

MINUTES OF MEETING OF THE INTER - MINISTERIAL APPROVAL COMMITTEE (IMAC) CONSTITUTED UNDER THE SCHEME FOR INTEGRATED COLD CHAIN AND VALUE ADDITION INFRASTRUCTURE HELD ON 14.06.2019

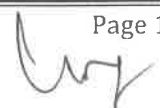
In continuation of IMAC meeting held on 12.06.2019 and 13.06.2019, a meeting of the Inter-Ministerial Approval Committee (IMAC) constituted under the Scheme of Integrated Cold Chain and Value Addition Infrastructure was held under the Chairpersonship of Hon'ble Minister, FPI on 14.06.2019 to consider the proposals received against the EOI dated 23.01.2019 for grant of financial assistance. The list of participants is at **Annexure-I**.

2. Ms. Reema Prakash, Joint Secretary & Convener of IMAC welcomed the Hon'ble Minister and other members of the Committee. IMAC considered 9 proposals pertaining to RTE, Fruits & Vegetables, Marines / Fisheries, and Dairy sector from states of Himachal Pradesh, Kerala, Karnataka, Punjab, Tamil Nadu & West Bengal and reviewed the recommendations made by the Technical Committee against each proposal.

3. The applicants were also invited to the IMAC meeting. The applicants or representatives of the proposals presented their case before IMAC and the eligibility criteria, marks obtained against each criteria & eligible grant were informed to them. The submissions/clarifications, if any, made by the applicants based on the interaction, have been factored into the final decision of the IMAC.

4. IMAC based on the deliberations, rejected 5 proposals as ineligible, details of which are at **Annexure-II**. IMAC referred back 4 proposals for re-consideration of TC. Details of proposals referred back to TC are at **Annexure-III**.

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

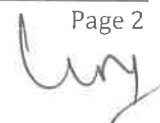


**List of participants of Inter-Ministerial Approval Committee (IMAC) meeting
Chaired by Hon'ble Minister (FPI) held on 14.06.2019 in Room No. 120, Panchsheel
Bhawan, August Kranti Marg, New Delhi.**

1. Hon'ble Minister, FPI - In Chair
2. Smt. Pushpa Subrahmanyam, Secretary, FPI
3. Shri Arun Kumar, AS&FA, FPI
4. Dr. Sreenath, Deputy Director, MPEDA, New Delhi.
5. Shri. Sandeep Sharma, DGM, NABARD, Mumbai.
6. Shri Tsewang Dorjey, Assistant Manager, NABARD, Mumbai
7. Shri. Anil Kumar Garvar, Director, Telangana State Food Processing Society,
Telangana.
8. Ms. Mercy Epao, M/o MSME, New Delhi.
9. Shri Karan Sharma, Manager, Grant Thornton
10. Shri Mandeep Ahuja, Manager, PWC
11. Shri Sandeep Bohra, Manager, IL&FS
12. Ms. Reema Prakash, JS, FPI – Convener

Officials in attendance:

1. Shri K.B. Subramanian, Director, FPI
2. Shri Girindra Joshi, Under Secretary, FPI
3. Shri Sanjay Gupta, SIO, FPI
4. Shri K.K.Aravindan, MO, FPI



Annexure-II (Part-I)

Details of proposals approved by IMAC as ineligible on 14.06.2019

Sr. no	Name of the Applicant	District	State	Sector	Project Cost (in ₹ lakh)	Grant Sought (in ₹ lakh)	Remarks for Rejection
1	M/s. Shivsakthi Milk Dairy	Erode	Tamilnadu	Dairy	1507.00	544.00	In-sufficient net worth
2	M/s. White Wave Milk Products	Mandi	Himachal Pradesh	Dairy	1772.74	1000.00	Insufficient net-worth, personal guarantee has been offered to the bank by Shri Rakesh Kumar (father of the promoter and proprietor of Kathpal dairy) who has already availed Grant from MoFPI under the cold chain scheme.
3	M/s. Bhairaveshwara Cool Point Private Limited	Bangalore	Karnataka	F&V	2506.15	866.28	Score less than the minimum required.



1. M/s Shivsakthi Milk Dairy, District- Erode, State- Tamilnadu

Shri S. Palanivel, Promoter of the applicant's firm attended the IMAC meeting held on 14.06.2019

IMAC noted that the proposal was considered in TC meeting held on 16.04.2019. TC has recommended that the same may be placed before IMAC as ineligible on account of not fulfilling the basic eligibility criteria as per 8(a)(ii) for minimum required net worth.

IMAC was apprised that as per the CA certificate submitted by the applicant, the total net worth of the partners is ₹1679.86 lakh; however, the applicant has not uploaded the land ownership documents with the proposal. Accordingly, the value of immovable properties has not been considered for determining the net worth of the applicant. Further, it was apprised that in the valuation report submitted by the applicant, the valuation of land and building has been carried out based on the market rates instead of circle rates notified by the concerned authority time to time.

Based on the supporting documents for movable assets submitted by the applicant, the net worth was determined by PMA as ₹486.41 lakh only which is less than the minimum required net worth of ₹816 lakh (1.5 times of grant sought).

Applicant informed the IMAC that the property ownership documents could not be uploaded due to heavy file size. However, IMAC observed that the applicant had the opportunity/option to contact the Ministry prior to submission of the application, hence, the applicants argument is not tenable.

In view of above, IMAC approved the recommendation of TC and rejected the proposal on account of not fulfilling the basic eligibility criteria for minimum required net worth as per 8(a)(ii) of scheme guidelines.

2. M/s White Wave Milk Products, Mandi, Himachal Pradesh

Shri Chandrasekhar, Partner in the applicant firm attended the IMAC meeting held on 14.06.2019.

IMAC noted that the proposal was considered in TC meeting held on 21.05.2019. TC has recommended that the same may be placed before IMAC as ineligible on account of insufficient net-worth {(Clause 8(a)(ii) of scheme guidelines} and the fact that personal guarantee has been offered to the bank by Shri Rakesh Kumar (father of the promoter and proprietor of Kathpal dairy) who has already availed Grant from MoFPI under the cold chain scheme {Clause 8(h)of scheme guidelines}.

IMAC was apprised that as per In-principle bank sanction letter from SBI submitted by the applicant, a personal guarantee has been extended by his father Shri Rakesh



Kumar who is also a beneficiary (through his firm M/s Kathpal Dairy) under Cold Chain Scheme of MoFPI. In this regard, IMAC was also apprised by PMA that as per the Circular dated 31.03.2017 Ref No 5-4/2017-Infra (ICC), a proposal from M/s Amar Bharat Fruit Co was considered ineligible by IMAC as a company which had already availed Grant from MoFPI, has offered its corporate guarantee against the term loan for the proposed project.

In addition to above, IMAC was further apprised that name of the partners was not appearing in some of Jamabandi/Revenue records available online for the land documents uploaded in support of net-worth. In case the value of such land and buildings appurtenant thereto is not considered then the applicant will not satisfy the net worth criteria. Additionally, major part of the net worth (approx. ₹12 crore) was on account of value of buildings for which the valuation reports attached do not have the photographs pertaining to the properties/buildings.

IMAC noted that a personal guarantee has been extended by his father Shri Rakesh Kumar who is also a beneficiary (through his firm M/s Kathpal Dairy) under Cold Chain Scheme of MoFPI. Therefore, applicant did not comply with Clause 8(h) of scheme guidelines.

Applicant informed the IMAC that they can now submit the Jamabandi/Revenue records for the land documents in support of net-worth and also the revised valuation reports with photographs of the buildings. However, IMAC did not accept any additional documents since proposal was already ineligible due to non-compliance under Clause 8(h) of scheme guidelines.

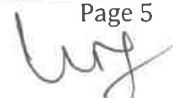
In view of above, IMAC approved the recommendation of TC and rejected the proposal on account of non-compliance of Clause 8(h) of scheme guidelines due to the fact that personal guarantee has been offered to the bank by Shri Rakesh Kumar (father of the promoter and proprietor of Kathpal dairy) who has already availed Grant from MoFPI under the cold chain scheme.

3. M/s Bhairaveshwara Cool Point Private Limited, Bangalore, Karnataka

Shri Brahmanand Rao, (GM) of the applicant firm attended the IMAC meeting held on 14.06.2019.

IMAC noted that the proposal was considered in TC meeting held on 10.04.2019 and TC recommended the proposal to be placed before IMAC as ineligible as marks obtained (46 marks) were less than the minimum required 60 marks as per clause 11.1 (b) of the scheme guidelines.

IMAC was apprised that the land has been leased by KMF to the Bhairaveshwara Cool Point Private Limited for the sole purpose of creation of a Deep Freezer having capacity of 3000 MT under Public Private Partnership (PPP) model. Since it is a PPP project and land has been allotted for a specific purpose, putting up any additional



component in the same land parcel would violate the terms of tender. Therefore, marks for land documents of proposed project were not awarded. In this regard applicant produced No Objection Certificate (NOC) issued by KMF for putting up any additional components along with deep freezer. In view of the NOC issued by KMF, IMAC awarded the marks under Criterion No 1(c) Status of project land being in possession of applicant and accordingly score was revised upward by 5 marks.

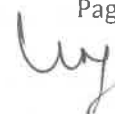
IMAC was further apprised that the applicant has uploaded a document in vernacular language as CLU, but it was noted that the document in vernacular language is the application for CLU, not grant of CLU. Hence, marks for CLU were not awarded by the TC. IMAC agreed with the view of TC and informed the applicant that no additional document can now be accepted for revision in marks.

IMAC was further apprised that considerable advances have been given to various contractors for civil work whereas as per the bank appraisal report M/s Chaitra Civil Ventures Pvt Ltd would be executing the civil work for the project. IMAC was informed that in case these advances are deducted from net worth, then the applicant shall become in-eligible under the net worth criteria. However, applicant clarified the IMAC that none of the advances have been given to any related party as per audited balance sheet submitted with application and M/s Chaitra Civil Ventures Pvt Ltd will not be undertaking the construction related work as the same has now been awarded to different parties. IMAC noted the submissions made by the applicant and accordingly directed not to deduct these advances for net worth calculation.

IMAC was further apprised that since location of Distribution Hub and cost of solar panel have not been mentioned anywhere in the DPR or Bank Appraisal note, marks cannot be awarded against these criteria. In this regard, IMAC observed that Distribution Hub has been proposed but location of Distribution Hub has not been identified which can be done later, therefore additional 5 marks were awarded against criterion no 5 'Proposed investment in cold chain components'.

With regards to Solar panel, applicant informed IMAC that cost of solar panel has been mentioned separately in CE Mechanical certificate and it is included in the project cost under cost of electrical items. IMAC noted that as per CE Mechanical, cost of solar panel is ₹276.35 lakh whereas cost of electrical items mentioned in project cost as per bank appraisal is ₹153.88 lakh only. Accordingly, IMAC decided not to award any marks against Criterion No 10 Use of renewable energy.

In view of above, IMAC rejected the proposal with revised score of 56 marks being less than the minimum requirement of 60 marks as per clause 11.1 (b) of the scheme guidelines.



Annexure-II (Part-II)

Details of proposals approved by IMAC as ineligible on 14.06.2019

Sr. no	Name of the Applicant	District	State	Sector	Project Cost (in ₹ lakh)	Grant Sought (in ₹ lakh)	Remarks for Rejection
1	M/s. Montana Estate Organic LLP	Thrissur	Kerala	Dairy	2040.00	762.00	Insufficient net worth



1. M/s. Montana Estate Organic LLP, Kerala

Shri Rajesh Menon, partner of the applicant firm attended the IMAC meeting held on 14.06.2019.

IMAC noted that the proposal has been considered in TC meeting held on 21.05.2019 and TC has recommended the proposal to be placed before IMAC as ineligible on account of not fulfilling minimum net-worth eligibility criteria, as per clause 8 (a) (ii) - one of the basic eligibility criteria as per scheme guidelines.

The representative of the applicant requested the IMAC to consider the "Compulsory Convertible Debentures" worth ₹5644.94 lakh (56449400 debentures of ₹10 each) towards the net worth of one of the partners i.e. M/s. Malabar Developers Pvt. Ltd, supported by the audited balance sheet for the Financial Year 2017-18.

IMAC noted that compulsory convertible debentures can not be considered for net-worth calculation of the applicant and approved the recommendation of the TC for rejection of the proposal on account of not fulfilling minimum net-worth eligibility criteria, as per clause 8 (a) (ii) - one of the basic eligibility criteria as per scheme guidelines.



Annexure-III (Part-II)

Details of proposals referred back by IMAC for reconsideration of TC on 14.06.2019

Sr. no	Name of the Applicant	District	State	Sector	Project Cost (in ₹ lakh)	Grant Sought (in ₹ lakh)	Remarks for Rejection
1	M/s. Anjali Hotels Pvt Ltd	Kanchipuram	Tamil Nadu	RTE	3235.00	1000.00	Referred back to TC
2	M/s. Shivani Convenience Foods Private Limited	Solan	Himachal Pradesh	RTE	7120.00	1000.00	Referred back to TC
3	M/s. Lyallpur Snack Foods	Ludhiana	Punjab	RTE	1641.51	780.00	Referred back to TC



1. M/s. Anjali Hotels Private Limited, Kerala

Shri Anshuman Paikray (banker of the applicant) attended the IMAC meeting held on 14.06.2019.

IMAC noted that the proposal has been considered in TC meeting held on 21.05.2019 and TC has recommended the proposal to be placed before IMAC as ineligible on account of not fulfilling the criteria of creating infrastructure at Farm Level Infrastructure (FLI) in the catchment area, as per clause 8 (k) duly supported by clause 4 (a) – one of basic eligibility criteria of the scheme guidelines.

The IMAC observed that the proposed FLI locations of the project are in Kannur district of Kerala and Pallavaram, Kanchipuram district of Tamil Nadu. However, as per the catchment area details provided in the DPR, all the proposed catchment areas i.e. Kadur, Tarikere, Mudigere, Koppa, Narasimharajapura, and Sringeri, Chikmagalur district and Kolar district, are in Karnataka (ref. pg. 17 of the DPR). Accordingly, none of the proposed FLI locations of Kannur and Pallavaram are in catchment area of the project.

IMAC further noted that as per the catchment area map provided in the DPR (pg. 24), the districts of Kerala, Karnataka and Tamil Nadu has been encircled as catchment area in the map of India.

IMAC noted that as the business model of the proposal is to supply RTE products to the Flight Catering, the raw material procurement may involve many items and require wider area of coverage. There is considerable production of raw material in the proposed locations of farm level infrastructure (Kannur district of Kerala and Pallavaram, Kanchipuram district of Tamil Nadu) also but the applicant has not mentioned the names of these locations as the catchment area. Accordingly, IMAC advised the representative to submit the raw material data for the catchment areas in the proposed FLI locations (Kannur district of Kerala and Pallavaram, Kanchipuram district of Tamil Nadu).

IMAC referred the proposal back to TC for re-consideration for evaluation, scoring and grant calculation, after receipt of the necessary raw material availability data from the applicant.

2. M/s. Shivani Convenience Foods Private Limited, Himachal Pradesh

Shri Navneet, representing the applicant firm attended the IMAC meeting held on 14.06.2019.

IMAC noted that the proposal has been considered in TC meeting held on 10.04.2019 and TC has recommended the proposal to be placed before IMAC as ineligible on account of not fulfilling the requirements of clause 4 regarding project components and clause 8 (d) regarding bank appraisal note of the scheme guidelines.

IMAC observed that the uploaded bank appraisal note is on the letter head of the bank and the stamp of the bank is also available on every page of the appraisal note. However, the same is not signed.

In view of the above, IMAC advised the division to get a confirmation from the lending bank regarding issue of the same appraisal note to the applicant on the said date for the purpose of availing the grant under Integrated Cold Chain and Value Addition Infrastructure Scheme of the MoFPI.

IMAC referred the proposal back to TC for re-consideration for evaluation, scoring and grant calculation, after receipt of the necessary clarification from the lending bank.

3. M/s. Lyallpur Snack Foods, Punjab

Shri Parveen Kumar, promoter and Shri Lavinder Singh of the applicant firm attended the IMAC meeting held on 14.06.2019.

IMAC noted that the proposal has been considered in TC meeting held on 21.05.2019 and TC has recommended the proposal to be placed before IMAC as ineligible on account of not fulfilling the basic eligibility criteria for minimum required net worth as per clause 8 (a) (ii) of the scheme guidelines.

The applicant clarified in the IMAC meeting that the names of the locations mentioned in the CA certificate (for the purpose of assessment of net worth) have been changed due to development of the area over a period of time and hence the same is not matching with the land documents uploaded towards net worth.

IMAC advised the representative to submit the certificate from the revenue authority with the correct address as per the records of revenue office for land documents with a confirmation that the addresses mentioned in the CA certificate and uploaded land documents submitted for net-worth assessment are same.

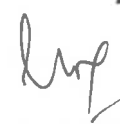
IMAC referred the proposal back to TC for re-consideration for evaluation, scoring and grant calculation, after submission of the necessary clarification from the revenue authority by the applicant.



Annexure-II (Part-III)

Details of proposals approved by IMAC as ineligible on 14.06.2019

Sr No	Name of the Project	State	District	Sector	Project Cost (in ₹ lakh)	Grant Sought (in ₹ lakh)	Remarks for Rejection
1	M/s. Kushal Polysacks Pvt. Ltd.	West Bengal	Kolkata	Fishery and Fruits & vegetables	2146.82	703.00	Non-submission of bank appraisal note and in-principle sanction

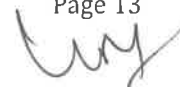


1. M/s Kushal Polysacks Pvt. Ltd.

Shri Dilber Ali, Representative of the applicant firm attended the IMAC meeting held on 14.06.2019.

IMAC noted that the proposal was considered in TC meeting held on 14.05.2019. Technical Committee recommended the proposal to be placed before IMAC as ineligible on account of non-submission of bank appraisal note and in-principle sanction, basic eligibility criteria [8(d)] and [8(b)] respectively as per scheme guidelines.

IMAC rejected the proposal on account of non-submission of bank appraisal note and in-principle sanction.



Annexure-III (Part-III)

Details of proposals referred back by IMAC for reconsideration of TC on 14.06.2019

Sr. no	Name of the Applicant	District	State	Sector	Project Cost (in ₹ lakh)	Grant Sought (in ₹ lakh)	Remarks for Rejection
1	M/s. Vishwas Milk Products Pvt. Ltd.	Punjab	Gurdaspur	Dairy	563.00	217.00	Referred back to TC



1. M/s Vishwas Milk Products Pvt. Ltd.

Shri Gaurav Arora, CA of applicant firm attended the IMAC meeting held on 14.06.2019.

IMAC noted that the proposal was considered in TC meeting held on 21.05.2019. Technical Committee recommended the proposal to be placed before IMAC as ineligible on account of net-worth criteria [8(a)(i)] one of the basic eligibility criteria as per scheme guidelines.

IMAC noted that the promoter submitted the provisional balance sheet dated 28.03.2019 without showing the revaluation reserve. Revaluation was done in May,2018, which is required to be incorporated in forward going balance sheet of the company. The forward going year was 2018-19. IMAC noted that the applicant has submitted the supporting documents like CA certificate, land documents and circle rates. Hence, the committee advised to consider the documents with regards to the revaluation of the land as submitted by the applicant for net worth. IMAC advised that the TC may relook the proposal and place the agenda in next meeting.

IMAC directed the applicant to provide the following documents: -

- Revised bifurcated CE Civil Certificate
- Revised bifurcated capacity wise CE Mechanical Certificate

