

**F. No. 5-1/2014-Infra (ICC)-Vol-III**  
Govt. of India  
Ministry of Food Processing Industries  
Panchsheel Bhawan, August Kranti Marg  
New Delhi - 110049

Dated:8.07.2016

**OFFICE MEMORANDUM**

**Subject: Meeting of the Inter Ministerial Approval Committee (IMAC) for Cold Chain, Value Addition and Preservation Infrastructure –forwarding of minutes of the meeting -reg.**

The undersigned is directed to forward herewith the minutes of the meeting of Inter-Ministerial Approval Committee (IMAC) held on **23.06.2016** under the Chairpersonship of Hon'ble Minister (FPI) for information and necessary action please.

*Atyand*  
*8/7/16*  
(Dr. Atya Nand)

Deputy Secretary to the Govt. of India

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**To**

1. Addl. Secretary & Financial Advisor, Ministry of Food Processing Industries, Krishi Bhawan, Room No. 114-A, New Delhi, (Tel. No. 23384360), (Fax No. 23389388).
2. Joint Secretary (Smt. Anuradha Prasad), Ministry of Food Processing Industries, Panchsheel Bhawan, New Delhi
3. Joint Secretary, In-charge, Mission for Integrated Development of Horticulture (MIDH), Department of Agriculture & Cooperation, Ministry of Agriculture, Krishi Bhawan, New Delhi.
4. Dr. Harsh Kumar Bhanwala, Chairman, National Bank for Agriculture and Rural Development, C-24, G Block, BandraKurla Complex, Bandra (E), Mumbai – 400051, (Tel. No. 022-2653000, 2653001), (Fax No. – 022-26530113), (Email – [chairman@nabard.org](mailto:chairman@nabard.org)).
5. Additional Chief Secretary (Agri & Marketing), Agriculture, Animal Husbandry, Dairy Development, & Fisheries Department, Government of Maharashtra, Mantralaya, Annex Building, Madam Kama Road, HutatmaRajguruChowk, Mumbai-400032 Email: [sec\\_agri@maharashtra.gov.in](mailto:sec_agri@maharashtra.gov.in)
6. The Addl. Chief Secretary, Industries & Commerce Department, Govt. of Haryana, Room No. 46, 9th Floor, Haryana Civil Secretariat, Chandigarh, Tel. No. 0172-2740009, Fax: 0172: 2749985, Email: [fcindustry@hry.nic.in](mailto:fcindustry@hry.nic.in)

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**Copy to:**

1. PS to Hon'ble Minister (FPI)
2. PSO to Secretary (FPI)
3. PA to JS (AP)
4. PA to JS (Fin)
5. Shri Ravi Ranjan Mishra, Senior Vice President, M/s IL&FS Cluster Development Initiative Ltd., 3rd Floor, NTBCL Building, Toll Plaza, DND Flyway, Noida – 201301, (U.P.).
6. Shri Kunal Sood, Partner, M/s Grant Thornton India LLP, 21<sup>st</sup> Floor, DLF Square, Jacaranda Marg, DLF Phase – II, Gurgaon – 122002

*Aband*

**Minutes of meeting of Inter Ministerial Approval Committee (IMAC) for the scheme of Cold Chain, Value Addition and Preservation Infrastructure held on 23.06.2016**

A meeting of Inter-Ministerial Approval Committee (IMAC) constituted under Scheme for Cold Chain, Value Addition and Preservation Infrastructure was held on 23.06.2016 at 2:30 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. A: Action Taken Note on the Minutes of IMAC Meeting held on 10.05.2016**

IMAC noted the actions taken on the decision of the IMAC in its meeting held on 10.05.2016.

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**5. Agenda Item No.1: The request for time extension and change of locations of collection centres & distribution centre in case of M/s Prasad Seeds Pvt. Ltd.**

The IMAC noted that Approval Committee (AC) in the meeting held on 23.08.2013 has approved the proposal of M/s Prasad Seeds Pvt. Ltd., for grant-in-aid of Rs 1000.00 lakhs for setting up of integrated cold chain project at Village Muddapuram, Mandal Kodakandla, District Medak (Telangana) with facilities such as:

- Fruit & vegetable sorting grading, dehusking line (1MT/hr)
- Cold storage (5000 MT)
- Ripening chambers (40 MT/day)
- Freezer room (500 MT)
- IQF (1MT/hr)
- Dry warehouse (5000 MT)
- Collection centres/MPCs having sorting, grading facilities at four locations namely Vill. Dabeerpur (Mandal Medchal, Rangareddy), Vill. Ankapur (Mandal Armour, Nizamabad), Hyderabad, Vijaywada.

b. The IMAC also noted that the approval letter to the project was issued on 20.09.2013. The promoter vide letters dated 28.01.2014 & 21.03.2014, informed the Ministry regarding the change in project location. The IMAC in the meeting held on 09.05.2014, approved the change of location. The revised location for setting up of the project is S. no.77, 78, Village Kodakandla, Mandal Gajwel, Distt. Medak in Telangana.

c. The IMAC further noted that the 1<sup>st</sup> instalment of Rs 250.00 lakhs was released to the project on 26.06.2015. The promoter has submitted request for release of 2<sup>nd</sup> instalment of grant vide letter dated 30.09.2015. The PMA has submitted response vide e-mail dated 12.10.2015 requesting the promoter to submit requisite documents such as CA certificate, CE (civil and mechanical) certificates, land documents for collection centres and copies of statutory compliances etc. The promoter vide letter dated 05.11.2015, 11.01.2016, 16.02.2016 and 31.03.2016 has submitted additional documents which have been scrutinized by PMA. The PMA vide letter dated 07.04.2016 has submitted their response with regard to release of 2<sup>nd</sup> installment and advised to obtain following information/documents from the promoter:

- i. Details of the unsecured loans along with name and PAN nos of the lenders and the amount borrowed certified by CA,
- ii. CE (Mech) certificate clearly describing the present status of installation of P&M at site along with photographs,
- iii. Copies of the water supply and electricity connection from competent authorities; and
- iv. Remaining bills/ invoices for the expenditure made on civil works.



d. The IMAC also noted that the promoter vide letter dated 28.04.2016 and 02.05.2016 has submitted the aforesaid information/documents. Based on the response of the promoter, the PMA vide letter dated 03.05.2016 has submitted their recommendations for release of 2<sup>nd</sup> installment. It was also noted by the IMAC that in its recommendations PMA has mentioned that the promoter has furnished details of unsecured loan worth Rs. 9.28 crore duly certified by CA, Consent to Establish issued from PCB on 31.03.2015 valid for 5 years. PMA had further mentioned that as per CA certified payment details submitted by the promoter, out of total expenditure of Rs. 809.18 lakh on civil work, about Rs. 469.77 lakh accounts for labour wages and civil construction material & other related works for which applicant has not submitted invoices and supporting bank statement. Subsequently, the promoter had submitted CA certified (countersigned by the promoter) ledger extracts of the cash payments made towards labour wages and construction material for Rs. 468.29 lakh. The details of cash payments towards construction material (Rs. 205.76 lakh) and labour wages (Rs. 262.53 lakh) had also been furnished. Of the remaining Rs. 340.89 lakh, bills and invoices of Rs. 223 lakh have been submitted. The PMA had mentioned that the promoter has submitted revised implementation schedule according to which the project will be operational from 4<sup>th</sup> week of August, 2016. Based on examination/scrutiny of documents and site inspection, PMA has recommended the case for release of 2<sup>nd</sup> installment of grant to the project.

e. The IMAC noted that vide letter dated 09.10.2015 the promoter had requested the Ministry to extend the time limit for project completion by six months from the date of receipt of 2<sup>nd</sup> installment of the grant or in compliance of the Ministry's guidelines, whichever is earlier. The applicant mentioned that the circumstances of serious agitations, demonstrations, protests and law & order problems witnessed during the bifurcation of the state of Andhra Pradesh delayed the implementation of the project. IMAC also noted that in continuation of promoter's earlier request, subsequently the promoter vide letter dated 16.02.2016 has sought specific extension up to 16<sup>th</sup> August, 2016 for completion of project. The IMAC was informed that as per the decision taken by the IMAC on 20.08.2015, *the implementation schedule is 24 months for general areas and 30 months for difficult areas for completion of cold chain project.*

f. The IMAC also noted that the promoter vide letter dated 31.10.2015 had requested for change of location for 2 collection centres and 1 distribution centre. The Axis Bank vide letter dated 31.10.2015 had endorsed the change in location of collection centers & distribution centre as follows:

S. No.	Previously proposed location of Collection/distribution centre	New Location	Area of new location
1	Dabeerpur (Village), Medchal (Mandal), Rangareddy district (Collection Centre)	Sy. No: 247 (part), 253 (part), 339 (part), 340 (part), Pragnapur (village), Gajwel Mandal, Medak	1.00 acre

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		District, Telangana	
2	Ankapoor (Village), Armoor (Mandal), Nizamabad (dist), AP (Collection Centre)	Sy. No: 142 (part), 143 (part), Muddapuram (Village), Kondapaka(Mandal), Medak District, Telangana	1.00 acre
3	Hyderabad (Distribution Centre)	Sy. No 40 (part), Kodakandala (V), Gajwel Mandal, Medak District, Telangana	0.70 acre

**g.** It was noted by the IMAC that as per the promoter, new proposed site will offer better geographical connectivity, demographic coverage and accessibility to critical amenities such as energy, manpower and logistics support, it also has a better reach to backward and forward linkages for the project. The IMAC observed that the banker has also mentioned that the new locations would be more advantageous in respect of availability of raw material for collection and distribution and as such the proposed changes would not have any adverse impact on the overall financial viability of the project. IMAC also noted that the promoter had submitted a letter dated 31.05.2016 wherein a revised implementation schedule has been given for completion of the project by the 4<sup>th</sup> week of August 2016.

#### **h. Decision**

After detailed deliberation, the IMAC approved the time extension for project completion up to 31<sup>st</sup> August, 2016. The IMAC also approved the change of location of collection centres and distribution centre as detailed in para 'f' above. IMAC also directed that no further extension of time would be granted to the project.

**6. Agenda Item No. 2: Proposal of M/s Cold Star Logistics, Maharashtra for rectification in the approval letter for setting up integrated cold chain facilities at Raigad, Maharashtra.**

The IMAC noted that the proposal of **M/s Cold Star Logistics Pvt. Ltd.** for grant-in-aid of Rs. 1000 lakh for setting up an integrated cold chain project for frozen fruits and vegetables at Village Palaspe, Taluka Panvel, District Raigad, Maharashtra was approved by Approval Committee in its meeting held on 28.05.2012. Approval letter was issued on 25.07.2012. The IMAC was informed that after issue of approval letter the file was transferred to National Horticulture Board being the Programme Management and Implementing Agency (PMIA) for further actions like monitoring and release of financial assistance.

**b.** The IMAC also noted that subsequently the promoter had changed the location of the project (Main Distribution Hub) from Village Palaspe, Taluka Panvel, District Raigad to Village Wavanje, Taluka Panvel, Dist. Raigad, Maharashtra (Near Taloja MIDC area). AC in its meeting held on 14.06.2013 approved the change of location. The project had proposed to create following cold chain infrastructure and preservation facilities:

- Washing, grading, sorting, waxing, packing facility - 5MT/Hr.
- Cold Storage - 5000 MT
- IQF - 2000 MT per annum
- Reefer Van - 21 Nos.
- Ripening Chambers - 10 MT
- Dry Warehouse - 500 MT/PA

**c.** The IMAC observed that the project had also envisaged setting-up of two collection centers at Vill. Narayangaon, Taluka Junnar, Dist. Pune and Vill. Pimpalgaon, Taluka Niphad, District Nasik. However, no grant in aid was approved for said collection centers. The 1<sup>st</sup> and 2<sup>nd</sup> installments of grant of Rs. 250.00 lakh and Rs. 500.00 lakh were released to the project on 09.09.2013 and 23.01.2014/ 13.03.2014 respectively.

**d.** The IMAC noted that the promoter vide letter dated 13.01.2016, had mentioned that the cost mentioned against the following components has been interchanged in the approval letter:

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Component	Amount mentioned in DPR & CE (Mech.) certificate submitted before the approval of project (Rs. Lakhs)	Amount mentioned in the approval letter dated 25.07.2012 (Rs lakhs)	Amount mentioned in promoters request of rectification letter dated 13.01.2016 (Rs. Lakhs)	Ex-Post facto necessary approval of rectification in approval letter dated 25.07.2012 of IMAC requires before considering release of 3 <sup>rd</sup> instalment of grant (Rs. Lakhs)
IQF line	350	150	375	350
Grading, Packing line	175	375	150	175

e. It was noted by the IMAC that in the DPR, the cost of IQF and GP line were given as Rs. 150 lakhs and Rs. 375 lakhs respectively. However, the rates for these equipments were mentioned as Rs. 350 lakhs and Rs. 175 lakhs for IQF and GP respectively per unit in the DPR. As per the CE (Mech) certificates dated 02.04.2012 and 25.04.2012 submitted by the promoter before the approval of the project, the costs of IQF and GP line are given as Rs. 375 lakhs and Rs. 150 lakhs respectively. Accordingly, the eligible costs for these two components have been considered based on CE (Mech.) certificates furnished by the promoter.

f. The IMAC observed that as per the approval letter dated 25.07.2012, the implementation schedule for completion of project was 18 Months (not later than 24.01.2014). Approval Committee in the meeting held on 10.01.2014 had granted extension of timeline till 24.05.2014. Further, The promoter had submitted the documents for released of 3<sup>rd</sup> installment of grant on 17.06.2014 and IMAC in its meeting held on 25.07.2014 had condoned the delay of about 22 days (i.e. from 24.05.2014 to 17.06.2014) in submission of documents for release of 3<sup>rd</sup> and final installment of grant. After satisfying various queries of PMIA/PMA and rectifying the deficiencies in documentation, the joint site inspection was carried out by a team comprising of representatives of NHB, MoFPI, & PMA (M/s IL&FS) on 14.03.2016 to ascertain status of implementation of the integrated cold chain project before release of 3<sup>rd</sup> and final installment of grant as per the scheme guidelines. The PMA has submitted their recommendation for release of 3<sup>rd</sup> grant vide letter 04.04.2016, **subject to Ministry's approval regarding the change/correction in the approved costs of two components as mentioned above.**

**g. Decision**

After detailed deliberation, the IMAC has approved for rectification in the approval letter dated 25.07.2012 in respect of cost of IQF line as Rs. 350 lakh and that of grading/packing line as Rs. 175 lakh in case of M/s Cold Star Logistics Pvt. Ltd., Taluka Panvel, Dist. Raigad, Maharashtra.

*Agreed*

**7. Agenda Item No. 3: Change in means of finance of M/s Mahua Cooperative Cold Storage Ltd., Vaishali, Bihar**

The IMAC noted that the proposal of M/s Mahua Cooperative Cold Storage Ltd. was approved by IMAC for setting up integrated cold chain project with following facilities:-

**(i) Distribution Hub:** at Village Bhathadasi, Block Razapakav, District Vaishali

- CA Store : 2500 MT
- Multi Commodity Cold Store : 1000 MT
- Sorting/ Grading Line : 5 MT/ Hr

**(ii) Minimal Processing Centre:** at Hajipur, District Vaishali

- Sorting/Grading Line : 5 MT/ Hr
- Pre Cooling Chambers : 2 nos. of 10 MT each
- Mobile Pre Coolers : 3 nos. of 6 MT each

**(iii) Reefer vans : 5 nos. of 15 MT each.**

The approval letter for grant-in-aid of Rs. 975.36 lakh to the project was issued on 22.05.2015.

**b.** The IMAC also noted that subsequently the promoter has (i) changed the location of distribution hub, (ii) changed the lending bank and (iii) revised the project cost (total & eligible) & (iv) means of finance. IMAC also noted that the debt-equity ratio should be maintained in the same proportion as originally approved and the PMA may carry out the site visit and gives a report on the existing cold storage at the site.

**c.** The IMAC noted that the promoter vide letter dated 29.04.2016 has submitted the detailed business plan, according to which the facility would be run on a rental model where the services of cold storage would be made available to farmers, traders, processors etc. in the near-by regions. In this regard, the promoter has stated that letters of intent from M/s Complete Logistics, Kolkata for taking CA Store (1500 MT) on lease for 10 years and M/s Metro Foods Pvt. Ltd. for taking MA Store (800 MT) on lease for 8 years were submitted at the time of the EoI. The promoter has also mentioned that there is a lack of infrastructure for fruit and vegetable storage, sorting, grading and temperature controlled logistics services in the region, therefore, this project would cater to the requirements of farmers, traders, processors and retailers in the region. The promoter has mentioned that there is no CA store in the entire state for storage of apple brought from Himachal Pradesh and J&K, whereas the demand in the market is through out the year. This is a very big opportunity and accordingly, they proposed to set up CA store for Apple, Pear and other temperate fruits. The apple stored will be sold in the market during off season after sorting, grading, waxing and packaging in retail packs. To enable hygienic conditions and better quality of produce the promoter has stated that he proposes to set up sorting, grading lines for fruits & vegetables at main facility and MPC. To maintain end to end cold chain for

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maintaining quality of perishable product, the pre-cooling chambers, mobile pre coolers and refrigerated vehicles have also been proposed.

d. The IMAC noted that the promoter has further stated that keeping in view the spirit of scheme guidelines the proposed project would offer farm to market temperature controlled infrastructure for perishable crops. This is also mentioned in section 2.2 and 2.3 of DPR which says that "The project envisages storage of fruits & vegetables on rental basis. The focus crops chosen are both local produce and the fruits imported from other parts of the country to cater to the local demand. The major crops which have potential for long term storage and have high demand in the local market are Apple, Pear, Peach, Plum, Cherry, Onion, Cauliflower, Capsicum, Oranges, Litchi and Potato". The promoter has submitted the approved building plan, CLU and has also applied for Consent to Establish from State PCB.

e. The IMAC further noted that to maintain the same debt-equity ratio which was proposed in the proposal, the promoter vide letter dated 03.05.2016 has stated that in the original proposal, debt was Rs. 584 lakh and equity including grant was Rs. 1528 lakh and DE ratio was 0.38 (as per appraisal note of the NCDC, the lending institution). Subsequently, due to change of location and reduction in grant the means of finance also changed.

f. The IMAC take note that Mahua Cooperative Cold Storage Limited is a cooperative of farmers and is associated with National Co-operative Development Corporation (NCDC) since 1973. After sanction of project under the Cold Chain scheme from MoFPI they approached NCDC for sanction of Term Loan, since they are getting better interest rate and repayment schedule. NCDC considered their request of term loan being cooperative society & having association since 1973 and approved a term loan of Rs. 900 lakh which helped in reduction of equity burden on farmers (members of cooperative). The revised Debt Equity Ratio became (Rs. 900 lakh/Rs. 1232 lakh, including grant) 0.73. The promoter has further stated that the DE ratio is still less than 1.0 and is as per banking norms related to project finance. At this stage, when 75% loan has been disbursed by the NCDC [25% on 22.01.2016 and 50% on 02.05.2016]; they are clueless how to maintain the same Debt Equity. The higher proportion of Debt indicates the confidence of Financial Institution in the project and its viability.

g. The IMAC take note of the promoter request to maintain the means of finance (in Rs. lakh) as below:-

Source of finance	Earlier Appraised by Bank	Earlier approved by Ministry	Appraised by NCDC (Proposed for approval)
Promoter contribution	528.00	552.64	257.76
Bank Loan	584.00	584.00	900.00
MoFPI grant	1000.00	975.36	975.36

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h. The IMAC noted that promoter vide letter dated 03.05.2016 has also submitted the detailed appraisal note dated 23.11.2015 from the National Co-operative Development Corporation (NCDC). The NCDC appraisal note states that the proposal envisages storage of F&V on rental basis and for society's business purpose. The focus crops chosen are both local products and the fruits imported from other parts of the country to cater to the local demand. The major crops which have potential for long term storage and has high demand in the local markets are Apple, Pear, Peach, Plum, Cherry, onion, cauliflower, Capsicum, oranges, Litchi and Potato. The present available infrastructure with the society i.e. 14000MT cold storage is mainly used for storage of potato, maize and eggs through out the year. The society is venturing into creating world class cold chain infrastructure which will have temperature controlled sorting and grading hall, automatic grading lines, controlled atmosphere and multi commodity/ multi atmosphere cold storages. Most of the raw materials are available in and around Vaishali, Saran & Samastipur districts making raw materials sourcing easy.

i. The IMAC noted that as per the appraisal note of NCDC the society has earned net profit of Rs. 7.51 lakh, Rs. 10.48 lakh and Rs. 9.80 lakh during 2012-13, 2013-14 and 2014-15 respectively and the capacity utilization of the existing cold storage facility has been 91%, 93% and 90% correspondingly. NCDC appraisal also gives the details of membership & paid up share capital as on 31.03.2014 as follows:-

Category	No.	Paid-up Share Capital (Rs. in lakh)
Individuals	579	7.956
Coop. Societies	10	28.936
Others	315	0.003
State Govt.	1	14.79
<b>Total</b>	<b>905</b>	<b>51.687</b>

j. The IMAC also noted that NCDC vide letter dated 02.05.2016 has also released 2<sup>nd</sup> installment of financial assistance of Rs. 450 lakh, after utilization of 1<sup>st</sup> installment by the promoter. While releasing 2<sup>nd</sup> installment, NCDC in para 3 of the sanction order has observed that joint inspection of the project had been carried out by the officials of MoFPI (PMA) on 21.04.2016 and the said report is under submission to MoFPI. Also as per society anticipation reimbursement of 1<sup>st</sup> installment of grant-in-aid from MoFPI is unspecified and delayed. However, the work for implementation of the said project is moving fast. Now due to non availability of grant-in-aid from the MoFPI the society is presently facing paucity of fund.

k. The IMAC noted that PMA conducted the site visit on 22.04.2016 to give a report on the existing cold storage at the site. During the site inspection the promoter informed that existing Cold Chain facility is in an area of about three acres, with facilities of potato cold

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store of 8000 MT and 2000 MT storage of cereals. Also, there is an idle warehouse which is present at the location where promoters are proposing Sorting-Grading line for the new proposed project. The Promoter is a cooperative and working on a model where the cooperative has more than 500 registered members which have voting rights and are storing their produce in the potato cold store. It is expected that the same members will also use the new facility being set up with assistance from MoFPI. The construction work for the new project is on at the site for CA and MA stores. Promoters have informed that the region comes in rural area thus state FAR (floor area ratio) directive doesn't apply on the project. Furthermore, promoters have showcased the building plan being approved by the local Block Officer. The IEM and PCB approval for the project is awaited. It may be noted that PCB approval is must before recommendation of project.

I. The IMAC noted that during the meeting, PMA opined that the promoter is a cooperative and has been in the Cold Chain Business since 1973 in the same region, therefore has relevant experience in the field. Further, the higher term loan shows that the lending institution (NCDC) has higher confidence in the viability of the project. The Ministry may consider the promoters request to accept the revised means of finance.

m. The IMAC noted the views of the division that the lending institution i.e. NCDC has already released Rs. 675 lakh (75% of sanctioned term loan) in two installments to the project. Therefore, at this stage it would be impractical to insist on the promoter to maintain the debt-equity ratio in the same proportion as originally approved.

**n. Decision:**

In view of above, IMAC considered and approved the revised Means of finance of Rs. 2133.12 lakh as follows:

Source of finance	Approved by IMAC (Rs. lakh)
Promoter contribution	257.76
Bank Loan	900.00
MoFPI grant	975.36
	<b>2133.12</b>

IMAC also directed that no grant shall be released without submission of Consent to Establish by the promoter.



**8. Agenda Item No. 4: Revision of project component, project cost (total and eligible) and means of finance of M/s Boxco Logistics India Pvt. Ltd., Distt. Sonapat, Haryana**

The IMAC noted that the proposal of M/s Boxco Logistics Pvt. Ltd. for setting up integrated cold chain project in Sonapat, Haryana was approved for financial assistance of Rs. 10 crore for setting up following facilities:-

**(i) Distribution Hub:**

- Multi Commodity Cold Storage : 3320 MT
- Deep Freezer : 4980 MT

**(ii) Minimal Processing Centre:**

- Multi Commodity Cold Storage : 500 MT

- (iii) Reefer Vans** : 10 nos. (of varying capacities ranging from 1.25 MT to 13.5 MT)

The approval letter to the project was issued on 22.05.2015 and revised project cost of Rs 3306.76 was approved in IMAC meeting held on 02.07.2015.

b. The IMAC noted that the promoter vide letter dated 06.07.2015 had intimated that he doesn't want to invest in the Minimal Processing Centre with the facility of Multi Commodity Cold Storage (500 MT capacity), Minimal Processing Area (700 Sq. Mt.) and reefer vehicles (5 nos. – 1.25 MT, 2.5 MT, 4.25 MT, 6.35 MT and 8.0 MT) as all the activities meant for Collection Centre/ MPC can be conveniently carried out from main distribution hub. The expenditure of approx. Rs. 337.58 lakh proposed to be incurred on setting up MPC and purchase of 5 reefer vans is now no more required. The promoter had also submitted the reappraisal with NOC by the lending bank, wherein, the bank has confirmed that there is no adverse effect on the project viability/ financial model due to the amendment made to the project cost elements or due to revised implementation schedule. After considering all facts of the case, IMAC in its meeting held on 09.11.2015 directed the PMA to undertake a site visit of the project to verify the proximity of the Distribution Hub from the consumption centre(s) and the proposed MPC and whether the objective of farm to fork cold chain would get fulfilled if the proposed changes were approved. IMAC also instructed the PMA to confirm the total capacity proposed to be created by the promoter.

c. The IMAC noted that PMA conducted the site visit on 03.12.2015 and observed that the location of the proposed MPC is approximately 2.5 KMs away from the Distribution Hub. Therefore, due to such close proximity of the Distribution Hub and MPC, even if the infrastructure proposed at MPC is set up at Distribution Hub there would be no adverse impact on the project with respect to Farm to Fork objective or proximity to the consumption centre. Further, during the site visit, PMA was informed by the representatives of M/s Boxco Logistics, that the capacity of Cold Storage to be constructed would be approximately 8800 MT on a total plot size of 2 Acres. The revised combined

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capacity comprises Multi Commodity Cold Storage of 3820 MT (3320 MT + 500 MT) and Deep Freezer of 4980 MT. This is also supported by the revised bank appraisal note dated 21.12.2015 of IndusInd Bank submitted by the promoter. After considering all facts and circumstances of the case, IMAC in its meeting held on 21.01.2016 directed the PMA to re-evaluate the score as per evaluation criteria laid down in the scheme guidelines since, MPC is proposed to be removed by the promoter as approved project component. IMAC also directed the PMA to ascertain backward linkages for the project and as to whether deletion of MPC and change in number and capacity of reefer vans would adversely impact the seamless backward integration of cold chain facilities from farm to fork. IMAC directed to place the matter in next IMAC meeting after due compliance.

d. The IMAC noted that the PMA re-evaluated the score and observed that earlier project was approved with a total score of 69 marks in the IMAC meeting held on 24.03.2015 and ranked 20<sup>th</sup> in the final merit list. Further, upon considering the revised project components, the revised score of the project is 62, and the project still makes it within top 30 eligible proposals. Earlier the project was ranked at 20<sup>th</sup> position and now it is finding place at 26<sup>th</sup> position. After the reconfiguration of the proposal as detailed above, it is still complying with minimum two eligible components by creating distribution hub and procuring reefer vans. Further, PMA has scrutinized the detailed business plan dated 22.02.2016, endorsed by bank, which confirms that there is no adverse effect in the Project Viability & the Financial Model and has noted that the project is a green field project located in Village Panchi Gujran, Tehsil- Gannaur, Haryana and envisages storage of fresh fruits & vegetables from the farmers in the catchment area which shall be transported through refrigerated vehicles and will be stored in 8800 MT capacity created at the Distribution Hub. Subsequently, direct procurement of the F&V by traders/retailers will be transported in refrigerated vehicles to various wholesalers/ distributors/ customers/ retailers & to other states. In the IMAC meeting held on 17.03.2016 the representative of M/s Boxco Logistics India Pvt. Ltd. was also present during the discussions. He explained the business model of his project and apprised the IMAC that the facility proposed to be created will be utilized by the farmers of the catchment area and also by other traders/retailers who wish to keep their perishable produce in the facility. The facility will be used on rental basis and will cater to the needs of the different types of produce which may require preservation at -20° centigrade to +20° centigrade. After detailed deliberation, IMAC in its meeting held on 17.03.2016 directed that PMA may revisit the business plan and the grant calculation for technical civil works and plant & machinery. IMAC further directed that cost norms of MIDH may also be checked.

e. The IMAC noted that the promoter vide letter dated 16.03.2016 intimated regarding the no. and capacity of reefer vehicles as per revised business plan, which are as follows:-

Company/ Model	Nos. & Capacity (in MT)	Cost (Rs. in Lakh)
TATA (LPT 1109)	2 x 7 = 14 MT	25.70 x 2 = 51.40
Ashok Leyland (4923)	2 x 30 = 60 MT	52.00 x 2 = 104.00

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<b>Total</b>	155.40
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f. The IMAC noted the comments of PMA in compliance of direction by IMAC dated 17.03.2016:

(i) **Business Plan:** With their existing logistics business, JMB Group is entering into Cold Chain business through Boxco Logistics India Pvt Ltd., with their Greenfield Integrated Cold Chain Project coming up at village PanchiGujran, Haryana - adjacent to the International Container Terminal (DICT). The development of the Facility of Distribution Hub, next to the International Container Terminal (DICT) is intended to give a big boost to North India's logistics industry.

As explained by the promoter vide email dated 30.03.2016, the project activities include primary processing such as pre-inspection, sorting & cleaning for perishables, storage in cold storages/ frozen chambers and distribution through refrigerated transportation, while ensuring international standards.

The facility will cater to the following product categories:

- a. Fresh Fruits & Vegetables ( Apple, Stone fruits, Imported fruits)
- b. Frozen fruits & Vegetables
- c. Processed Food Products ( frozen and others)
- d. Dairy & milk Products
- e. Meat and meat products

The promoter has also provided details of the targeted users of the facilities being created in the table below:

<b>UTILIZATION SUMMARY FOR 8800 MT CAPACITY</b>			
	<b>Type of Commodity</b>	<b>Capacity Utilization %</b>	<b>Potential Customers</b>
a.	Fresh Fruits & Vegetables	30	Traders, Farmers, Mandis, Modern retailers like Walmart, AdaniAgriFesh, Yupaa International, Dev Bhumi Cold Storage, Suri Agro Fresh Ltd, I.G International, Gem Tree Natural Produce
b.	Processed Frozen fruits & Vegetables - Peas, Mushrooms, Carrots	20	Himalya International, Gupta Agro, Canvass Integrated Cold storages, Al Kabeer
c.	Processed Food Products - Frozen Juices, Organic Rice etc. (Organic Rice is	20	Nestle, Coca Cola, LT Foods, Kohinoor, Daawat

*Daawat*

	already being exported via refrigerated trains from DICT, Delhi International Cargo Terminal, Village PanchiGujran, Tehsil Gannaur)		
d.	Dairy Products - Ice cream, curd, cheese, Chocolate	10	HUL - Magnum Icecreams, HUL-Kwality Walls Icecreams, Crème Bell Icecreams, Chocolate - Mondelez India Foods, Morde Foods, Parle Biscuits, Cheese Dabon International, Curd - Nestle
e.	Processed Meat (Processed Meat is already being exported via refrigerated trains from DICT, Delhi International Cargo Terminal, Village PanchiGujran, Tehsil Gannaur), & Non-veg products	20	Allanasons, ALM Industries, M.K Overseas, Mirha, Punjab Agro
	TOTAL	100	

The project has been proposed to work on a Rental Model to provide services of cold storages to Traders, Farmers, Mandis and Modern retailers. The same business model has been adopted by major logistic players of the country like Transport Corporation of India, Hind Terminals, etc, which have also been sanctioned grant-in-aid assistance by the Ministry. Therefore, the PMA is of the view that the project is proposing a viable business plan that has been implemented by other logistic firms for providing services of cold storages on a rental basis.

The PMA has explained that the facilities created under the project would be used by traders, mandis and modern retail chains like AdaniAgri Fresh, Walmart on rental basis. Traders, Mandis and modern retailers like, etc would use the facility as a storage hub for the goods procured directly from farmers in nearby regions. The project would act as a necessary catalyst that would assist in a trickle-down effect on all players that would be involved in this process like suppliers, traders, retailers and also the farmers from which the produce would be procured.

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Efficient Logistics and Preservation of goods are one of the main benefits that a cold chain offers and also is one of the objectives of scheme of 'Cold Chain Value Addition Preservation and Infrastructure'.

The business model proposed by M/s Boxco Logistics is an accepted business model which the Ministry has supported in the past in case like M/s Saastha Warehousing Ltd, M/s Cold Star Logistics Pvt. Ltd., M/s Shimla Horticulture, etc. that have been working efficiently while meeting the objectives of the scheme. Also amongst the newly sanctioned projects M/s Western Superfresh Corporation, M/s Hind Terminals Pvt. Ltd., M/s Transport Corporation of India are also following the same business model.

Therefore, PMA is of the view that the project is proposing a viable business plan that has been implemented by other logistics firms for providing services of cold storages on a rental model.

**(ii) Observations of PMA on cost of the project vis-à-vis MIDH cost norms:**

The PMA has calculated the average cost of the approved cold storage and reefer vehicles of the proposed project as follows:-

<i>*Excluding Taxes</i>					
<b>Facility</b>	<b>Proposed Capacity</b>	<b>Civil Cost (Rs lakh)</b>	<b>P&amp;M Cost (Rs lakh)</b>	<b>Total Cost (Rs lakh)</b>	<b>Cost per MT (inRs.)</b>
<b>Distribution Hub</b>					
Multi Commodity Cold Storage	3320 MT	564.04	924	1488.04	17928
Deep Freezer:	4980 MT				
<b>MPC</b>					
Multi Commodity Cold Storage-	500 MT	112.86	54	166.86	33372

The proposed cost per MT of cold store for this project is approx. Rs. 18,000/MT for capacity being created at Distribution hub and about Rs. 33000/MT for capacity being created at MPC as against the MIDH cost norms that have an approx. range from Rs. 7500/MT to Rs. 12000/MT.

It may be seen that per Metric cost of cold chain infrastructure proposed to be created by M/s Boxco Logistics is higher than MIDH norms. This is because of the fact the purpose of cost norms determined by MIDH for providing financial assistance in setting up cold storages, is only to incentivize private investment in post harvest management. The cost norms of MIDH have no relation with the actual

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cost of P&M and Technical Civil Works used in creation of modern cold chain preservation infrastructure.

Further, the Promoter has proposed to construct a modern, state of the art facility for storage and preservation of perishables having a temperature range from -20 degree Celsius to +20 degree Celsius for which he has given P&M and Civil contracts to very well reputed companies. Details for some of the major companies are as follows:

Sl. No.	Name of Company	Background
1	Metaflex Doors	Founded in 1976, Metaflex Doors Europe (MDE), based in the Netherlands, is the largest manufacturer of insulated doors in the Netherlands and has a wide presence in Europe and continents like Africa, South East Asia or Middle East.
2	Isolloyd Engineering Technologies.	India's leading companies offering End to End Industry Solutions, Lloyd Insulations are in the business for 54 Years. They specialize in Supplying, Contracting and Manufacturing of Insulation, Refractory, Pre-Insulated Sandwich Panels, Pre-Engineered Buildings, Metallic Profiled sheets, Fire-proofing and Mechanical erection works and have an insulation market share of 70%.
3	Everest Industries Ltd.	Everest has had a strong presence in the country for over 80 years in providing complete building solutions. They provide services to commercial, residential and industrial sectors in 25 countries.
4	Rajdulari Associates	Rajdulari Associates is a manufacturer and traders for all types of storage system which has been providing storage and racking solutions since 1985.

**g. Project Cost & Means of Finance:** The proportion of promoter's equity and term loan has now been increased from Rs. 768.71 lakh and Rs. 1538.05 lakh respectively to Rs. 792.28 lakh and Rs. 1550 lakh respectively. The revised means of finance are as follows:

S. No.	Source of Finance	Approved by the Ministry (Rs. Lakh)	Revised Bank Appraisal (Rs. Lakh)

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1.	Promoter's Contribution	768.71	792.28
2.	Term Loan	1538.05	1550.00
3.	Grant-in-aid	1000.00	1000.00
	<b>Total</b>	<b>3306.76</b>	<b>3342.28</b>

The details of revised project cost are as follows:-

S No.	Particulars	Approved by the Ministry (Rs. Lakh)	Revised Bank Appraisal (Rs. Lakh)
1.	Land	-	-
2.	Civil Works	86.95	54.02
3.	Technical Building	1024.08	909.22
4.	Plant & Machinery	1834.63	1770.45
5.	Misc. Fixed Assets	150.20	97.45
6.	Working Capital Margin	40.40	40.00
7.	Pre-operative Expenses including contingencies, IDC	170.50	471.14
	<b>Total</b>	<b>3306.76</b>	<b>3342.28</b>

h. **Grant Calculation:** After deletion of the MPC component and 5 reefer transport as detailed in preceding paras, the revised eligible project cost & grant-in-aid are as follows:-  
(Rs. Lakh)

S No.	Particulars	Sanctioned by IMAC dated 24.03.2015	Revised
<b>Eligible Technical Civil Works</b>			
1.	Distribution Hub	794.84	794.84
2.	MPC	114.86	-
<b>Eligible Plant &amp; Machinery</b>			
3.	Distribution Hub	1226.12	1226.12
4.	MPC	114.93	-
<b>Eligible Reefer Cost</b>			
5.	Distribution Hub	124.36	124.36
6.	MPC	70.176	-
	<b>Total Eligible Project Cost</b>	<b>2445.30</b>	<b>2145.32</b>
	<b>Total Eligible Grant @ 50% of the Total Eligible Cost</b>	<b>1222.65</b>	<b>1072.66</b>
	<b>Maximum Grant as per the Scheme Guidelines</b>	<b>1000.00</b>	<b>1000.00</b>

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The exclusion of MPC as a component of the project would not impact the total grant awarded to the project as eligible project cost has decreased from Rs. 1222.65 Lakh to Rs. 1072.66 Lakh, therefore, the grant-in-aid would remain as Rs. 1000.00 Lakh.

**i. Decision**

- (a) After detailed discussions the IMAC decided not to accede to the request of the promoter for dropping of Minimal Processing Centre (MPC). The IMAC directed that the promoter may set up MPC either at the same location as proposed in the DPR or at some other location. However, no extension of time would be granted for completing the project.
- (b) IMAC also approved the following in respect of the project:
  - (i) Upward revision of project cost & means of finance from Rs. 3306.76 lakh to Rs. 3342.38 lakh; and
  - (ii) Approved 2 nos. x 7 MT & 2 nos. x 30 MT of reefer transport at distribution hub (total 4 nos. with a capacity 74 MT) vis-à-vis earlier approved 10 nos. with total capacity of 43.878 MT ( 5 at distribution hub with capacity of 21.466 MT and 5 at MPC with capacity of 22.412 MT).

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**9. Agenda Item No. 5: Revision of project cost, means of finance and change in capacities of project components of M/s Nekkanti Sea Foods Limited, East Godavari Dist., Andhra Pradesh.**

The IMAC noted that the proposal of M/s Nekkanti Sea Foods Limited was approved by IMAC for setting up integrated cold chain project at East Godavari Dist., Andhra Pradesh with following facilities:-

(i) **Distribution Hub** at J Thimmapuram, Peddapuram, East Godavari with the facilities of IQF – 2 x 1 MT/hr, Freezer Cold Storage - 2000 MT, Plate Freezers – 3 x 0.75 MT and Tube Ice Plant- 1 x 30 TPD and 1 x 40 TPD

(ii) **Reefer Vans** : 10 x 5 MT

The approval letter for grant-in-aid of Rs. 1000 lakh (Rs. 10 crore) to the project was issued on 22.05.2015.

b. The IMAC noted that promoter vide letter dated 24.06.2015 has proposed revision in the capacity of IQF from 2x1 MT per hour as approved, to 1x1 MT /hr & 1 x 0.75 MT/hr. The promoter vide email dated 23.05.2016 has intimated that he has realigned the capacity and no. of IQF machines in order to achieve optimum operational efficiencies during slack season. Accordingly, based on experience & advice of technical staff they are reducing the capacity of one of the IQF from 1 MT/hr to 0.75MT/hr.

c. The IMAC noted that the promoter vide letter dated 02.02.2016 has informed that the project cost has increased from Rs. 3690.00 lakh to around Rs.4750.00 lakh. The promoter has intimated that the increase in project cost is attributable to the import of state of the art equipment for processing facilities and due to depreciation in rupee. The promoter has submitted the revised bank appraisal note dated 12.02.2016 from Yes Bank mentioning the revised project cost, revised means of finance, IRR and DSCR as follows:

**Project Cost (in Rs. lakh):**

Particular	Approved by the Ministry	Revised
Land and development charges	119.90	47.00
Civil works	900.00	1,266.00
Plant and machinery	2,450.40	3,234.00
Misc. Fixed assets	153.00	235.00
Other's	67.00	50.00
<b>Total</b>	<b>3,690.00</b>	<b>4,832.00</b>

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**Means of finance (in Rs. lakh):**

Particular	Approved by the Ministry	Revised
Equity	1,345.00	3,332.00
Grant	1,000.00	1,000.00
Debt	1,345.00	500.00
<b>Total</b>	<b>3,690.00</b>	<b>4,832.00</b>

Particulars	Project IRR	DSCR
New Appraisal note	20.77%	15.15
Erstwhile Appraisal note	24.79%	5.15

d. The IMAC noted that the promoter vide e-mail dated 19.04.2016 has intimated that they have restricted term loan to Rs. 500.00 lakh from Yes Bank and will meet the balance requirement from internal accruals because of healthy financial position arising from growth in the seafood industry during 2013-14 and 2014-15. It may be mentioned that with the revised sanctioned term loan of amount of Rs. 500 lakh the promoter is still meeting the term loan criteria which according to the scheme guideline should be minimum of the 10% of the project cost.

e. The IMAC noted that the eligible cost of IQF (2 x 1 MT/hr) as per approval letter dated 22.05.2015 is Rs. 519.66 lakh and the proportionate cost of 1.75 MT/hr IQF is Rs. 454.70 lakh. Accordingly, the revised eligible project cost will be reduced to Rs. 2478.02 lakh from earlier approved Rs. 2542.98 lakh and eligible grant-in-aid to Rs. 1239.01 lakh (restricted to Rs. 1000.00 lakh) from earlier approved Rs. 1271.49 lakh (restricted to Rs. 1000.00 lakh).

**f. Decision**

In view of above, IMAC considered and approved the following subject to certification by PMA that there is no change in ranking due to revision:

- (i) Downward revision of IQF capacity from 2 MT/hr to 1.75 MT/hr [2 x 1MT/hr to 1 MT/hr & 1 x 0.75 MT/hr.; and
- (ii) Revised project cost from Rs. 3690.00 lakh to Rs. 4832.00 lakh and means of finance as given in para 4 above, eligible project cost from Rs. 2542.98 lakh to Rs. 2478.02 lakh with no change in approved grant-in-aid of Rs. 10 crore.

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**10. Agenda Item No. 6: Removal of word “waxing” from project component and change in location of minimal processing center of M/s Shree Uttam Food Products (India) Pvt. Ltd.**

The IMAC noted that the proposal of M/s Shree Uttam Food Products (India) Pvt. Ltd. was approved by IMAC for setting up integrated cold chain project at Distt. Jhabua, Madhya Pradesh with following facilities:-

- (i) **Distribution Hub** at Village Bamaniya, Tehsil Petlawad, Dist.-Jhabua, Madhya Pradesh with facilities of Sub Zero Cold Storage (2000 MT), IQF (2000 Kg/Hr.), Blast Freezers (500 Kg/hr.), Packing Facilities (LS) Processing Unit: Frozen Peas lines (2000 Kg/ Hr.); Frozen F&V line (500 Kg/ Hr.); Potato Chips Raw Line (1000 Kg/ Hr.); Vacuum Freezer Dryer (50 Kg/ Hr.).
- (ii) **Minimal Processing Centre** at Bamaniya with facilities of CA/MA/Deep Freezers/ Normal Cold Storage (5000 MT), and weighing, sorting, grading, waxing & packing facilities at each of MPC’s at Indore, Dhar, Ratlam & Barwani.
- (iii) **Reefer Transportation:** Reefer Vans 4 Nos. x 7.5 MT.

IMAC noted the revised project cost of Rs. 3225 lakh and means of finance.

b. The IMAC noted that the promoter vide letter dated 16.05.2016, has requested for exclusion of waxing line as a project component. The promoter mentioned that waxing line was not proposed in the Detailed Project Report submitted along with the EoI as they have processing unit, where every product is peeled & cut and therefore waxing is not required. Further, promoter vide letter dated 23.05.2016 has requested for change in location of two MPCs out of the five approved MPCs. The promoter has submitted the land documents of all 5 MPCs including the two with changed location. The details of locations of five MPCs are as follows:-

Sl. No.	Approved locations	Proposed locations	Remark
1	Bamaniya	Plot No. 46 to 66 at sy. No. 242 Part ID, Vill. Industrial Area, Bamniya, Tehsil Petlawad, District Jhabua	Leased from District Trade and Industries Center, Jhabua for 30 years. No change
2	Indore	Sy. No. 79/4 Tehsil- Mandal-5 & District Indore	Taken on rent. No change
3	Dhar	Sy. No. 278 Gram Gabla Tehsil & District Dhar	Taken on rent. No change
4	Ratlam	Sy. No. 627/2/89, Gram Tinonia, Tehsil & District Dewas	New location is Dewas. Taken on rent.
5	Barwani	Sy. No. 1260/2/1, Gram Kod, Tehsil Badnawar, District Dhar	New location is Dhar. Taken on rent.

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The promoter intimated that the two collection centers proposed in Distt. Dhar are around 130 kms apart. Dhar is one of the largest Distt. in MP and setting up two collection centers would help in collecting agro produce more conveniently. The promoter further intimated that there are many poly houses which are operating in Distt. Dewas and Ujjain producing exotic vegetables and herbs, which can be processed in the integrated cold chain facility.

c. The IMAC noted that the waxing line was not proposed in the DPR. The word "Waxing" was inadvertently mentioned in the project component of "weighing, sorting, grading, waxing line".

d. **Decision**

In view of above, IMAC considered and approved the following:

- (i) Deletion of word "**waxing**" from the project component of "weighing, sorting, grading, waxing line"; and
- (ii) Change in location of MPC from Ratlam to Dewas & Barwani to Dhar as mentioned in para 4 above without any change in approved grant-in-aid of Rs. 1180.81 lakh (restricted to Rs. 1000 lakh).

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**11. Agenda Item No. S1: Revision in capacities of project components of M/s Fidelo Farms Pvt. Ltd, Distt. Jaipur, Rajasthan - reg.**

The IMAC noted that the proposal of M/s Fidelo Farms Pvt. Ltd. was approved by IMAC for setting up integrated cold chain project at Distt. Jaipur, Rajasthan with following facilities:-

- (i) **Distribution Hub** at Village: Thikaria (Paota), Tehsil: Kotputali, Distt. Jaipur, Rajasthan with facilities of Normal Storage (2 Nos. of 5000 Ltr. each), Packing facilities (10,000 Ltr), Processing Unit (10,000 Ltr) and Chilling Infrastructure for Milk (3,000 Ltr/Hr).
- (ii) **MPCs** at 10 locations: Tulsipura, Barnagar, Jaisinghpura, Toradabrahman, Surajpura, Bawri, Antela, Bhagwatpura, Khadakidhani and Ladakwas with facilities of Milk sampler, Analyser etc.
- (iii) **Reefer Transportation:** Refrigerated Transport- 2 Nos. x 5 MT & 2 Nos. x 2 MT.

The approval letter for grant-in-aid of Rs. 84.07 lakh to the project was issued on 22.05.2015. The project has been released 1<sup>st</sup> & 2<sup>nd</sup> installment of grant of Rs. 63,05,250 on 16.10.2015 & 27.04.2016 respectively.

b. The IMAC noted that promoter vide letter dated 18.05.2016 has requested for change in the capacities of following project component:-

Sr. No. of Sanction dated 22.05.2015	Name of component	Approved Capacity	Proposed	Reason for Revision
2.1.2.2	Milk Pasteurizer	3000 Litre per Hour	2000 Litre per Hour	Proposed capacity of Pasteurizer in the Detailed Project Report and CE (Mech.) at the time of EoI is 2000 LPH.
2.1.4.1	Normal Storage Cold Store	2x 5000 Ltr = 10000 Ltr	1x 2500 Ltr + 1x 7500 Ltr = 10000 Ltr	The cold storage with lesser capacity (i.e. 2500 Ltr) would be used for storing small quantities of milk and milk products and quick chilling.

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c. The IMAC noted the following:

- (i) For the component of Milk Pasteurizer, in the DPR and CE (Mech.) certificate submitted at the time of EoI, the promoter had proposed the capacity of 2000 LPH with a cost of Rs. 15.50 lakh. However, in the Sanction Letter dated 22.05.2015, the capacity was inadvertently mentioned as 3000 LPH with approved cost of Rs. 15.50 lakh.
- (ii) For the capacity of Normal Cold Storage, since the total capacity being installed at project site would remain same i.e. 10000 Ltr, thus there would be no major impact on the project.

d. **Decision**

In view of above, IMAC considered and approved the following:-

- (i) Revised capacity of Milk Pasteurizer from approved capacity of 3000 LPH to 2000 LPH; and
- (ii) Revised capacity of Normal Storage Cold Store from 2 x 5000 ltrs. (Total 10,000 ltrs.) to 1 x 2500 ltr. and 1 x 7500 ltr. (Total 10,000 ltrs.) without any change in approved grant-in-aid of Rs. 84.07 lakh.

*As per*

**12. Agenda Item No. S2: Proposal of M/s Fresh Produce Impex, Himachal Pradesh for change of location and extension of timeline for implementation of project.**

The IMAC noted that Approval Committee (AC) in the meeting held on 23.08.2013 considered and approved the proposal of M/s Fresh Produce Impex for setting-up of integrated cold chain project at Village Ranaghat, PO Shargaon, Dist. Sirmaur (Himachal Pradesh) with facilities such as:

- CA store: 2000 MT
- Pre-cooling collection vans: 2 no.
- Reefer trucks: 5 no. each with size of 24'x8'x8.5'
- Collection centres at two locations i.e. Theog and Kinnaur (Himachal Pradesh)

b. The IMAC also noted that as per the approval letter dated 20.09.2013, the approved grant to the project is Rs 949.477 lakh. The promoter vide letter dated 26.03.2014 had requested for change of location of project and change of Bank. Based on request of applicant, the IMAC in the meeting held on 09.05.2014 approved the following changes:

- Location of main facility from earlier approved location at Vill. Ranaghat, PO Shergaon, Dist. Sirmaur (Himachal Pradesh) to Plot No.-1, Industrial Area Jais, Tehsil Theog, Shimla (Himachal Pradesh)
- Increase in eligible grant from Rs. 949.477 lakh to Rs. 967.027 lakh
- Change of lending bank from HDFC Bank to Kotak Mahindra Bank

The IMAC was informed that the 1<sup>st</sup> and 2<sup>nd</sup> instalments of grant (Rs. 241.756 lakhs and Rs 483.513 lakhs respectively) were released for the project on 24.10.2014 and 15.10.2015 respectively.

**Extension of timeline**

c. The IMAC noted that the applicant vide letter dated 10.03.2016, has mentioned that there is a delay in the project completion due to inclement weather. The letter also mentioned that during the month of December, 2015, the unusual thunder storms and rainfall brought the temperature to minus 0.8° C, freezing the entire area and bringing the work to a standstill condition. In January again there was heavy rain accompanied by hailstorms which hampered the progress. It further mentioned that due to unprecedented snowfall in February 2016, the entire area was covered by a thick snow blanket, which disrupted the work at site. The sub zero temperature and snowfall forced the erection teams of vendors like M/s Carrier Refrigeration, M/s Lloyd Insulation, etc to abandon the project site which changed the implementation schedule of the project.

d. It was noted by the IMAC that the applicant has also enclosed the rainfall and the temperature report from Indian Meteorological Department for the period Dec 2015 to Feb

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2016. The report shows that the monthly rainfall from Dec 2015 to March 2016 at Theog varied from 6 mm to 34 cm and the minimum temperature at Shimla from the period Dec 2015 to March 2016, varied from -0.8°C to 1.3 °C. A copy of the letter from the local Gram Panchayat, Theog, District – Shimla has also been attached by the applicant which mentions that the area received heavy rainfall during the rainy seasons and during the winters the area experienced low temperature along with hailstorm. The applicant has also mentioned that as on 09.03.2016, the total expenditure on the project was Rs. 864.25 lakhs (against revised appraised cost of Rs. 1329.69 lakhs). In view of this the applicant vide letter dated 10.03.2016 has requested the Ministry for an extension of timeline for 3 months i.e. up to 10.06.2016.

e. The IMAC was informed that the promoter, vide e-mail dated 07.06.2016, has further informed that their project was virtually complete by due date in all respects and they were almost about to inform the Ministry. Unfortunately severe storms occurred twice in the last 15 days which damaged the panel structure completely. It has been further mentioned that this mishap has left them way behind and has now disturbed their completed project. With these submissions the promoter has requested for grant of 2 months further extension i.e. 10.08.2016 so as to enable them to get the replacement of the damaged panels. The promoter had mentioned that a detailed representation with weather dept reports and pictures will be submitted shortly to Ministry.

f. The IMAC also noted that the 30 month period for this project ended on 19.03.2016 and the applicant has sought time extension for about 5 months i.e. 10.08.2016. The PMA furnished draft agenda note where it was mentioned that the reasons given by the applicant seem beyond the control of the applicant. The IMAC was informed that the Ministry has earlier also granted the extension of timeline beyond 24 months to various projects (such as M/s Associate Action, M/s Canvas Integrated Cold Chain, M/s Aromatrix Flora, M/s Keventer Agro etc.) and in this case, the 2<sup>nd</sup> installment of grant has already been released to the promoter.

**Change of location of one Collection Centre from, Theog, District Shimla to Village: Halaila, Tehsil Kotkhai, District Shimla, HP**

g. The IMAC noted that the project has been approved for two collection centres at Theog and Kinnaur in Himachal Pradesh. The applicant vide letter dated 31.08.2015 [page 649/c], had mentioned that the two collection centres will be set up at:

- Village Panuspa in Sungra, Subdivision Nichar, District Kinnaur, HP
- Village Halaila, Tehsil Kotkhai, District Shimla, HP

h. The IMAC was informed that applicant had also submitted a scanned copy of notarized lease deed (signed on 24.08.2015) for the location at village Halaila, Tehsil Kotkhai, District Shimla for a period of 15 years. A copy of NOC (dated 21.09.2015) had

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also been submitted from Gram Panchayat Prem Nagar, Tehsil Kotkai, District Shimla duly mentioning that Village Halaila is under the panchayat of Prem Nagar and they have no objection for setting up of centre for fruits in Village Halaila.

i. The IMAC observed that the above collection centre is also in District Shimla and it appears that it is approximately 30 Kms away from the main location. Further it was noted that the expenditure approved for both the Collection Centres (only TCW) is Rs 27.85 lakhs only and no expenditure on P&M has been proposed in the collection centres.

j. The IMAC was informed that the project proposes all the three components of the scheme viz Main distribution hub, collection centres and reefer vans. The proposed change of location is only for one of the collection centres from Theog, district Shimla to Halaila, Tehsil Kotkhai, District Shimla.

**k. Decision**

After detailed deliberation, the IMAC approved the:-

- (i) change of location of one of the collection centre from Theog, District Shimla to Halaila, Tehsil Kotkhai, District Shimla; and
- (ii) the request for time extension for project completion up to 10<sup>th</sup> August, 2016.

**Other Decisions**

- (a) As directed by the Hon'ble Minister, FPI in IMAC meeting held on 10.05.2016, a presentation on evaluation carried out by M/s IL&FS - PMA in respect of 13 completed projects was made in the IMAC meeting held on 23.06.2016. Hon'ble Minister expressed satisfaction on the presentation made by the PMA – M/s IL&FS.
- (b) In future EOIs, proposals for setting up integrated cold chain projects in uncovered districts/areas should get weightage in technical evaluation.
- (c) While making presentation on the agenda item the PMA will ensure that latest site photographs of the project depicting the physical progress are shown vis-à-vis earlier photographs to ascertain actual progress.
- (d) While issuing Expression of Interest inviting proposals for setting up integrated cold chain project it may be mentioned that irradiation projects would be given weightage.
- (e) A conference on Irradiation facility may be organized.
- (f) A study on the production/processing/availability of milk in private/unorganized sector may be conducted.
- (g) To promote use of solar power, Secretary (MoFPI) may discuss with MNRE regarding subsidy on Solar Power to Food Processing units.

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**Meeting of Inter-Ministerial Approval Committee (IMAC) constituted under Scheme for Cold Chain, Value Addition and Preservation Infrastructure held on 23.06.2016.**

**List of Participants**

1. Smt. Harsimrat Kaur Badal, Hon'ble Minister, FPI – Chairperson
2. Shri Avinash K. Srivastava, Secretary, FPI
3. Smt. Anuradha Prasad, Joint Secretary, MoFPI – Convener
4. Shri Shri Prakash, Joint Secretary (Fin.) MoFPI
5. Dr. GHV Ratna Babu, Deputy Gen. Manager, NABARD
6. Shri S.K. Kaul, Assistant Commissioner, Department of Agriculture, Cooperation & Farmers Welfare
7. Shri D.P. Singh, Joint Director, NHB
8. Shri Satjawnn R. Warale, Manager (Project), MAIDC, Mumbai
9. Shri R.C. Dahra, Consultant, Director General Industries & Commerce, Govt. of Haryana
10. Shri P. Chattopadhyay, IL&FS CDI
11. Ms. Smriti Chandna, IL&FS CDI
12. Shri Asgar Naqvi, Grant Thornton India LLP
13. Shri Akshay Sahrawat, Grant Thornton India LLP
14. Shri Mohit Gupta, Grant Thornton India LLP