

MINUTES OF MEETING OF THE INTER-MINISTRIAL APPROVAL COMMITTEE (IMAC) CONSTITUTED UNDER THE SCHEME FOR INTEGRATED COLD CHAIN AND VALUE ADDITION INFRASTRUCTURE HELD ON 21.04.2017

A meeting of the Inter-Ministerial Approval Committee (IMAC) was held under the chairpersonship of Hon'ble Minister, FPI on 21.04.2017 to reconsider the cases of five eligible proposals earlier approved by IMAC for setting up of Integrated Cold Chain projects in Uttarakhand, etc. Agenda note are annexed.

2. List of participants is at **Annexure-I**.
3. At the outset, Joint Secretary and Convener of IMAC welcomed the Hon'ble Minister, FPI and other members of the Committee and explained the agenda. It was inter alia, mentioned that IMAC in the meeting held on 22.03.2017 had approved 101 Cold Chain projects including five projects in the State of Uttarakhand. However, in the light of letter no. 301/XVI-1/17-12(01)/2013 dated 31.03.2017 received from the Uttarakhand Government, these cases are again placed before IMAC for decision on whether to issue approval letters to the five eligible proposals earlier approved by IMAC for setting up of Integrated Cold Chain projects in Uttarakhand or otherwise.
4. IMAC noted that 13 Cold Chain proposals from Uttarakhand have been received against the EOI dated 31.08.2016. Of these, 8 proposals (including one each of dairy sector & RTE) have been found to be eligible.
5. IMAC further noted that the issue regarding supporting cold chain proposals from Uttarakhand was discussed in the IMAC meeting held on 16.03.2017. It was noted that Secretary, Department of Horticulture, Uttarakhand Government vide letter dated 16.02.2017 had requested the Ministry not to approve new food processing units in the State of Uttarakhand within a radius of minimum 100 kms from the already established food processing units, so that both the projects can be

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freely operated with sufficient supply of raw material and without any conflict and competition. However, vide subsequent letter dated 09.03.2017, Secretary (Hort. & Silk), Uttarakhand Government had conveyed that the Ministry may consider the cold chain proposals from Uttarakhand as per the prescribed procedure without taking into cognizance the content of their previous letter dated 16.02.2017.

6. IMAC also noted that vide letter no. 385/XVI(1)/17-05(20)/2012TC dated 29.03.2017, Additional Chief Secretary, Uttarakhand Govt. had referred to the letter dated 09.03.2017 and reiterated to approve the proposals for setting up Cold Chain units at the earliest in Uttarakhand under the Cold Chain scheme.

7. IMAC further noted that subsequently, Additional Chief Secretary Uttarakhand Govt. (Horticulture & Silk Department) vide letter no. 301/XVI-1/17-12(01)/2013 dated 31.03.2017 has referred to the letter dated 03.02.2017 from Secretary, FPI to Chief Secretary and conveyed that presently under the State Horticulture Mission, 25 IQF units are set up in Uttarakhand (22 in Udham Singh Nagar, 2 in Nainital and 1 in Haridwar) which are producing 50,000 MT peas for which approximately 1.5 lakh MT raw material (green peas) is required. In addition to the food processing units set up under State Horticulture Mission, there are 14 Cold Chain units relating to processing of fruits & vegetables supported by MoFPI (11 in Udham Singh Nagar, 2 in Nainital and 1 in Haridwar). Processing capacity of these 14 Integrated Cold Chain units is approximately 33,000 MT for which approximately 1 Lakh MT of fruits & vegetables is required. Of this, green peas contributes 80% of raw material. Therefore, pea processing based IQF units in the Uttarakhand state would require approximately 2.3 Lakh MT green peas whereas as per 2015-16 production data, the production of green peas in the State is 83,000 MT. It has further been mentioned that the green peas cultivated in the hilly region of the state fetches good market price and

therefore not used for processing. Only the green peas cultivated in Terai areas viz Udham Singh Nagar, Nainital and Haridwar is used for processing as it doesn't get a good market price. The green peas produced in the above Terai area is only 39,000 MT.

Citing aforementioned facts, Additional Chief Secretary, (Horti & Silk Department), Uttarakhand Govt. has stated that there are 39 pea processing units supported under State Horticulture Mission and Cold Chain of MoFPI. Therefore, in order to ensure viability of Cold Chain units, it would be appropriate if these units may also consider processing of other fruits & vegetables. Accordingly, Uttarakhand Govt. has suggested to this Ministry that in view of aforementioned position the matter of according approval to the Cold Chain proposals may be considered as per rules.

8. JS (AP) brought to the notice of IMAC during the meeting that yet another letter dated 20.04.2017 from the Additional Director, Horticulture and Food Processing Department, Uttarakhand Government has been received, which has reiterated the contents of earlier letter dated 29.03.2017 and requested the Ministry to approve the eligible Cold Chain proposals.

9. IMAC noted that the agenda note of the meeting was sent to Chief Secretary, Uttarakhand Government by Secretary, FPI vide d.o. letter dated 20.04.2017 wherein it was requested to depute a senior official well versed on the subject to attend the IMAC meeting. Secretary, FPI had also spoken to Chief Secretary, Uttarakhand Govt. on telephone for deputing a suitable officer to attend the meeting. However, it was noted that none from Uttarakhand Govt. was present in the meeting.

10. IMAC noted that the Uttarakhand Govt. has been inconsistent in its approach regarding proposals for cold chain units in the State under the EOI dated 31.08.2016

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issued by MoFPI. Within a span of 2 months (February to April 2017) the stance of Uttarakhand Govt. has been vacillating constantly – requesting, at one time to approve the cold chain proposals and another time not to approve the same citing issues of non-availability of sufficient raw material and over capacity created through various programmes of Central/State Govt.

11. IMAC however, based on statistics provided by Uttarakhand Govt. regarding availability of raw material and the processing capacity already created in the State under various schemes, noted that sufficient capacity is already available to take up processing of fruits & vegetables other than peas and, therefore, creation of fresh capacity under the Cold Chain scheme of the Ministry would not be justified. IMAC also took the view that even the Cold Chain proposals for RTE products, will have to depend on supply of locally available raw material and therefore, rather than fresh capacity creation, the existing capacity may be suitably used/modified for processing.

12. In view of above, IMAC decided to cancel the Cold Chain proposals of (i) M/s Mohyal Foods Pvt. Ltd., Haridwar (ii) M/s S.K. Frozen Foods, Nainital, (iii) M/s Shanti Frozen Foods, Udham Singh Nagar, (iv) M/s Stellar Cold Chain, Kashipur and (v) M/s Shivanya Frozen Food Products, Udham Singh Nagar earlier approved and finding place in top 101 proposals. IMAC also decided to cancel other two eligible proposals namely (i) M/s Aggarwal Frozen Foods, Udham Singh Nagar and (ii) M/s SL Consumer Products Ltd., Ramnagar pertaining to fruits & vegetable sector which were lower down in the merit list of eligible proposals and could not find place in the top 101 proposals.

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Other Decisions

IMAC also took the following decisions:-

(a). Consequent on cancellation of approval of 5 cold chain proposals of Uttarakhand, IMAC approved another 5 proposals in order of merit which were found eligible but could not be approved for sanction of financial assistance earlier, due to non-availability of vacant slots. The names of these 5 proposals, in order of merit, are: (i) Aachi Masala Foods, Tamil Nadu; (ii) G K Agro Foods, Punjab; (iii) Bharti Global Food Products Pvt. Ltd., Maharashtra; (iv) RK Agribiz LLP, Bihar and (v) Britto Seafoods Exports Pvt Ltd., Tamil Nadu.

(b). IMAC also approved the proposals of M/s Hyacinth Product, J&K and M/s Andaman Cold Chain, Andaman & Nicobar against the available vacant slots from previous phases, which are low in merit list.

While approving the proposal of M/s Hyacinth Product, IMAC noted that this is a value addition proposal located in Srinagar and would provide employment opportunities to the unemployed youth of the valley. The proposal of Andaman Cold Chain was approved as it is located in an uncovered area and no Cold Chain project has been previously sanctioned by the Ministry in the Island.

(c). IMAC approved the revised eligible grant in case of (i) M/s Hatsun Agro Product Limited, Tamil Nadu at Rs. 1514.8 lakh, restricted to Rs. 1000.00 lakh, (ii) M/s Kaira District Co-operative Milk Producers' Union Ltd., Maharashtra, at Rs. 6557.82 lakh, restricted to Rs. 1000.00 lakh, (iii) M/s Pagro Frozen Foods Pvt. Ltd., Punjab at Rs. 812.75 lakh, (iv) M/s Pinnacle Industries Ltd., Madhya Pradesh at Rs. 994.16 lakh and (v) M/s SNF Dairy, Madhya Pradesh at Rs. 999.94 lakh.

IMAC also approved the revised project cost in case of M/s Kaira District Co-operative Milk Producers' Union Ltd., Maharashtra, at Rs. 21077.87 lakh.

(d) IMAC considered the request of M/s Transport Corporation of India Ltd., Gurgaon, Haryana – an ongoing project of V phase sanctioned in May, 2015 – regarding deletion of 2 MPCs at Pune and Nagpur, change in number and capacity of reefer vans and decided not to accede to the above request. IMAC also decided that the project may be closed for further financial assistance after conduct of joint inspection to ascertain that the grant already released to the project has been spent on creation of eligible components approved by the Ministry.

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

Meeting of Inter-Ministerial Approval Committee (IMAC) constituted under the Scheme for Integrated Cold Chain and Value Addition Infrastructure held on 21.04.2017

List of Participants

1. Smt. Harsimrat Kaur Badal, Hon'ble Minister, FPI – Chairperson
2. Shri Avinash K. Srivastava, Secretary, FPI
3. Smt. Gargi Kaul, JS&FA, FPI
4. Smt. Anuradha Prasad, Joint Secretary, MoFPI – Convener
5. Shri Subhash, Assistant General Manager, NABARD
6. Shri R C Dahra, Consultant, Department of Industries, Govt. of Haryana
7. Shri Ravi Ranjan Mishra, SVP, IL&FS Clusters
8. Shri Asgar Naqvi, Associate Director, Grant Thornton India LLP
9. Shri Akshay Sehrawat, Manager, Grant Thornton India LLP
10. Shri Mandeep Ahuja, Manager, PWC

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