Change of components from one head to another head.
- d. Revision in CPWD DSR Schedules.
- v. IA being a government entity and execution of tendering process for award of various works has been followed, wherein the estimated cost was Rs. 102.13 Crs. approved vide IMAC dated 11.09.2019, however as per revised request submitted by the IA, the cost has been again revised to Rs. 105.39 Crs based on actual expenditure, which is still within the total outlay of the approved DPR cost i.e. cost of Rs. 119.46 Crs. Further, as per IA's request - the upward revision in grant from Rs. 40.56 Cr to Rs. 50 Cr, is within the total outlay as per the originally approved grant.
- vi. The proposal includes no upward revision in the capacities of the facilities, however it includes increase in area for facilities like Cold Storage Complex, QC building, SDF sheds, roads and storm water drains; and inclusion of additional items i.e. automatic pallet racking and miscellaneous civil components.
- vii. Accordingly, total project cost works out to be 105.39 Cr and eligible project cost is increased from Rs. 81.13 cr in revised approval to Rs. 101.50 Cr with corresponding restoration grant in aid to Rs. 50 crs. The details of the revised approved cost, components and means of finances is mentioned in the agenda.

### **Decision of IMAC:**

After detailed deliberation, IMAC approved the revision in total project cost, total eligible project cost and total eligible grant as per agenda and extension of timeline for completion of project upto 31.12.2021.

### **Agenda Item no. 02**

**To consider the request of M/s Favorich Infra Pvt Ltd, KR Pet Taluka, Mandya, Karnataka for Extension of Project Timelines upto 31.03.2022**

IMAC noted that the project was accorded Final Approval on 19.12.2017 and as per the scheme guidelines the stipulated timeline for completion of the project is 30 months from the date of final approval i.e. up-to 18.06.2020. The extended timelines for completion of project has elapsed on 30.06.2021. However, SPV has not been able to adhere to the revised timelines citing stoppage of work due to Covid-19 for 4 months between April to July,2021 and has requested for extension of timeline for completion up-to 31.03.2022.

It was noted that major facilities are still under construction; however, progress in leasing of plots to units has been made. SPV was directed to expedite implementation of project and submit targeted timelines/bar-chart on monthly basis for completion of park within the proposed timelines.

#### **Decision of IMAC:**

After detailed deliberation, IMAC decided to extend the project timelines up till March 2022.

#### **Agenda Item no. 03**

**Proposal for ratification of on file approval, on the request of M/s Haryana State Industrial and Infrastructure Development Corporation Limited (HSIIDC), for relaxation of compliance condition of completion of 40% of proposed PPCs for release of 3<sup>rd</sup> installment of grant-in-aid and request for extension of project timeline up-to March, 2022.**

#### **Decision of IMAC:**

After detailed deliberation, IMAC decided to ratify the on-file approval for –

- a. Relaxation of condition of 40% expenditure/progress on PPCs as per scheme guidelines and release of 3<sup>rd</sup> installment of grant-in-aid.
- b. Extension of project timeline up-to March, 2022.

#### **Agenda Item no. 04**

**Request of Andhra Pradesh Industrial Infrastructure Corporation Ltd. (APIIC) regarding:**

- i. **Restoration of approved grant in aid of Rs. 50 Cr. i.e. upward revision in grant-in-aid from Rs. 43.55 Cr. approved vide IMAC minutes dated 06.01.2020 to Rs. 50 Cr as per DPR**
- ii. **Extension in project timelines upto 31.12.2021**

IMAC noted that:

- i. IMAC during its earlier meeting held on 18.05.2020 has agreed for the revision in the originally approved DPR, if it was within the total outlay with no increase in originally approved grant and that in the case of projects implemented by Government entities, the increase in cost of a component as a result of transparent tendering process shall be permitted.
- ii. The project was accorded Final Approval on 31.12.2015 and revised final approval on 27.07.2016. Originally total project cost of Rs. 125.25 crore was approved vide approval dated 27.07.2016, with an eligible project cost of Rs. 119.66 crore and approved grant of Rs.50.00 crore. As per the scheme guidelines the stipulated timeline for completion of the project was 30 months

- from the date of final approval i.e. up-to 30.05.2018. The extended timelines for completion of project elapsed on 15.02.2020.
- iii. IA vide letter dated 24.05.2021, 27.09.2021 and 29.09.2021 has submitted their request for consideration of restoration of approved grant in aid of Rs. 50 Cr. i.e upward revision in grant-in-aid from Rs. 43.55 Cr. approved vide IMAC minutes dated 06.01.2020 to Rs. 50 Cr as per DPR and extension in the timelines till 31.12.2021 for completion of the Park respectively.
  - iv. In the IMAC dated 06.01.2020, the total project cost was revised to Rs. 112.94 crore as proposed by IA; wherein, out of the revised cost of Rs. 112.94 Cr, a total project of Rs. 93.63 Cr only was approved with an eligible project cost of Rs. 87.10 Cr and consequently grant was reduced from Rs. 50.00 crore to Rs 43.55 crore.
  - v. The revision in cost occurred due to increase in cost due to tendering process and dropping of few components (3PPCs. at Tadepalligudem, Sattenapalli, Ongole respectively and other components like milk chilling unit, insulated vans, collection vans and milk tankers at CPC were ) where in the cost was revised to Rs. 112.94 Cr. However, eligible total cost of Rs. 93.63 Cr only was considered by MoFPI against the revised cost.
  - vi. IA, being govt. agency, has requested to reconsider the revised project of Rs. 112.94 Cr on account of tendering procedure, increase in capacity of few components and few additional items; and restoration of earlier approved grant of Rs. 50 Crore.
  - vii. The proposal includes – revision in eligible total project Cost from Rs. 93.63 Cr to Rs. 112.94 Cr as per actual expenditure; approval of additional components in case of Miscellaneous Fixed Assets and approval of upward revision of capacity/qty for approved components i.e. weighbridge, boiler and forklift. The details of the revised approved cost, components and means of finances is mentioned in the agenda.

### **Decision of IMAC:**

After detailed deliberation, IMAC approved the revision in total project cost, total eligible project cost and total eligible grant as per agenda and extension of timeline for completion of project upto 31.12.2021.

### **Agenda Item No. 5**

**Request of M/s. Meghalaya Industrial Development Corporation Ltd., North Garo Hills, Meghalaya for according final approval to the MFP project in North Garo Hills, Meghalaya.**

IMAC noted that:

- a. M/s. Meghalaya Industrial Development Corporation Ltd., State Government entity (IA), has complied the conditions for final approval and requested for according final approval to the MFP project in North Garo Hills, Meghalaya. The

implementation of the project has been proposed in two phases as detailed in the agenda.

- b. TC has recommended this proposal for consideration for final approval with total project cost of Rs. 6586.80 Lakhs, total eligible project cost of Rs.6323.65 Lakhs & total eligible grant-in-aid of Rs. 4742.74 Lakhs to be implemented in two phases. The details phase wise is as per agenda.

#### **Decision of IMAC:**

After detailed deliberations, IMAC accorded final approval to the MFP project to be implemented by M/s. Meghalaya Industrial Development Corporation Ltd., in North Garo Hills, Meghalaya.

#### **Agenda Item no. 06**

**Request of M/s Telangana State Industrial Infrastructure Corporation Ltd. implementing the Mega Food Park project in Khammam District, Telangana for revision in DPR and extension of completion timeline for the project.**

IMAC noted that:

- a. IMAC during its earlier meeting held on 18.05.2020 has agreed for the revision in the originally approved DPR, if it was within the total outlay with no increase in originally approved grant and that in the case of projects implemented by Government entities, the increase in cost of a component as a result of transparent tendering process shall be permitted.
- b. M/s Telangana State Industrial Infrastructure Corporation Ltd., the Implementing Agency, (IA) vide letter dated 16.01.2021 has requested for change in processing components and reverting back to IQF with higher capacity (3 MT/Hr instead of 1.5 MT/Hr initially approved) instead of Aseptic line to enable the implementing agency to proceed further in completing the facilities at CPC. To enable the IA to proceed further with the implementation of the project, this change was permitted on file with the condition that complete revision in project would be considered on the basis of appraisal of revision in DPR by NABARD, the lending institution.
- c. TC, as per minutes dated 21.09.2021, was of the view that the revised cost of the various components shall be considered based on the input/appraisal by NABARD and decision of IMAC meeting held on 18.05.2020. Accordingly, recommended the revised total project cost as Rs.109.5896 Cr, total eligible project cost as Rs.99.59 Cr & total eligible grant-in-aid as Rs.49.79 Cr. The component wise details are as per agenda.

#### **Decision of IMAC:**

After detailed deliberations, IMAC approved revision in DPR as per agenda and extension of completion timeline for the project up to 31.12.2021.

## **Agenda Item no. 7**

**Promoter request for the extension of time up to September 2021 for 3rd installment and up to March 2022 for meeting the requirements of 4th installment for implementing the Mega Food Park of M/s Doys Agri Resources Pvt Ltd., Dimapur District, Nagaland.**

IMAC noted that SPV vide email dated 09.09.2021 had requested for extension of time till September 2021 for release of 3rd installment of grant-in-aid and extension till March 2022 in order to meet the requirements for the 4th tranche of grant. The SPV has mentioned that the delay was due to Covid-19 and other natural calamities (Flood and unprecedented rains including CAA/ CAB agitation in North East) in the area.

### **Decision of IMAC:**

After detailed deliberations, IMAC deferred the proposal to be placed in the next meeting.

## **Agenda Item No.8**

**Request of M/s. Wardha Mega Food Park, Wardha, Maharashtra for the extension of timeline of the project for availing the release of term loan from the lending bank.**

IMAC noted that:

- a. In the IMAC meeting dated 18.05.2020, 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 was 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 even after lapse of more than four years. AS&FA was requested to get the project audited.
- b. Based on the findings of audit, the show cause notice dated 01.06.2021 was issued. SPV has replied to the show cause vide their letter dated 17.06.2021.
- c. AS&FA observed that the reply of SPV to the audit observation/show cause notice is not convincing. Considerable amount of advance payment has been made to the contractors by SPV. He expressed the view that the project should be cancelled.
- d. SPV requested for extension of project timeline for reasonable period for obtaining loan from bank and implementing the project.
- e. Secretary, MOFPI apprised the IMAC that any extension of time to the project may be done only after taking a view on the allegation of fraudulent use of funds released by the MoFPI, by SPV since 2017. SS explained that the work undertaken by the SPV so far and the funds in the TRA account do not match with the funds provided by MOFPI and SPVs own contribution. Any decision on extension of project will require this mis-match to be resolved.

### **Decision of IMAC:**

IMAC deferred the proposal to be placed before the next IMAC meeting.

### **Agenda Item No. 9**

**Request of M/s. Himalayan Mega Food Park, Kashipur (Dist), Uttarakhand for according approval for (i) dropping of Collection Centres from approved components; and (ii) Extension of time till 30-11-2021 for completion of the project in Uttarakhand.**

IMAC noted that TC has recommended for dropping of 10 Collection Centers(CC) from the approved components of the project and extension of time up to 30-11-2021 for completion of the project and submission of the documents for final installment of grant as per scheme guidelines.

### **Decision of IMAC:**

After detailed deliberations, IMAC approved dropping of CCs and extension of timeline for project up-to 30.11.2021.

### **Agenda Item No. 10**

**Request of M/s. Zoram Food Park Private Limited implementing the Mega Food Park project at Khamrang, Kolasib District, Mizoram for Extension of timeline till completion of the project.**

IMAC noted that the SPV has not yet complied with the condition for allotment of 75% of SDF, 75% of the leasable lands and operationalization of 25% of the units & completion of PPCs and had requested for extension of timeline for completion of project as per guidelines.

### **Decision of IMAC:**

After detailed deliberations, IMAC decided to approve extension till 31<sup>st</sup> March 2022 to complete the project.

### **Agenda Item No. 11**

**Request of M/s. Gujarat Agro Infrastructure Mega Food Park Private Limited implementing the Mega Food Park project at Shah and Vasravi, Mangrol Taluka, District Surat, Gujarat for extension of timeline till January 31, 2022 for completion of the project.**

IMAC noted that SPV has requested for extension of timeline for completion of project till 31-01-2022 stating that the park is expected to complete in all respects by 31-12-2021 and would require additional one month for completion of documents. SPV has mentioned that delay has happened due to second wave of COVID and also due to temporary suspension of CEFPPC Scheme resulting in non-execution of registration of lease deeds by the units.

**Decision of IMAC:**

After detailed deliberations, IMAC approved extension of time till 31<sup>st</sup> March 2022 to complete the project.

**Agenda Item no. 12**

**To consider request of M/s Kerala State Industrial Development Corporation (IA), Pallippuram, Cherthala, Alappuzha dist, Kerala for extension of Project Completion Timelines upto 31.03.2022**

IMAC noted that the project was accorded Final Approval on 27.11.2015 and as per the scheme guidelines the stipulated timeline for completion of the project is 30 months from the date of final approval i.e. up-to 27.05.2018. The extended timelines for completion of project has elapsed on 31.08.2020. Further, IA has informed that all facilities shall be completed by March 2022 and requested for extension of project timelines.

**Decision of IMAC:**

After detailed deliberation, IMAC approved extension of the project timelines up till 31.03.2022.

**Agenda Item No. 13**

**Request of M/s Sukhjit Mega Food Park and Infra Limited at Phagwara, Punjab for release of 4<sup>th</sup> installment of grant and the extension of timeline up to the release of 4<sup>th</sup> installment of grant.**

IMAC noted that SPV vide their letter dated 20.09.2021 has requested for relaxation in condition for proof of allotment of at least 75% of total allottable plots as per DPR for release of 4<sup>th</sup> installment of grant-in-aid and for extension of timelines up to the release of 4<sup>th</sup> installment of grant.

**Decision of IMAC:**

After detailed deliberations, IMAC approved the extension of timeline up to March 2022 for completion of Park as per scheme guidelines.



## **Agenda Item No.14**

**Promoter request for the extension of time up to 15<sup>th</sup> February 2022 for submitting the final approval documents of M/s. Shree Ram Mega Food Pvt. Ltd., Bikaner, Rajasthan.**

IMAC noted that SPV vide letter dated 13.10.2021 has requested for extension of time till 15<sup>th</sup> February 2022 for submitting the final approval compliance documents stating the following reason for delay:

- I. CLU was delayed due to unavailability of Patwari. All work related to revenue department were on hold from February 2021 to July 2021.
- II. Due to covid-19 restriction, limited officers were available.

### **Decision of IMAC:**

After detailed deliberations, IMAC deferred the proposal to be placed in the next meeting.

The meeting ended with vote of thanks to the chair.

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