

Minutes of meeting of Inter Ministerial Approval Committee (IMAC) for the scheme of Cold Chain, Value Addition and Preservation Infrastructure held on 04.08.2016

A meeting of Inter-Ministerial Approval Committee (IMAC) constituted under Scheme for Cold Chain, Value Addition and Preservation Infrastructure was held on 04.08.2016 at 4:30 PM under the Chairpersonship of Hon'ble Minister, FPI.

2. The list of participants is at **Annexure-I**.
3. At the outset, Joint Secretary and Convener of IMAC welcomed the Hon'ble Minister and other members of the Committee. Thereafter, the IMAC discussed and deliberated each agenda item. Following decisions were taken:
4. **Agenda Item No. 1: Action Taken Note on the Minutes of IMAC Meeting held on 23.06.2016**

IMAC noted the actions taken on the decision of the IMAC in its meeting held on 23.06.2016. It was decided that Ministry would take follow up action for organizing a conference on food irradiation and for undertaking the study on Cold Chain requirement for milk processing.

Chairperson directed that possibility may be explored for use of agri-waste in food parks for generation of electricity, ethanol production, etc., so as to implement the objective of Waste to Wealth.



5. Agenda Item No. 2: Recommendations of Committee of Independent Monitors (CIMs) on the representations made by ineligible applicants of integrated cold chain projects and decision of the Ministry thereon-approval of appraisal / scoring / grant calculation of proposals considered eligible

Ministry of Food Processing Industries had issued an Expression of Interest (Eoi) on 02.12.2013 inviting proposals from the prospective entrepreneurs for setting up of integrated cold chain projects under the scheme for Cold Chain, Value Addition and Preservation Infrastructure with the financial assistance of the Ministry.

b. The recommendations of Technical Committee (TC) on each proposal were placed before Inter-Ministerial Approval Committee (IMAC) for consideration/approval. The IMAC after considering in detail the recommendations of TC in respect of each case approved 36 proposals as eligible. Of these, 30 proposals in order of merit were approved for grant-in-aid based on availability of vacant slots. Remaining 6 proposals have been kept in the wait list.

c. In accordance with the grievance redressal mechanism laid down in the Ministry's OM Dated 17.11.2014, an opportunity was provided to the ineligible applicants, that they may submit their representations, if they were not satisfied with the Ministry's decision regarding their ineligibility, for referring the same to the Committee of Independent Monitors (CIMs).

d. The Ministry received 60 representations from the ineligible applicants which were referred to CIMs for their independent assessment and recommendations, if any. After going through the representations and personal hearings wherever sought for by the applicants, the CIMs submitted their report on 22.09.2015. Two of the applicants i.e. M/s Unique Structures & Towers Ltd., Durg, Chhatisgarh and/s Zofresh Food, Aizwal, Mizoram withdrew their representations subsequently.

e. The summary of recommendations of CIM in respect of 58 cases are as follows:

S. No.	Recommendations of CIM	No. of Cases
1.	CIM agreed with the decision of the IMAC.	29
2.	CIM agreed with the decision of the IMAC but have recommended (i) proportionate reduction in grant based on reassessed reduced net worth or (ii) reassessment of the eligibility.	8
3.	CIM have not agreed with the decision of the IMAC and have recommended reassessment of net worth and proportionate reduction in grant.	5
4.	CIM have not agreed with the decision of the IMAC and have declared the proposal eligible.	5
5.	CIM have not agreed with the decision of the IMAC and have recommended consideration of post EOI submission of documents such as bank appraisal, CA certificate, balance sheet, land documents etc. for reassessing the eligibility.	9
6.	CIM have recommended review of the case as the project is proposed to be set up in remote area (North East).	2
Total		58

f. As per the provision laid down in the para-5(vii) of the O.M. dated 17.11.2014, a joint review meeting was held with the CIMs by the Ministry on 29.12.2015 on the recommendations with reference to the decision of the IMAC. Based on the discussions in the meeting, it was decided that the Ministry would re-examine each case. Accordingly, all the 58 cases were re-examined. The re-examination was based on the premise that post-EOI submission of documents for determining basic eligibility viz. bank appraisal note, term loan sanction letter, CA Certificate towards net worth etc. which were required to be submitted along with the proposal, may not be considered while ascertaining the eligibility of the proposals. The CIM's recommendation regarding proportionate reduction of grant wherever the re-assessed net worth is falling short of required net worth also could not be accepted as scheme guidelines do not have any such provision. Besides proportionate

reduction in grant may affect viability of the project and may also invite legal complications.

g. The matter was placed before the Hon'ble Minister, FPI for consideration and decision. The Hon'ble Minister, FPI has decided that based on the recommendations of the CIM, there are 4 cases in which the applicants are found to be meeting the eligibility criteria as on the date of submission of EOI viz (i) M/s Pal Frozen Foods, Uttarakhand, (ii) M/s Rishi Ice & Cold Storage, Maharashtra, (iii) M/s Pulkit Fresh and Healthy, H.P. and (iv) M/s Trimurti Foodtech Pvt. Ltd., Maharashtra. The Hon'ble Minister, FPI has further decided that these 4 cases may be evaluated and a consolidated revised waiting list may be prepared including these 4 proposals and the 6 cases earlier found eligible by IMAC.

h. Of the 4 cases found to be eligible as above, proposal of M/s Pulkit Fresh and Healthy, H.P. had already been evaluated by the TC in its meeting held on 05.03.2015. The evaluation, marking and grant calculation in respect of M/s Pal Frozen Foods, Uttarakhand, M/s Rishi Ice & Cold Storage, Maharashtra and M/s Trimurti Foodtech Pvt. Ltd., Maharashtra was considered by the TC in its meeting held on 14.07.2016 under the Chairpersonship of Joint Secretary, FPI.

i. It had come to the notice of the Ministry that M/s Trimurti Foodtech Pvt Ltd., Ahmednagar has been assisted in the past by Department of Agriculture, Cooperation & Farmers Welfare under the Mission for Integrated Development of Horticulture (MIDH)- National Horticulture Mission (NHM) for grant-in-aid of Rs. 116.70 lakh for setting up cold chain components. Out of 4 proposals considered eligible for evaluation / appraisal as mentioned above two proposals viz. M/s Trimurti Foodtech Pvt Ltd., and M/s Rishi Ice & Cold Storage Pvt Ltd., were expansion projects, therefore, it was decided that information relating to grant of subsidy, if any, availed by these projects under MIDH or any other scheme may be sought.

j. Department of Agriculture, Cooperation and Farmers Welfare intimated that NHM in its meeting held on 24.03.2011 had approved the project of M/s Trimurti Foodtech Pvt.



Ltd., Ahmednagar, Maharashtra with total project cost of Rs. 851.33 lakh and admissible cost of Rs. 291 lakh [subsidy component Rs. 116.7 lakh]. As regards the proposal of M/s Rishi Ice & Cold Storage Pvt. Ltd. the department informed that they do not have any information. However, they have referred the case to State Horticulture Mission, Maharashtra for inputs.

k. Accordingly, while recommending the proposals inter alia, of M/s Rishi Ice & Cold Storage Pvt. Ltd. and M/s Trimurti Foodtech Pvt. Ltd to be placed before IMAC for approval, Technical Committee has directed as follows:-

(a) Case of M/s Rishi Ice & Cold Storage Pvt. Ltd.

“The Ministry may obtain confirmation from State Mission Director (Maharashtra) (MAIDC) regarding details of financial assistance, if any, sanctioned under MIDH or any other scheme for the project.”

(b) Case of M/s Trimurti Foodtech Pvt. Ltd.

“The Ministry may obtain confirmation from State Mission Director (Maharashtra) (MAIDC) regarding details of financial assistance, if any, sanctioned under MIDH or any other scheme for the project and

The State Mission Director, NMFP (MAIDC) may give details of existing infrastructure and their linkage/overlap, if any, with the proposed facilities.”

l. In compliance of aforementioned directions of Technical Committee (TC) the division had requested Maharashtra Agro Industries Development Corporation Ltd.,(MAIDC) to provide details of components sanctioned and grant released, if any, under MIDH or any other scheme to these two projects. They were requested to give details of existing infrastructure and their linkage / overlap, if any, with the proposed facilities.

The Maharashtra Agro Industries Development Corporation Ltd., Mumbai vide letter dated 03.08.2016 informed that they had visited the project site of M/s Rishi Ice & Cold Storage Pvt. Ltd., New Mumbai and M/s Trimurti Food Tech Pvt. Ltd., Ahmednagar. The promoter of M/s Rishi Ice & Cold Storage Pvt. Ltd., informed that the unit has not received grant from any Govt. department. MAIDC has also stated that State Mission for Integrated Development of Horticulture (MIDH) vide letter no. 2667 dated 03.08.2016 informed that the unit has not received grants from MIDH.

As regards, M/s Trimurti Food Tech Pvt Ltd. Ahmednagar, MAIDC have informed that State MIDH has granted subsidy of Rs. 116.70 lakhs for old unit and the project has not applied for new unit.

The representatives of MAIDC apprised the IMAC that both the projects have not yet commenced implementation of the cold chain project for which grant had been sought from MOFPI and are awaiting the decision of the Ministry with regard to eligibility or otherwise.

m. Joint Secretary and Convener of IMAC apprised the Committee that while evaluating/appraising the proposals received against the EOI, the Technical Committee had adopted certain principles in its initial meeting held on 27.02.2015 in connection with eligibility and award of scores. Same principles have also been adhered to while evaluating three proposals as mentioned above.

n. The recommendations of the Technical Committee regarding award of marks, grant calculation in respect of all four cases is at **Annexure-II**. A consolidated wait list of all 10 (Ten) eligible proposals is also placed below at **Annexure-III**.

o. Decision

After detailed deliberations IMAC approved the:-



- (i) Marks awarded; project cost (total and eligible) and grant recommended by TC in respect of (a) M/s Pal Frozen Foods, Uttarakhand; (b) M/s Rishi Ice & Cold Storage, Maharashtra; and (c) M/s Trimurti Foodtech Pvt. Ltd., Maharashtra as per details mentioned in **Annexure - II**.
- (ii) Proposals of (a) M/s Pulkit Fresh, Himachal Pradesh, (b) M/s Rishi Ice & Cold Storage Pvt. Ltd., Navi Mumbai, Maharashtra, (c) M/s Trimurti Food Tech Pvt. Ltd. Ahmednagar, Maharashtra and (d) M/s Pal Frozen, Uttarakhand, in order of merit, for grant-in-aid for integrated cold chain projects under the scheme for Cold Chain, Value Addition and Preservation Infrastructure against four vacant slots. Revised consolidated wait list containing names of 10 proposals is at **Annexure-III**.

IMAC further directed that before issue of approval letter, a pre joint inspection may be carried out in respect of proposal of M/s Trimurti Food Tech Pvt. Ltd. Ahmednagar, Maharashtra to ascertain that they will not be availing grant from MOFPI against any of the infrastructure already created / component of the projects, for which they had availed subsidy from M/o Agriculture, GOI or the State Govt. MAIDC will also be associated in the Joint Inspection along with the representatives of lending Bank, MIDH and PMA.

Agreed

6. Agenda Item No. 3: Cancellation of the integrated cold chain project of M/s Anandum Agro Tech (P) Ltd., Chandigarh approved under the Scheme of Cold Chain, Value Addition and Preservation Infrastructure

IMAC noted that the proposal of M/s Anandum Agro Tech (P) Ltd. was approved on 25.03.2015 for setting up integrated cold chain project. The approval letter to the project was issued on 22.05.2015 for financial assistance of Rs. 1000 lakh.

b. IMAC noted that the promoter was required to submit the documents for release of 1st installment on or before 21.02.2016 in compliance to para 2 (b) of the approval letter dated 22.05.2015. However, the promoter vide letter dated 18.02.2016 requested for extension of time of 12 months to submit the documents for release of 1st installment of grant. The promoter has informed that he had signed MoU with Government of Punjab during Progressive Punjab Summit-2013 and accordingly submitted the proposal to Punjab Bureau of Investment Promotion on 03.07.2014 to set up the project at the defunct unit of MARKFED situated at Modern Rice Mill, Rajpura. The promoter has also enclosed a copy of letter dated 02.02.2016 from Shri Ravinder, Director, DIPP, Ministry of Commerce and Industry, GoI addressed to Chief Secretary, State Govt. of Punjab and Managing Director & CEO, Invest India requesting to expedite the matter. The promoter has stated that in spite of the all the efforts made by him, the land has not yet been released/transferred in the name of M/s Anandum Agro Tech (P) Ltd. The promoter has informed that several proposals for purchase of private land are at various stages of negotiation and will be finalized as early as possible.

d. Based on the submissions made by the promoter to the Ministry, the then Secretary, FPI had sent a DO letter dated 22.09.2015 to Chief Secretary, Punjab, to expedite allotment of land in favour of M/s Anandum Agro Tech (P) Ltd. This was duly acknowledged by Punjab Govt. M/s Anandum Agro Tech (P) Ltd. also sent 2 Grievances through PM's office PG Portal, which have been forwarded to State Mission Director for taking necessary action.



e. Accordingly, the matter was placed before IMAC in the meeting held on 17.03.2016 for extension of time of 12 months to the promoter to enable him to submit the documents for release of 1st installment of grant. During the IMAC meeting, representative of Department of Food Processing, Punjab intimated that the Hon'ble Chief Minister, Punjab vide letter dated 22.07.2015 addressed to Hon'ble Union Minister for Road Transport, Highways and Shipping had informed that the site of Modern Rice Mill, Rajpura is owned by Punjab State Cooperative Supply and Marketing Federation Ltd. (MARKFED) and its premises are being utilized exclusively for storage of food grains. In the said letter it has been mentioned that M/s Anandum Agro Tech (P) Ltd. have been advised to set up their cold chain project in the upcoming Mega Food Park at Ladhowal, Ludhiana and contact Punjab Agro Industries Corporation Ltd. for further details regarding allotment of land in the Park. Assistant General Manager (Projects), Punjab Agro Industries Corporation Ltd., Chandigarh vide letter dated 08.09.2015 informed Shri Nitin Gadkari, Minister of Road Transport, Highways & Shipping and the promoter respectively that the Modern Rice Mill, Rajpura is being utilized by the MARKFED for storage of foodgrains, hence it was not possible to spare this land. However, M/s Anandum Agro Tech (P) Ltd. was advised to set up the project in the Mega Food Park, Ladhowal, Ludhiana.

f. Projects Division of Punjab Agro Industries Corporation Ltd.(PAIC) vide letter no. PAIC:PJD:Anandum 2015: 167 dated 08.09.2015 had also informed above facts to the promoter and intimated that it was not possible to spare the land of Modern Rice Mill, Rajpura for setting up integrated cold chain project. The PAIC had suggested to the promoter to consider setting up integrated cold chain project in Mega Food Park at Ladhowal, Ludhiana and invited him to discuss the matter.

g. IMAC noted that the promoter did not apprise the Ministry of aforementioned developments. During the review meetings held on 09.09.2015 and 08.01.2016 when the promoter was also present, aforementioned facts were not brought to the notice of the Ministry.

h. After considering all facts of the case, the IMAC in the meeting held on 17.03.2016 had directed to issue a show cause notice for cancellation of the

Anand

integrated cold chain project of M/s Anandum Agro Tech (P) Ltd. Accordingly, a show cause notice was issued to the promoter on 30.03.2016 as to why the approval granted to the project may not be cancelled as they have concealed material information from the Ministry in connection with implementation of the project.

i. In response to show cause notice, the promoter vide letter dated 07.06.2016 has intimated that *"despite all the sincere efforts which are evident from the above sequence of events. and in response to this SHOW CAUSE NOTICE, we would be very humbly keen on advice of this Hon'ble Ministry to surrender the sanction/ allotment of this Integrated Cold Chain as it is assuredly unviable to setup the same on a green field basis through acquisition of private land in Punjab, which would also require a multitude of permits/sanctions/license from innumerable departments of Govt. of Punjab"*.

j. Decision

After considering aforementioned facts and circumstances, IMAC approved the following:-

- (i) Withdrawal of the proposal by M/s Anandum Agro Tech (P) Ltd. for setting up integrated cold chain project; and
- (ii) Forfeiture of Earnest Money of Rs. 1 lakh deposited along with the Eol by M/s Anandum Agro Tech (P) Ltd.



7. Agenda item No. 4: The Proposal of M/s Western Hill Foods Ltd. for Extension of time up to July, 2016

The IMAC noted that the proposal of M/s Western Hill Foods Ltd. was approved by the Approval Committee in its meeting held on 28.06.2012 for grant-in-aid of Rs. 786.04 lakhs for setting-up of following integrated cold chain facilities at Sy. No. 477,478, Village Thorandale, Taluka Ambegaon, Dist. Pune, Maharashtra:-

- IQF -7500 MT/annum
- Export – 4000 MT/annum
- Fresh Processing Division -360 MT/annum

b. The IMAC also noted that subsequently, the IMAC in its meeting held on 19.08.2013 had approved the revised project cost, means of finance change in lending bank, change in capacities of spiral freezer from 1000 Kg /hr to 500 kg/hr. and frozen product store from 2000 MT to 1000 MT and reduction in grant from Rs. 786.04 lakh to Rs. 767.64 lakh.

c. The IMAC further noted Approval letter to M/s Western Hill Foods Ltd was issued on 31.07.2012. National Horticulture Board (NHB) is the Programme Management and Implementing Agency (PMIA) in this case. Subsequently, the AC in its meeting held on 19.08.2013, approved reduction in eligible grant from Rs. 786.04 lakhs to Rs. 767.64 lakhs. The 1st& 2nd instalments of grant of Rs 191.91 lakh & Rs. 383.82 lakh, respectively were released to the project on 09.09.2013 and 25.08.2014 respectively. The 18 months period for the project expired on 30.01.2014. The applicant vide letter dated 16.11.2013 had requested for grant of extension for one year i.e. 30.01.2015 for achieving completion. The AC in the meeting held on 10.01.2014, approved the extension of timeline by six months i.e. till 30.07.2014 (24 months from date of approval). Further, the applicant vide letter dated 16.06.2014 requested for time extension for another six months beyond 30.07.2014. IMAC in the meeting held on 25.07.2014 acceded to the request of the applicant and granted extension of time upto 31.01.2015 for completion of the project. Further IMAC in it's meeting held on 09.11.2015 had approved an extension of timelines till February 2016 for implementation of the project.



d. The IMAC further observed that the applicant vide letters dated 27.02.2016 had requested for extension of timeline till *July 31st 2016*. The letters dated 27.02.2016 and 17.06.2016 mention that the 3rd installment claim was delayed due to delay in disbursement of loan amount to the suppliers by the lending bank. The applicant has also enclosed the letters from the lending bank (Andhra Bank) certifying the advance payments along with proofs of payments to various suppliers of the machineries.

e. It was noted by the IMAC that in bank letter dated 26.02.2016, it is mentioned that the bank had already sanctioned the 2nd phase loan of Rs 454.78 lakhs to the applicant and the applicant had successfully installed the IQF line by availing Rs 1458.18 lacs of 1st phase loan. Further, the letter also mentions that a few items could not be purchased because of escalation of some works. The letter also mentions that an advance of Rs 245.29 lakhs has been paid to the suppliers (supported by statement of account from the bank) and the remaining balance payable is Rs 141.93 lakhs. Further, LCs against the suppliers: M/s URCHHEL ASIA PTE LTD for 50265.75\$ and DC System Insulation for 45000 Euro would be opened shortly. The bank statements as on 26.02.2016, have also been enclosed showing the payments to various suppliers like: M/s Cold Products Engineering Pvt Ltd of Rs 136.80 lakhs, M/s Atharva Enterprises of Rs 39.46 lakhs, M/s Kailash Enterprises of Rs 28 lakhs, M/s Kulswamini Engineers of Rs 25.94 lakhs, M/s Abhinav Popcorn of Rs 13.61 lakhs and M/s Longoman Energy Pvt Ltd. of Rs 1.94 lakhs.

f. The IMAC noted that a review meeting under the Chairpersonship of Hon'ble Minister (FPI) was held on 10.03.2016. During the meeting *"it was noted that IMAC on 09.11.15, had granted extension to the project till Feb 2016. Promoter informed during meeting that they have purchased P&M in two phases – in 1st phase they had ordered IQF which is operational and in 2nd phase they have ordered imported machineries such as spiral freezer, trolley freezer and dicer for which orders have been placed and delivery of the same at site is expected in a month's time. The promoter informed that delay was due to sanction of bank loan which has been released on 26.02.2016. The promoter requested for extension till end of July, 2016 to complete the project. It was decided that PMA and PMIA would carry out site inspection at the earliest to ascertain the status of implementation of the project and*

would also satisfy themselves about the due diligence carried out by the promoter in obtaining bank loan for the project.”

g. The IMAC was informed that accordingly, the joint site inspection was carried out on 26.05.2016, along with the representatives of NHB, Pune, Andhra Bank, CAMP Pune, Ministry of Food Processing Industries, GoI, and PMA in presence of Director of the company. The JIT observed that the work for the cold chain facility has been completed including all the civil works for the utility areas such as: utility area, boiler room, transformer room, WTP, ETP. The P&M for IQF line, IQF tunnel freezer, fruit pulping line, frozen cold storages, refrigeration system for cold storage and IQF (tunnel freezer) was found installed and operational. Orders for trolley freezer, spiral freezer, dicer & slicer have been placed and advance payments have also been made. However, ordered machineries has not yet been received at site. The promoter informed that the machineries are ready and will be dispatched after payment of balance amount to the respective suppliers through bank. The representative of the bank informed that disbursement of remaining amount of term loan will be made after repayment of over dues of Rs 70 lakhs.

h. It was noted by the IMAC that the promoter had intimated that the civil work for the 3 collection centers along with the sheds are complete and the lease agreements for all the 4 collection centers are in place. A water tank of 5.4 lakh liter capacity was constructed at site. The joint site inspection team also reported that the total term loan sanctioned for the project is Rs 1912.97 lakh out of which Rs 1458.98 lakh has been disbursed to the project till 1st Oct, 2014. The 2nd phase term loan of Rs 454.78 lakhs has been sanctioned, out of which Rs 288.8 lakhs has been as disbursed as advance payments to various suppliers of P&M. The representative of the bank also informed the JIT that originally Phase –I (Rs 1458.18 lakhs) and Phase -II (Rs 454.78 lakhs) has been sanctioned to the applicant. The Phase – I term loan was completely disbursed on 1st October, 2014 and the sanction for Phase –II term loan was lapsed so it required a further revalidation. The promoter has applied for revalidation of Phase-II term loan on 10.09.2015. The bank had considered and approved revalidation of the same and disbursed Rs 288.8 lakhs till 31st March, 2016.



i. The IMAC also noted that with regard to the repayment status of Phase –I term loan, the representative of the bank informed that Rs 13.19 crore is outstanding loan as on 19.05.2016 with overdue amount of around Rs 70 lakhs. The representative further intimated that the account of the promoter is standard and not NPA as on date. The bank has also extended cash credit limit of Rs 300 lakhs for the project.

j. The IMAC further noted that now the promoter vide letter dated 17.06.2016 has mentioned that they have cleared overdue amount of Rs. 70 lakh to Andhra Bank. The bank has released balance loan of Rs. 454.78 lakh on 01.06.2016 to machinery suppliers. Installation work of domestic machinery is in progress. Imported machinery was expected to arrive at factory by 10th July, 2016, which was to be installed by 15th July, 2016. A letter dated 17.06.2016 from Andhra Bank has also been forwarded by promoter, which confirmed that M/s Western Hill Foods Ltd. has cleared overdue amount of Rs. 70 lakh which were reported at the time of Joint Inspection on 26.05.2016. The bank has also released balance loan amount of Rs. 454.78 lakh directly to machinery suppliers on 01.06.2016. In view of this the promoter has requested for extension up to 31st July, 2016 for submission of 3rd installment claim. The IMAC was also informed that the promoter has now submitted the documents for release of 3rd instalment on 27.07.2016 which are under scrutiny.

k. It was noted by IMAC that in case of M/s Inkal Ventures, Kerala, M/s Dodla Dairy, Andhra Pradesh, the projects have been granted extension of time beyond 24 months on case to case basis. In the instant case it may be seen that due to delay in disbursement of loan as stated by the applicant in the review meeting, he could not complete the project in time. Now the bank has released the loan and promoter has submitted the request for release of 3rd instalment of grant on 27.07.2016.

I. Decision

After detailed deliberations, the IMAC approved the extension of timeline for completion of the project till July 31st 2016.



8. Agenda item No. 5: Revision of grant-in-aid of M/s Revati Commercial Pvt. Ltd., Hooghly, West Bengal

IMAC noted that the approval letter dated 28.05.2015 for grant-in-aid of Rs. 737.64 lakh was issued to M/s Revati Commercial Pvt. Ltd. for setting up integrated cold chain project at Hooghly, West Bengal. 1st, 2nd and 3rd installments of grant of Rs 183.34 lakh, Rs. 366.68 lakh and Rs. 165.00 lakh was released to the promoter on 16.10.2015 , 23.12.2015 and 29.06.2016 respectively.

b. IMAC noted that as per the condition of approval letter, before release of 3rd & final installment of grant-in-aid, eligible grant-in-aid for the project is re-calculated based on the cost given in the DPR/appraised by the bank /actual cost incurred, whichever is less, of the items/components approved by Ministry for the project. Based on the documents submitted, physical verification by Joint Inspection Team and information provided by the applicant, the eligible grant for the project has been re-calculated as Rs. 715.02 lakh, which is less than the approved grant of Rs. 737.64 lakh. The reduction in eligible grant is mainly on account of not setting up of some of the components and reduction in area of packing & distribution. The detailed revised grant-in-aid calculation sheet is at **Annexure-IV**.

c. Approval Committee in its meeting held on 10.01.2012 approved that *“cases wherein there is a reduction of grant amount, installments of grant may be released after obtaining concurrence of IFD and AC may be appraised of the final reduced grant at the time of release of 3rd installment”*.

d. Decision

The IMAC took note of the revised grant and approved the final grant amount to Rs.715.02 lakh from Rs. 737.64 lakh for the project of M/s Revati Commercial Pvt. Ltd., Hooghly, West Bengal.



9. Agenda item No. S-1: Consideration of approval for recall of grant of M/s M J Logistic Services Ltd., District: Palwal, Haryana

The IMAC noted that the proposal relates to consideration of IMAC for directing the promoter to return additional grant released to the integrated cold chain project of M/s M.J. Logistics Services Ltd., Palwal, Haryana on account of non-setting up all the project components as approved by the Ministry.

b. The IMAC also noted that the proposal of M/s M.J. Logistic Services Limited was approved in Approval Committee (AC) meeting held on 28.05.2012. for grant-in-aid of Rs.1000.00 lakh for setting up of integrated cold chain project at Village Aurangabad, Tehsil Hodal, District Palwal, Haryana. After issue of approval letter, the file was transferred to National Horticulture Board – which is the Programme Management and Implementing Agency (PMIA) in this case, for taking further actions like monitoring and release of financial assistance.

c. The IMAC was informed that at the time of initial grant calculation, some components were considered eligible as detailed item wise, cost break-up was neither provided in the DPR nor in bank appraisal. Later on detailed item wise cost break-up were received from the promoter. Accordingly, the PMIA (NHB) had recalculated the grant amount at Rs.763.77 lakh against Rs.1000 lakh approved earlier. This was considered and approved in the AC meeting held on 14.06.2013. 1st and 2nd installment of grant-in-aid has been released to the project through NHB on 26.07.2013 and 20.08.2014 respectively.

d. The IMAC noted that the project was supposed to achieve completion on 31.01.2014. The project has been granted various extensions from time to time by the IMAC for achieving completion. The promoter vide letter dated 30.07.2015 again sought time extension till 31.10.2015 and also requested for approval of change in components as he proposed not to set up IQF and sorting, grading line. Instead, the promoter informed that steel tables, metal detectors, weighing scales and automatic sealing machines were proposed to be installed and had also requested that certain components which were made in-eligible, are very much required for a cold chain

infrastructure. Such components include fire protection system, approach roads, design and project management fees, contingencies, storage and preservation infrastructure.

e. The IMAC was informed that during the review meeting convened under the Chairpersonship of JS(AP) on 29.09.2015, the Promoter had informed that the project is operational and some of the approved project components such as IQF and sorting & grading line will not be installed. The Promoter had also informed that reefer vans have already been purchased and documents, along with revised project components and actual expenditure incurred, for release of 3rd Installment of grant would be submitted to Ministry/NHB by 15.10.2015. After detailed discussion, the Promoter was apprised that approval of change in components can be considered only after component wise details are received. Ministry also apprised the Promoter that such revision in project components may result in grant recall.

f. The IMAC noted that the applicant had submitted the request for release of 3rd installment of grant on 19.10.2015. It was observed that as per the CA certificate (dated 13.10.2015) from CA Navdeep Gupta of M/s AHPN & Associates (membership number 091938) submitted by the applicant, Rs. 1484.45 lakhs (against the revised approved cost of Rs. 2138.08 lakh) have been utilized towards implementation of the project. Based on CA certificate it was noted that there is a significant *downward revision* of the project cost since the applicant had not installed many of the eligible components such as IQF and approved no. of reefer vehicles (5 reefer vehicles have been shown to be purchased against 13 approved).

g. The IMAC further noted that due to non-submission of requisite documents reflecting approved component wise details with capacities and cost vis-à-vis revised component wise details to enable the Ministry to arrive at final grant calculation, despite repeated reminders, the promoter was issued a show cause notice dated 21.01.2016 as to why the approval granted to the project may not be cancelled and the grant already released should not be recovered.

h. It was noted by the IMAC that in response to the show cause notice the promoter vide letter dated 01.02.2016 inter alia, submitted that there was no



condition that any of the components /plant and machinery which were given in the proposal and which has been approved, could later be treated as ineligible. There was also no condition that in case an applicant did not install any one part of the plant, the entire subsidy would be recalled. The letter also mentioned that as per approval letter, before the release of the 3rd installment of grant in aid, eligible grant in aid for the project would be recalculated based on proposed/reappraised /actual cost whichever is less meaning thereby that in case the actual amount spent was less than the proposed/appraised amount, grant-in –aid would be paid on the lower of the amounts. This means that the possibility of a situation where the lower of grant-in –aid would be paid was always in the contemplation of the Ministry. In view of this, the applicant has mentioned that a downward revision of the project should not disentitle the applicant from the entire grant. The applicant had requested the Ministry, to recalculate the final grant amount based on the actual expenditure incurred by the company for the cold storage project and to withdraw the show cause notice.

i. The IMAC also noted that based on the documents submitted by the applicant vide letter dated 01.02.2016, the final eligible grant for the project was recalculated by the PMA as Rs **393.227** lakhs against earlier approved grant of Rs 763.77 lakhs.

j. The IMAC was further informed as the 1st and 2nd installments of grant of Rs. 572.82 lakhs have already been released for the project based on the approved grant of Rs. 763.77 lakhs, the PMA recommended the Ministry to recover an amount of about **Rs. 179.593** lakhs (along with interest as per the condition in the surety bond) from the promoter subject to joint site inspection for ascertaining the physical progress of the project.

k. It was noted by the IMAC that during the review meeting held on 11.03.2016 under the Chairpersonship of Hon'ble Minister, the promoter informed that he had realigned the project components to ensure the viability of the project. The promoter also requested that for certain components like material handling equipments and storage system (pallets, crates etc.) which were initially included in the approval letter but were subsequently disallowed by the Ministry, since, the expenditure was

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already incurred based on the initial approval, grant for such components may be allowed. The promoter was informed that the grant will be recalculated after conducting joint inspection of the project. PMA and PMIA were asked to undertake the joint inspection to ascertain the physical and financial status of the project.

I. The IMAC was informed that accordingly, a team comprising of representatives of MoFPI, NHB, DIC Palwal and IL&FS Clusters conducted a joint inspection of cold chain facilities created by the applicant on 12.05.2016. During the site inspection, project was found to be implemented with facilities and dimensions as mentioned in CE (civil) and CE (mechanical) certificates. However, it was found that the project had not installed many of the eligible components such as IQF, sorting grading line and has purchased 5 number of reefer vehicles against 13 nos. approved. The joint site inspection team recommended that eligible grant may recalculated by the PMIA/PMA and the same may be placed before the IMAC for kind consideration and suitable directions.

m. The IMAC observed that as per the joint inspection report dated 12.05.2016, the expenditure incurred by the promoter during 01.08.2012 to 27.06.2013 [i.e., between the date of issue of initial approval letter and subsequent communication to the promoter regarding downward revision of grant from Rs. 1000 lakh to Rs. 763.77 lakh] on the components subsequently considered ineligible by the Ministry comes to Rs. 106.81 lakh. These components are Fire Protection, Dock Shelters, Dock Levellers, Storage System (Fixed Racking etc.), Approach Road Development, Mezzanine Office and electrical works. Based on the recalculation of grant after considering the expenditure of Rs. 106.81 lakhs, the total eligible grant to the project is **Rs 431.854** lakhs against earlier approved grant of Rs 763.77 lakhs. 1st and 2nd installments of grant of Rs. 572.82 lakhs have already been released for the project.

n. Decision:

After detailed deliberation, the IMAC decided that amongst the ineligible components (which were eligible as per the original approval letter but later on made ineligible) on which expenditure was incurred by the promoter during 01.08.2012 to 27.06.2013 [i.e., between the date of issue of initial approval letter and subsequent

communication to the promoter regarding downward revision of grant from Rs. 1000 lakh to Rs. 763.77 lakh], the following components be considered eligible for grant calculation:

- Dock Shelters, Dock Levellers– Rs. 17.72 lakhs (restricted to Rs. 8.8 lakhs as per the approved cost for the component)
- Storage System (Fixed Racking) – Rs. 64.88 lakhs
- Mezzanine Office and electrical works – Rs. 12.08 lakhs [Joint Inspection Team has observed that this is being used for controlling and monitoring the chiller plant and status of operations through computer and annunciator panel].

o. The IMAC considered that the above mentioned components are essential components for cold chain projects and hence these components may be considered eligible as the promoter had already made expenditure on these components between the date of issue of initial approval letter and subsequent communication to the promoter regarding downward revision of grant. Also, the above components have been considered eligible and approved for grant-in-aid for projects sanctioned in the subsequent phases.

p. The IMAC also decided that the remaining components such as Fire Protection (Rs. 1.34 lakhs) and Approach Road Development work (Rs. 19.71 lakhs) may not be considered eligible as these components have not been considered eligible for any of the approved cold chain projects.

q. In view of this, the revised eligible grant was recalculated at Rs. 421.329 lakhs. The details of the grant recalculation are given in the **Annexure –V**. It may be mentioned that the grant of Rs. 572.82 lakhs has already been released to the promoter as 1st and 2nd installments of grant, based on the originally approved grant amount of Rs. 763.77 lakhs. Thus, Rs. 151.491 lakh is required to be recovered from the promoter.

r. In view of the above, IMAC approved recall of excess grant-in-aid of Rs. 151.491 lakhs from M/s M J Logistic Services Ltd. along with an interest @ 10% per annum as per scheme guidelines and the condition of Surety Bond furnished by the promoter along with documents of release of 1st installment of grant. As per the decision taken in IMAC meeting on 21.01.2016, in case of M/s Haldiram Foods



International Pvt. Ltd., Nagpur, Maharashtra the interest may be charged from the date of release of 2nd instalment of grant till the date of submission of request by the promoter for 3rd instalment of grant and thereafter from a reasonable period (15 days) after the date of issue of letter for the recall of excess grant till the date of refund by the promoter.

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10. Agenda item no. S 2: Consideration of request of M/s Kool Tech Infra & Logistics, Kapurthala (Punjab) for revision in approved grant amount – TC meeting held on 05.05.2016

The IMAC noted that Approval Committee (AC) had approved the proposal of M/s Kool Tech Infra & Logistics, on 27.09.2013, with grant-in-aid of Rs. 959.43 lakh for setting up of integrated cold chain project at Village Allahditta (Mothanwali), Tehsil Sultanpur Lodhi, Dist. Kapurthala (Punjab) with following facilities:-

- Modified Cold Storage (5200 MT)
- CA Cold Storage (600 MT)
- Multi Vegetable Preparation & Processing IQF Line (3 MT/hr)
- Frozen Cold Storage (500 MT)
- Mobile Reefer Vans (4 no.s)
- Minimal processing facilities with pre-cooling and washing/sorting/grading/weighing (10 MT/day) each in three collection centres at Village Hambra (Dist. Hoshiarpur), Village Pandori Aariyan/Bahaburwala, Tehsil-Dharamkot (District Moga) and Village Meherbanpura (Dist. Amritsar)

b. It was further noted by the IMAC that the approval letter to the project was issued on 04.10.2013. 1st and 2nd installments of grant (Rs. 239.85 lakhs and Rs 479.715 lakhs respectively) have already been released for the project on 29.09.2014 and 03.06.2015 respectively. The promoter has submitted documents for release of 3rd and final instalment of grant on 04.05.2016.

c. The IMAC was apprised that the promoter, while conveying acceptance of the terms and conditions of the approval letter dated 04.10.2013 had inter alia, vide letter dated 21.10.2013 mentioned that *"there are certain components of Plant & Machinery/Technical Civil works which has not been considered for calculation of eligible grant which according to us was eligible. The details of the same shall be separately filed shortly for your consideration"*.

d. The IMAC observed that the request of the promoter for upward revision of grant was received on 18.10.2014. Subsequently, the promoter vide letter dated 28.01.2015 had submitted request for release of 2nd installment. The PMA had



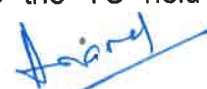
examined the request of applicant for upward revision and submitted its recommendations on upward revision vide letter dated 09.01.2015. Thereafter, vide letter dated 05.03.2015 the PMA had furnished recommendations for release of 2nd installment. It may be further observed that the request for release of 2nd installment and recommendations for upward revision were processed on file and it was decided that the proposal of increase in grant is required to be placed before IMAC for approval and may be considered at the time of release of 3rd & final installment after the approval of IMAC. The second installment of Rs 479.715 lakhs was released to the project on 03.06.2015 as per existing approved grant, which is Rs 959.43 Lakh.

e. The IMAC noted that the applicant vide letter dated 30.12.2015 and 20.02.2016 had again reiterated for calculation of revised grant and sought extension of time till end of April, 2016 for completion of the project. The promoter had mentioned that though the entire plant & machinery of the project had been received and installed but due to certain issues with the imported machineries, there was delay in final commissioning of the plant. The promoter has since submitted the request for release of 3rd and final installment of grant on 04.05.2016.

f. The IMAC was informed that the promoter had requested for increase in grant by considering the cost of the following components:

- i. Sheds for collection Centres – Rs. 40 lakh
- ii. Washing, Cleaning, Sorting, Waxing Section – Rs. 130 lakhs
- iii. Nitrogen generator & pressure gauge (Misc. equipments for CA chambers)- Rs. 6.90 lakh
- iv. Frozen Cold Store-Storage Bins, Crates, Pallets (Mezzanine Floor for CA store) – Rs. 74.50 lakhs
- v. Retail Carts – Rs. 32 lakhs

g. The IMAC noted that the request of the promoter was examined on file wherein it was directed that the issue may be referred to TC which had disallowed this cost earlier. Accordingly, the matter was placed before the TC held on 05.05.2016.



h. It was further noted by IMAC that the observations/ recommendations of TC on each of the components are as follows:

i. Shed at Farm Collection Centres

The earlier TC in its meeting held on 12.12.2012 had taken a decision to disallow the cost of Rs. 40 lakh for TCW for two collection centers with the observation that the collection centre civil work includes cost of boundary wall and drainage, etc. which are not eligible under scheme guidelines, Hence, the entire civil work cost worth Rs. 40 lakh had been considered in-eligible.

The TC held on 05.05.2016, that in the CE (Civil) Certificate submitted along with the DPR (at page 194/corr), the breakup of 2 sheds of 2500 sqft each is available with proposed cost of Rs. 40 lakh. TC had observed that the detailed costing provided in the CE (Civil) certificate in respect of shed at farm collection centres submitted along with the DPR has inconsistencies. As per the CE (Civil) certificate, the total area of the sheds proposed at the collection centers is 5000 sq. ft., however, in the item wise cost breakup, the proposed area of item- "sheets over trusses" is 6590 sq. mtr (70,934 sq. ft) which is not justified and is on a very high side as compared to the proposed area of the collection shed. The TC had also observed that in the costing of the sorting grading shed (proposed along with the modified cold storage) at the main site, the CE certificate has considered the area of "sheets over trusses" as 1115 Sq. mtr (12001 sq. ft) against a proposed total area of 12000 Sq. ft of the shed. Hence, the TC further noted that there is a huge inconsistency in the area of the "sheets over trusses" for the sheds at farm collection centers as compared to that proposed for the sorting grading shed (proposed along with the modified cold storage at the main site).

The IMAC further noted that in view of this, it was decided by the TC to disallow the cost of the shed at Farm Collection Centers for the purpose of recalculation of grant.

j. Washing, Cleaning, Sorting, Waxing Section

The TC held on 05.05.2016 noted that the applicant has mentioned that in this section, the consolidated cost under the head "Bins, Crates, Pallets" was Rs. 130.00 lakh, which was inclusive of cost of fixed structure for storage of crates worth Rs. 74.00 lakh and remaining cost of Rs. 56.00 lakh was towards purchase of crates.

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The entire cost has not been considered eligible for grant. The cost of forklift worth Rs. 18.0 lakh and hand pallets worth Rs. 2.50 lakh have also not been considered eligible for grant.

The TC had observed that the cost of crate storage, bins, crates & pallets, forklifts and hand pallets have not been considered eligible by Ministry for other approved projects of the IVth Phase and earlier projects under the Scheme. In view of this, the TC had decided to disallow the cost of Washing, Cleaning, Sorting, Waxing Section for the purpose of recalculation of grant.

k. Nitrogen generator & pressure gauge (Misc. equipments for CA chambers)

It was noted by the TC held on 05.05.2016, that the breakup of the cost of P&M for CA storage (Rs. 137.86 lakhs) was mentioned in the DPR. This included a specific component of CA equipment worth Rs. 70 lakhs which has already been considered in the eligible cost. The TC had also noted that nitrogen generator and pressure gauges which are core equipment for CA store should be a part of aforementioned part of CA equipment. In view of this, it was decided by the TC to disallow the cost of Nitrogen generator & pressure gauge (Misc. equipments for CA chambers) for the purpose of recalculation of grant.

l. Frozen Cold Store-Storage Bins, Crates, Pallets (Mezzanine Floor for CA store)

It was noted by the TC that under the Frozen Storage section, cost of Rs. 96.00 lakh had been proposed for purchase of Storage Bins/Crates/Pallets with supplier as Neelkamal/Supreme Plastics Ltd. The TC further observed that though the cost of Mezzanine floor has been considered eligible for grant in cases where it is proposed in DPR/original proposal, however, in this case, Mezzanine Floor (M.S. Steel structure) had not been originally proposed in the DPR. The applicant had submitted breakup of Rs. 96 lakh which appears to be a post approval thought of the promoter. In view of this, the TC had decided to disallow the cost of Frozen Cold Store-Storage Bins, Crates, Pallets (Mezzanine Floor for CA store) for the purpose of recalculation of grant.

m. Retail Carts



The TC held on 05.05.2016 had observed that retail carts are not mentioned in the Scheme guidelines as one of the eligible components. The TC also observed that in case of the integrated cold chain project of M/s Alchemist Ltd., the Ministry did not consider the cost of refrigerated boxes mounted on two wheelers for the purpose of grant of financial assistance which had similar functions. In view of this, the TC had endorsed the view of the Division and decided to disallow the cost of **retail carts**. However, TC had also noted that this is an important innovation which would help in achieving last mile integration of cold chain from farm to fork and can be considered as an eligible component while formulating future scheme guidelines.

n. Decision

After detailed deliberation, the IMAC took the following decisions:

- (a) Ratification of the recommendations of the TC regarding disallowing the request of the promoter for increase in grant
- (b) Condonation of delay upto 04.05.2016 for submission of documents for release of 3rd and final instalment of grant.

Other Decision

Hon'ble Minister, FPI suggested that in the draft revised guidelines for cold chain scheme, provisions relating to **Extra Weightage** may be reworded for clarity and the condition of obtaining minimum of 50 marks by the proposal in order to become eligible for consideration of grant may be suitably revised while retaining that the Ministry may have the final say regarding eligibility or otherwise of the proposal based on the marks obtained. [This has already been complied with in revised draft guidelines]



Meeting of Inter-Ministerial Approval Committee (IMAC) constituted under Scheme for Cold Chain, Value Addition and Preservation Infrastructure held on 04.08.2016.

List of Participants

1. Smt. Harsimrat Kaur Badal, Hon'ble Minister, FPI – Chairperson
2. Shri Avinash K. Srivastava, Secretary, FPI
3. Shri Sunil Kumar Singh, AS&FA, FPI
4. Smt. Anuradha Prasad, Joint Secretary, MoFPI – Convener
5. Shri Shri Prakash, Joint Secretary (Fin.) MoFPI
6. Shri G.H.V.Ratna Babu, Dy. GM, NABARD
7. Shri S.N. Srivastava, Ministry of Agriculture, Cooperation & Farmers Welfare
8. Shri S.N. Patil, MAIDC
9. Shri S.S. Prasad, MAIDC
10. Shri R. Chauhan, Department of Industries, Himachal Pradesh
11. Shri P.K.Singh, Dy. M.D., NHB
12. Shri P. Chattopadhyay, IL&FS CDI
13. Shri Amitava Bhattacharya, IL&FS CDI
14. Ms. Smriti Chandna, IL&FS CDI
15. Shri Asgar Naqvi, Grant Thornton India LLP
16. Shri Hemant Singal, Grant Thornton India LLP
17. Shri Akshay Sahrawat, Grant Thornton India LLP

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Annexure-II**Proposal No. 1- Pal Frozen Foods, Nainital, Uttarakhand**

- i. The IMAC noted that the applicant has proposed to set up a cold chain project for horticulture products. The details of the proposal as furnished by the applicant are as follows:

Name of Applicant	Pal Frozen Foods
Legal Status of Applicant	Partnership
Name of Promoter(s)	Mr. Suresh Pal & Mrs. Meera Pal
Contact Person	Mr. Suresh Pal
Address/Contact Details	Brij Vihar, Civil Lines, Haldwani Distt., Nainital (Uttarakhand) Ph.- 05946-235747, Mobile no. +91-9837048053, Email: palfrozenfoods@gmail.com
Location of Project	Distribution Centre- Village Haripur Phutkuan, Rampur Road, Haldwani, Distt. Nainital (Uttarakhand)
State	Uttarakhand
Project Cost (Rs. Crore)	16.13
Grant Sought (Rs. Crore)	10.00
Lending Bank/Fl	Punjab National Bank
Amount of Term Loan (Rs. Lakhs)	4.00
Facilities proposed	1) At Distribution Hub: M/A Cold Stores- 8 Chambers of 650 MT each (Total 5200 MT), Sorting/Grading and Packing Facilities-2 MT/Hr, Ripening Chambers- 1100 MT , Deep Freezers- 5 Chambers of 700 MT each (Total 3500 MT) IQF- 2.5 MT/Hr. 2) At MPC: Not proposed 3) Reefer Vans- 2 (capacity not given)



Project Cost and Eligibility

Sr. No.	Particulars	Distribution Hub/ Irradiation Facility (A)			MPC/ Collection Centres (B)			Reefer Vans (C)			Total Project Cost A+B+C
		Eligible Cost	In-Eligible Cost	Total Cost	Eligible Cost	In-Eligible Cost	Total Cost	Eligible Cost	In-Eligible Cost	Total Cost	
I	Land										4.00
i.i	Site Development		4.00	4.00		0.00	0.00			0.00	
	Related Infrastructure		0.00	0.00		0.00	0.00			0.00	
i.iii	Others		0.00	0.00		0.00	0.00			0.00	
II	Civil Works	409.14	21.51	430.65		0.00	0.00			0.00	430.65
III	Plant & Machinery	919.99	45.65	965.64		0.00	0.00		59.60	0.00	1025.24
	Utilities & Misl.	0.00	3.00	3.00		0.00	0.00			0.00	3.00
IV	FAS										
V	Prelim. & Pre-opr. Exp. and IDC		44.65	44.65		0.00	0.00			0.00	44.65
VI	Contingencies		5.00	5.00		0.00	0.00			0.00	5.00
VII	Margin Money for WC		100.00	100.00		0.00	0.00			0.00	100.00
	Total (Rs. Lakhs.)	1329.13	223.81	1552.94	0.00	0.00	0.00	59.60	0.00	59.60	1612.54

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MEANS OF FINANCE (as per Bank Appraisal Note)	
Sources	Amount (Rs. Lakhs.)
Equity	264.02
Grant (MoFPI)	
Debt (TL)	1050.00
Unsecured Loan	223.52
Others	75.00
Total	1612.54

- ii. The TC referred to the decision of the CIMs and observed that the applicant meets all the basic eligibility criteria as per Scheme Guidelines and assessed the scoring based on the scheme guidelines.
- iii. Director, Horticulture & State Mission Director (HMNEH), Govt. of Uttarakhand vide letter dated 13.07.2016 has furnished their comments in respect of instant proposal. It has been observed that pea processing for 90 days (@3 MT/Hr for 8 hrs per day) has been proposed which require about 2100 MT green pea. Proposal needs to justify the source of raw material in the District/State, as at present about 35 IQF and cold chain projects related to pea processing are already established in the State of Uttarakhand. Further, a ripening chamber of 1100 MT has been proposed, but in the costing details of P&M the same has not been mentioned.
- iv. TC noted that the catchment area besides Uttarakhand includes Punjab, Madhya Pradesh, Uttar Pradesh, Rajasthan and Haryana as per the DPR and raw material is proposed to be procured through contract farming, mandi and directly from the farmers. TC noted that the cost of ripening chambers has been clubbed with the cost of cold rooms in the DPR. Committee recommended that Ministry may seek cost details of ripening chamber from the Applicant. TC observed that the capacity of reefer vehicles has not been given in the proposals; however, cost is given as Rs. 59.6 lakh for 2 reefer vehicles. TC recommended that the capacity of reefer vehicles should not be less than 9 MT.

v. Decision

The IMAC approved the recommendation of the TC for approval of grant in aid of Rs. 1000.00 Lakh and also concurred with marks obtained as 61.5 awarded to the proposal by the Technical Committee.



Proposal No. 2- Rishi Ice and Cold Storage, Dist. Navi Mumbai, Maharashtra

- i. The IMAC noted that the applicant has proposed to set up a cold chain project for horticulture products. It observed that the details of the proposal as furnished by the applicant are as follows:

Name of Applicant	Rishi Ice and Cold Storage Pvt Ltd
Legal Status of Applicant	Pvt. Ltd. Company
Name of Promoter(s)	Paresha Paresh Nanda Shailesh C Nanda Nitin C Nanda Chhaganlal B Nanda
Contact Person	Mr Paresha Paresh Nanda
Address/Contact Details	D-35 (PT), TTC Industrial Area, Turbhe MIDC, Navi Mumbai -400 702
Location of Project	D-35 (PT), TTC Industrial Area, Turbhe MIDC, Navi Mumbai -400 702
State	Maharashtra
Project Cost (Rs. Crore)	24.87
Grant Sought (Rs. Crore)	10.00
Lending Bank/Fl	Jalgaon People Co-Op Bank Limited
Amount of Term Loan (Rs. Lakhs)	13.00
Components/ Facilities proposed	1) Distribution Hub: Ripening Chamber (20 MT*5 Nos) [Total 100 MT], Cold Storage (9000 MT), Grading Packing facility (30 MT per day), 2) MPC: Not Proposed 3) Reefer Vans: (15 MT *2)

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Project Cost and Eligibility

Sr. No.	Particulars	Distribution Hub/ Irradiation Facility (A)			MPC/ Collection Centres (B)			Reefer Vans (C)			Total Project Cost (Rs. Lakhs) A+B+C
		Eligible Cost (Rs. Lakhs)	In-Eligible Cost (Rs. Lakhs)	Total Cost (Rs. Lakhs)	Eligible Cost (Rs. Lakhs)	In-Eligible Cost (Rs. Lakhs)	Total Cost (Rs. Lakhs)	Eligible Cost (Rs. Lakhs)	In-Eligible Cost (Rs. Lakhs)	Total Cost (Rs. Lakhs)	
I	Land										0.00
i.i	Site Development		0.00	0.00		0.00	0.00			0.00	
i.ii	Related Infrastructure		0.00	0.00		0.00	0.00			0.00	
i.iii	Others		0.00	0.00		0.00	0.00			0.00	
II	Civil Works	879.40	188.40	1067.80	622.20	0.00	622.20			0.00	1690.00
III	Plant & Machinery	688.89	1.11	690.00	9.89	0.11	10.00	80.00	0.00	80.00	780.00
IV	Utilities & Misc.	0.00									
	Fas	0.00	0.00	0.00	0.00	0.00	0.00			0.00	0.00
V	Prelim. & Pre-opr. Exp.		0.00	0.00		0.00	0.00			0.00	0.00
VI	Contingencies		0.00	0.00		0.00	0.00			0.00	0.00
VII	Margin Money for WC		17.00	17.00		0.00	0.00			0.00	17.00
	Total (Rs. Lakhs.)	1568.29	206.51	1774.80	632.09	0.11	632.20	80.00	0.00	80.00	2487.00

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MEANS OF FINANCE (as per Bank Appraisal note)

Sr. No.	Sources	Amount (Rs. Lakh.)
A.	Equity	600.00
B.	Grant (MoFPI)	
C.	Debt (TL)	1300.00
D.	Unsecured Loan	587.00
E.	Others	
	Total (Rs. Lakh)	2487.00

- ii. The TC referred to the decision of the CIMs and observed that the applicant meets all the basic eligibility criteria as per scheme guidelines and assessed the scoring based on the scheme guidelines.
- iii. The TC noted that this is an expansion project and the Ministry vide letter dated 26.05.2016 has sought details of components sanctioned and grant released, if any, under MIDH from Department of Horticulture, Cooperation and farmers Welfare (DACFW) in respect of instant case. DACFW vide letter No. 45-14/2016-Hort. Dated 17.06.2016 has inter alia mentioned that the Department does not have information with regard to M/s Rishi Ice and Cold Storage Pvt. Ltd., Navi Mumbai. The case has been referred to SHM (State Horticulture Mission), Maharashtra for their inputs. The representative of State Mission Director {Maharashtra Agro Industries Development Corporation Ltd (MAIDC)} mentioned during deliberations that due to paucity of time, details about the project could not be obtained. The committee directed that the Ministry may obtain confirmation from State Mission Director (Maharashtra) (MAIDC) regarding details of financial assistance, if any, sanctioned under MIDH or any other scheme for the project.

iv. Decision

The IMAC approved the recommendations of the TC for approval of grant in aid of Rs.1000.00 Lakhs and also concurred with marks obtained as 65.5 awarded to the proposal by the Technical Committee.

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Proposal No. 3- Trimurti Food Tech Pvt. Ltd., Ahmednagar, Maharashtra,

- i. The IMAC noted that the applicant has proposed to set up a cold chain project for horticulture products. It observed that the detail, of the proposal as furnished by the applicant are as follows:

Name of Applicant	Trimurti Food Tech Pvt. Ltd.
Legal Status of Applicant	Pvt. Ltd.
Name of Promoter(s)	1) Mr. Atul Dattatray Banginwar 2) Mr. Vikas Dattatray Banginwar
Contact Person	Mr. Atul Dattatray Banginwar
Address/Contact Details	A-5, MIDC Area, Station Road, Aurangabad-431005 Tel:0240-234636, 2364385/87, Fax: 2354941, Email: info@freshvalley.in
Location of Project	1. Distribution Hub: Wadgaon Amali, Nagar-Kalyan Road, Tal.Parner, Dist. Ahmednagar, Maharashtra 2. MPCs: Locations not mentioned in the EoI
State	Maharashtra
Project Cost (Rs. Crore)	17.34
Grant Sought (Rs. Crore)	8.10
Lending Bank/Fl	Bank of Maharashtra
Amount of Term Loan (Rs. Crore)	1.80
Components/ facilities proposed	1. At Distribution Hub: Multi Chamber Cold Storage-2000 MT (Sub zero temperature), IQF(2MT/Hr.) 2. At MPCs: Not proposed 3. Reefer Transportation: Reefer Vans: 4 Nos (capacity not given)

Anand

Sr. No.	Particulars	Distribution Hub/ Irradiation Facility (A)			MPC/ Collection Centres (B)			Reefer Vans (C)			Total Project Cos A+B+C
		Eligible Cost	In-Eligible Cost	Total Cost	Eligible Cost	In-Eligible Cost	Total Cost	Eligible Cost	In-Eligible Cost	Total Cost	
I	Land										0.00
i.i	Site Development		0.00	0.00		0.00	0.00			0.00	
i.ii	Related Infrastructure		0.00	0.00		0.00	0.00			0.00	
i.iii	Others		0.00	0.00		0.00	0.00			0.00	
II	Civil Works	287.47	13.70	301.17		0.00	0.00			0.00	301.17
III	Plant & Machinery	1160.00	148.73	1308.73		0.00	0.00		121.72	0.00	1430.45
IV	Utilities & Miscl. FAs	0.00	0.00	0.00		0.00	0.00				0.00
V	Prelim. & Pre-opr. Exp. and IDC		2.00	2.00		0.00	0.00				2.00
VI	Contingencies		0.00	0.00		0.00	0.00				0.00
VII	Margin Money for WC		0.00	0.00		0.00	0.00				0.00
	Total (Rs.Lakh.)	1447.48	164.43	1611.90	0.00	0.00	0.00	121.72	0.00	121.72	1733.62

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MEANS OF FINANCE (as per Bank Appraisal Note)		
Sr. No.	Sources	Amount (Rs. Lakhs.)
A.	Equity	743.62
B.	Grant (MoFPI)	810.00
C.	Debt (TL)	180.00
	Total (Rs. Lakh.)	1733.62

- ii. The Committee referred to the decision of the CIM's and observed that the applicant meets all the basic eligibility criteria as per Scheme Guidelines and assessed the scoring based on the scheme guidelines.
- iii. The Committee reviewed the marks awarded to the proposal against each assessment criteria. Based on its assessment, the Committee noted additional points with respect to the following criteria:

4- Employment Generation- The committee noted that the project would create direct employment opportunities for 32 permanent employees as envisaged. The committee noted that the details regarding the employment generation were not mentioned in the Bank Appraisal note. Thus, 1 mark has been deducted and accordingly.

- iv. The Committee noted that the proposed project is an expansion project and the Ministry has sought for the details of components sanctioned and grant released, if any, under MIDH scheme from Department of Agriculture & Farmers Welfare (DACFW) in respect of M/s Trimurti Foodtech Pvt. Ltd. The DACFW vide letter dated 17.06.2016 has confirmed that EMC of National Horticulture Mission in its meeting held on 24.03.2011 had approved Integrated Cold chain project of M/s Trimurti Foodtech Pvt. Ltd, Dist. Ahmednagar with total project cost of Rs. 851.33 lakh and admissible cost of Rs. 291.00 lakh as per following details:

Components assisted	Admissible cost (Rs. in lakh)	Subsidy (Rs. in lakh)
Cold storage (2500 MT)	150.00	60.00
Pre-cooling Unit 4 Nos (6 MT each)	60.00	24.00
Function Infrastructure (2)	30.00	12.00
Reefer Van	24.00	9.60
Processing Unit	24.00	9.60
Pack House	3.00	1.50
Total	291.00	116.70

The representative of State Mission Director {Maharashtra Agro Industries Development Corporation Ltd (MAIDC)} mentioned during deliberations that due to paucity of time, details about the project could not be obtained. The committee directed that the Ministry may obtain confirmation from State Mission Director (Maharashtra) (MAIDC) regarding details of financial assistance, if any, sanctioned under MIDH or any other scheme for the project.

The Committee recommended that the State Mission Director, NMFP (MAIDC) may give details of existing infrastructure and their linkage/overlap, if any, with the proposed facilities including grant obtained under MIDH or any other scheme of the government.

v. Decision

The IMAC approved the recommendations of the TC for approval of grant in aid of Rs.784.60 lakh and also concurred with marks obtained as 62 awarded to the proposal by the Technical Committee.

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Consolidated waitlist of proposals received against EOI dated 02.12.2013 subsequent to CIM's recommendations

Sr. No.	Name of Applicant	Legal status of applicant	State	Project Location (District)	Sector	Score	Project Cost (Rs. Cr.)	Term Loan (Rs. Cr.)	Lending Bank	Grant Sought (Rs. Cr.)	Eligible Grant (Rs. Cr.)	Recommendation of TC
1	Pulkit Fresh	Partnership	Himachal Pradesh	Solan	Horti	79.00	15.40	4.05	Oriental Bank of Commerce	10.00	10.00	Recommended for approval
2	Rishi Ice and Cold Storage Pvt Ltd.	Private Limited	Maharashtra	Navi Mumbai	Horti	65.50	24.87	13.00	Jalgaon Ppl Co-op Bank	10.00	10.00	Recommended for approval
3	Trimurti Foodtech Pvt.	Private Limited	Maharashtra	Ahmednagar	Horti	62.00	17.34	1.80	Bank of Maharashtra	8.10	7.85	Recommended for approval
4	Pal Frozen	Partnership	Uttarakhand	Nainital	Horti	61.50	16.13	4.00	PNB	10.00	10.00	Recommended for approval
5	Pinnacle Industries Limited.	Public Limited	Madhya Pradesh	Indore	Horti	58.50	24.42	2.50	Bank of Maharashtra	10.00	9.51	
6	Desai Brothers	Public Limited	Gujarat	Anand	Horti	58.50	28.28	3.00	Bank of Maharashtra	10.00	10.00	
7	Maple Destination	Proprietorship	Himachal Pradesh	Shimla	Horti	55.00	14.95	2.00	Central Bank of India	9.98	8.78	
8	Ginni Agro Products Private Ltd.	Private Limited	Maharashtra	Nagpur	Horti	54.00	40.81	13.75	Axis Bank	10.00	6.70	
9	Pratibha Krushi Prakriya Ltd.	Public Limited	Maharashtra	Kolhapur	Dairy	50.50	42.25	29.56	Bank of India	10.00	7.67	
10	Kaushal International Limited	Public Limited	Uttar Pradesh	Saharanpur	Horti	40.50	22.46	8.00	J&K	10.00	N/A	

Annexure-IV

Component wise grant recalculation in respect of M/s Revati Commercial Pvt. Ltd.				
Eligible Component Cost				
1	Technical Civil Work			
1.1	Distribution Hub/Main Facility			
	Component	Approved cost (X)	Actual expenditure (Y)	Eligible cost (Minimum of X or Y)
1.1.1	Main Cold Storage Building	334.80	429.52	334.80
1.1.2	Plant Room / Machine Room Area	11.84	109.48	11.84
1.1.3	PEB Building	173.90	196.77	173.90
1.1.4	Internal Steel Structure with two Mezzanine Floors	275.30	344.44	275.30
1.1.5	PUF Panel	278.99	315.22	278.99
1.1.6	RCC Slab for Ante Room	24.12	76.38	24.12
1.1.7	Incoming Raw Material Receiving Sorting Grading Area	48.02	55.70	48.02
1.1.8	PEB Building (Packing and Dist Area)	34.13	25.57*	25.57
1.1.9	PUF Panel pre cooling	11.05	11.90	11.05
1.2	Minimum Processing Centre			
1.2.1	Primary Processing Centre	25.20	29.23	25.20
A	Total Eligible Technical Civil Work			1208.79
2	Plant & Machineries			
2.1	Distribution Hub/Main Facility			
2.1.1	Refrigeration System			

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2.1.1.1	Condensing Unit	66.96488	100.50	66.96488
2.1.1.2	Evaporating Unit	27.58888		27.58888
2.1.1.3	Accessories including Oil Separator, filter driers suction filter, accumulators etc	7.47288	16.10	7.47288
2.1.1.4	Refrigerant R-404 a	3.92048	4.00	3.92048
2.1.1.5	CO ₂ Extractor	3.8	3.8	3.8
2.1.1.6	Sub Zero or Equivalent Data logger for temperature and Humidity	4.38272	4.39	4.38272
2.1.1.7	Ultrasonic Mist humidifiers High Relative humidity Model-2000	7.46432	11.529	7.46432
2.1.1.8	Lighting with internal Wiring	4.1944	5.05	4.1944
2.1.1.9	Electricals mounted on Cold Storage	49.06	62.80	49.06
2.1.2	Water Treatment Plant	3.5	0.87	0.87
2.1.3	DG Set	13.4	30.45	13.4
2.1.4	Packaging & Distribution Hub 1			
2.1.4.1	SS Trolley	0.8	0.00	0.00
2.1.4.2	Digital Weighing Machine	0.5	0.157	0.157
2.1.5	Miscellaneous Fixed Assets (Air Curtain, Strip Curtain, Packing Machine, Exhaust Fan etc)			
2.1.5.1	Weighbridge	7.0	3.55	3.55
2.1.5.2	SS Tables	2.0	0.247	0.247
2.1.6	Packaging & Distribution Hub 2			
2.1.6.1	Air Curtain	0.72	1.59	0.72
2.1.6.2	Strip Curtain	0.75	0.00	0.00

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2.1.6.3	Exhaust Fan	0.2	0.2	0.2
2.1.6.4	Conveyer	4	0.00	0.00
2.1.6.5	Packing Machine & Sealing Machine	2	0.0795	0.0795
2.1.6.6	Fruits & Vegetable Shirk Packaging Machine	5.7	0.00	0.00
2.1.7	Reefer Vans			
2.1.7.1	Insulated Vans	42.5	27.16	27.16
B	Total Eligible Pant & Machinerics			221.24126
C	Total Eligible Cost (A+B)			1430.03126
D	Total Eligible Grant @ 50% of the Total Eligible Cost (Rs. Lacs)			715.02

* Area of PEB Building (Packing & Distribution Area) reduced from approved 547.5 sqmt to 410.219 sqmt. Accordingly, eligible cost reduced from approved Rs. 34.13 lakh to Rs. 25.57 lakh.

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Annexure-V

Revised Grant Recalculation in respect of M/s M J Logistic Services Ltd.

	Head of Cost	Approved Cost (Rs. Lakhs)	Actual Basic Cost (Rs. Lakhs)	Revised Eligible Cost (Rs. Lakhs)
A	Fire Protection #	6.23	1.34	0
B	Material Handling Equipments			
	Dock Shelters @	0.8		8.8
	Dock Levellers @	8	17.72	
C	Operations			
	Weighing Scales	2.37	0.064	0.064
D	Cold Rooms*			
	Compressor Package (For Freezer + Blast Freezer + IQF)	62.92	60.25	60.25
1				
2	Drum Trap 420 KW	3.28	0	0
3	Synchronous PLC - Freezer Room	4.68	2.4	2.4
4	Compressor Package (For chillers/staging/precooling and corridors)	32.85	31.76	31.76
5	Drum Trap 220 KW	2.42	0	0
6	Synchronous PLC (For suction/discharge/pressures)	3.21	1.91	1.91

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7	Evaporators required for freezers	28.2	28.82	28.2
8	Evaporators required for blast freezers	7.32	7.2	7.2
9	Evaporators required for pre cooler	7.67	6.8	6.8
10	Evaporators required for chillers	41.4	40.96	40.96
11	Accumulator with accessories required for freezer	18.34	15.98	15.98
12	LP Pumping system	14.57	13.68	13.68
13	Evaporators required for freezer	15.4	14.37	14.37
E	Cooling Towers	11.24	9.81	9.81
F	Puff Panels	204.78	172.32	172.32
G	Piping required for freezer, chillers and defrost water	23.65	22.6	22.6
H	Electrical Panels for main line, freezer & chillers room	28.98	31.11	28.98
J	IQF	118.82	0	0
K	Storage System (Pallets, crates, racking etc) \$	110.8	64.88	64.88
L	Machinery*			
1	Sorting, grading, waxing and packing line	330	6.05	0
2	Automatic pallet strapping and stretch wrapping machine	35	35	35
3	High speed continuous side sealer and tunnel	35	0.43	0.43
4	Horizontal flow pack machine	25	0	0

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M	Vehicle Reefer Unit [^]	91.73	32.41	30.375
N	Cold Chain vehicles [^]	169.81	63.07	41.6
O	DG Set	17.5	16.9	16.9
	Total (A to O)	1,687.32	696.27	655.269
Civil works				
A	Internal Civil & Steel work including mezzanine	160.83	389.62	160.83
B	Approach Road Development Work ¶	99.49	19.71	0
C	Internal & External Plumbing	30.57	14.48	14.48
D	Mezzanine Office & Electrical Works ø	21.97	12.08	12.08
E	Design & Project Management Fees	16.5	0	0
	Total	290.89		187.39
	Total Cost	1978.21		842.659
	Eligible Grant (50% of the total eligible cost)	763.77		421.3295 0

* For Cold rooms and Machinery the eligible grant has been calculated based on the basic cost provided vide CE (Mech) certificated dated 16.02.16.

[^] The applicant has purchased 5 reefer vehicle unit/cold chain vehicle against an approved qty of 13 nos of reefer vehicle /cold chain vehicles. In the DPR the proposed capacity of the reefer vehicles were not mentioned although 2 types of models of reefer vehicles were proposed (6 nos of LPT 1109 and 7 nos. of LPT 3118). In the DPR, the cost of 'reefer vehicle unit' and 'cold chain vehicles' were given separately for each model. Now the applicant has procured 5 reefer vehicles of models which are different from the ones proposed. The grant has been recalculated based on the lower of the approved per unit cost (of the proposed lower model) and actual per unit cost multiplied by 5 No.s.

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#Fire Protection: Verified and checked by the JIT on 12.05.2016. As per actual cost incurred on this component for which work order issued on 24.12.2012 to the contractor (M/s Vdas Infra Projects Pvt Ltd)


@ Dock Shelters, Dock Levellers: Verified and checked by the JIT on 12.05.2016. Actual expenditure is 17.72 lakhs as per the work order dated 05.06.2013(the expenditure may be restricted to Rs 8.80 lakhs)

\$ Storage System (Pallets, crates, racking etc): Verified and checked by the JIT on 12.05.2016. Actual cost incurred towards purchase of racking system which is anchored in the floor of the cold room (Ref: Purchase order dated 22.04.2013 t to M/s Packolabel)

% Sorting, grading, waxing and packing line: The JIT observed that this component has not been installed and hence the cost has not been considered eligible.

Approach Road Development Work: As per actual cost incurred on this component for which work order issued on 24.12.2012 to the contractor (M/s Vdas Infra Projects Pvt Ltd)

ø Mezzanine Office & Electrical Works: Verified and checked by the JIT on 12.05.2016 .As per the approval letter the component of "Mezzanine office and electrical work" of Rs 21.97 lakhs has been considered ineligible for grant calculation. During the course of the joint inspection the inspection team observed that this area overlooking the chiller plant hall is being used for observing, controlling and monitoring the chiller plant and the status of operations through computer and the annunciator panel (which indicates the status of the operations and health of each item of the machinery) also housed in the same room. As per the work order issued on 24.04.2012, the promoter has spent Rs 12.08 lakhs against Rs 21.97 lakhs for construction of mezzanine office and electrical works. The JIT is of the view that this component is part of plant and machinery and may be considered eligible towards grant calculation.


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उप सचिव

