

Minutes of the 18th meeting of Empowered Committee (E.C.) on 'Trade Infrastructure for Export Scheme (TIES)' held under the Chairmanship of Commerce Secretary on 14.07.2023 (Friday) at 11:00 AM.

1. The 18th meeting of the Empowered Committee (E.C.) on 'Trade Infrastructure for Export Scheme (TIES)' was held under the Chairmanship of Commerce Secretary on 14.07.2023 (Friday) at 11:00 AM in hybrid mode (physical + Virtual). The list of participants is in 'Annexure I'.

2. At the outset, the E.C. was informed that the Empowered Finance Committee (EFC) headed by Finance Secretary & Secretary Expenditure in its meeting held on 22.8.2022 to consider the proposal of "Districts as Export Hub (D.E.H.) Scheme" of this Department, *inter alia*, decided to merge TIES with D.E.H. scheme and directed not to give fresh approval under TIES. Subsequently, the Cabinet Note for the D.E.H. Scheme was submitted for consideration and approval by the Cabinet. However, the D.E.H. scheme proposed in the Cabinet Note was not agreed to, and the Cabinet Note is currently withdrawn. In the meantime, this Department received proposals from various State/Central Government agencies for consideration under TIES. To enable this Department to take new proposals under TIES, a request was submitted to the Department of Expenditure (DoE) to waive the EFC decision. Accordingly, DoE vide O.M. dated 12.6.2023 replied that TIES may continue to operate, all proposals under TIES shall be undertaken within the approved outlay of Rs. 360 crores, and there should not be any committed liability under the scheme which exceeds the approved outlay.

3. The E.C. was informed that the TIES scheme has been approved for F.Y. 2021-22 to 2025-26 with a total budget outlay of Rs. 360 crores. Of this, Rs. 165.51 crores have been utilized, and the balance fund available is Rs. 194.49 crores. The committed financial liability for the ongoing/approved project is Rs. 191.67 crores.

4. The E.C. was informed that the agenda items for the meeting are as follows: -

- A. Review of highly delayed ongoing projects
- B. Release of the next installment of the TIES grant for ongoing projects
- C. New project proposals.

A detailed presentation regarding each agenda item has been made before the E.C.

A. Review of highly delayed ongoing Projects

5. Agenda Item No. 1

Proposal: *Upgradation of Quality Marking Centre, Faridabad*

Implementing Agency: *MSME Advancement and Nurturing Support Council (MEANS)*

Project Cost: Rs. 29.67 crore

- TIES share Rs. 12.12 crore.
- Fund Released: Rs. 6.06 crore.

5.1. The E.C. has been informed that the 1st instalment of the TIES grant for the project was released in May 2020, and the U.C. for the same is yet to be submitted by the Implementing Agency (I.A.). As informed by I.A., the structure of the building has been completed and plastering, and flooring work is in progress.

5.2. The initial completion date for the project was September 2021, which was extended up to June 2023 at the request of the Implementing Agency. However, the I.A. did not complete the project within the aforesaid extended timeline. Now, vide letter dated 9th May 2023, I.A. has again requested to grant a grace period of up to February 2024 to operationalize the Centre.

5.3 The E.C. noted that even after extending the project's timeline, the I.A. cannot complete the project. I.A. is again seeking time to complete the project.

5.4 After due deliberation, given the inordinate delay in project completion, the E.C. decided not to release further grant under the scheme for the project.

6. Agenda Item No. 2

Proposal: *Production of Certified Reference Materials - Bharatiya Nirdeshak Dravya (BND), Delhi*

Implementing Agency: *Council of Scientific and Industrial Research-National Physical Laboratory (CSIR-NPL)*

Project Cost: Rs. 31.05 crore

- TIES share Rs. 15.52 crore.
- Fund Released: Rs. 8 crore.

6.1. The E.C. has been apprised that the 1st instalment of the TIES grant of Rs. 8 crores was released to I.A. in December 2018. I.A. has submitted U.C. for Rs. 4 crores of TIES grant. The initial date of completion of the project was December 2021.

6.2. It has been further informed that E.C., in its 16th meeting held on 1.9.2022, extended the date of completion of the project to December

2023 on the request of I.A. Now, IA has again requested to further revise the date for completion of the project to February 2024. Also, IA has requested for the release of the 2nd instalment of the TIES grant without fulfilment of parripassu commitment by them so that the equipment for the project may be procured before 31st December 2023.

6.3 The E.C. has been informed that in the absence of U.C. for the complete amount of Rs. 8 crores released to I.A. as 1st installment and without fulfilment of parripassu commitment, 2nd installment of TIES grant cannot be released to IA.

6.4 The E.C. noted that although sufficient time has been given to complete the project, the I.A. has not made sincere efforts to complete the project within the extended timeline. Moreover, the I.A. is seeking 2nd instalment of the TIES grant without fulfilling its parripassu commitment, which does not follow TIES guidelines.

6.5 After due deliberation, in view of the inordinate delay in completion of the project, the E.C. decided not to release further grant under the scheme for the project.

7. Agenda Item No. 3

Proposal: *Common Facility Centre in Melvisharam, Tamil Nadu*

Implementing Agency: *Council for Leather Exports (C.L.E.)*

Project Cost: Rs. 19.84 crore

- TIES share: Rs. 4.84 crore.
- Fund Released: Rs. 2.42 crore.

7.1. The E.C. has been informed that the project was initially approved under the erstwhile ASIDE scheme of this Department. Rs. 7.50 crores of grant was released for the project under the ASIDE scheme. U.C. for the amount has been received. The project was subsequently taken up under the TIES in F.Y. 2017-18. Rs. 4.84 crores were approved under TIES for the project. Accordingly, 1st installment of Rs. 2.42 crores was released in May 2019 for the project. The U.C. for the same is awaited.

7.2 It is informed that the project was taken up for review by the E.C. in the meeting held on 1.9.2022. During the meeting, the E.C. was informed that the land on which the project is coming up was mortgaged by SPV, i.e. VISHTAN, to Canara Bank for a loan of Rs. 8 crores. As the SPV defaulted on loan payment, Canara Bank issued a Possession Notice dated 12.10.2021. The intimation regarding possession notice was provided to this Department by C.L.E. vide e-mail dated 19.1.2022. It led to a delay in the execution of the project, and even after 4 years, it is not yet completed.

7.3 After due deliberation, in view of the inordinate delay in

completion of the project, the E.C. decided not to release further grant under the scheme for the project.

8. Agenda Item No. 4

Proposal: Expansion/Improvement (3 M.L.D. Effluent Refractory Management and T.D.S. Reduction) in CETP, Baddi, District Solan, Himachal Pradesh

Implementing Agency: Baddi Infrastructure

Project Cost: Rs. 28.51 crore

- TIES share: Rs. 20 crore.
- Fund Released: Rs. 10 crore.

8.1 The E.C. has been informed that the project was reviewed in the 17th meeting held on 24.1.2023, and there was no significant progress in the implementation of the project. It is further informed that 1st installment of the TIES grant for the project was released in August 2021. The U.C. for the amount is not received. Now, the I.A. has submitted a revised D.P.R. for the project with a revised cost of Rs. 29.72 crores.

8.2 The E.C. is informed that the initial project completion date was January 2022; however, the I.A. has revised the project's completion date to July 2024. The representative of I.A. informed that the tendering process itself has not yet started.

8.3 The E.C. noted that there had been no progress in the project even after the lapse of a considerable time period. Also, the fund released earlier amounting to Rs. 10 cr. needs to be more utilized with I.A. It has to be returned with interest accrued.

8.4 After due deliberation, given the inordinate delay in project completion, the E.C. decided not to release further grant under the scheme for the project.

9. Agenda Item No. 5

Proposal: Construction of Trade Facilitation Centre at MEPZ SEZ, Tambaram Taluk, Kancheepuram District., Tamil Nadu

Implementing Agency: Madras Export Processing Zone (MEPZ)- SEZ

Project Cost: Rs. 38.26 crore

- TIES share Rs. 17.08 crore.
- Fund Released: Rs. 8.54 crore.

9.1. The E.C. has been apprised that 1st installment of the TIES grant of Rs. 8.54 crores for the project was released in December 2021. The

U.C. for the amount is yet to be received from I.A. The project's initial completion date was June 2023, revised to March 2024 by IA.

9.2 The E.C. has been informed that there is no significant progress in implementing the progress even after the lapse of a considerable period from the release of 1st installment of the TIES grant in December 2021. I.A. has intimated that due to the delay in structural verification, there has been an undue delay in the implementation of the project.

9.3 The E.C. observed that there is no progress in the implementation of the project even after a considerable time period. Also, the fund released earlier amounting to Rs. 10 cr. is lying unutilized with I.A. It has to be returned with interest accrued.

9.4 After due deliberation, given the inordinate delay in project completion, the E.C. decided not to release further grant under the scheme for the project.

B. ONGOING PROJECTS - RELEASE OF NEXT INSTALLMENT

10. Agenda Item No.1

Proposal: *Development of Export Warehousing Facility at A.E.P., Gajuwaka, Vishakapatnam*

Implementing Agency: *Andhra Pradesh Trade Promotion Corporation Limited (APTPC)*

- Project Cost:** Rs. 7 crore
- TIES share: Rs. 2.81 crore
 - TIES grant released: Rs. 1.40 crore
 - Last installment requested: Rs. 1.41 crore

10.1 EC has been apprised that the financial grant of Rs. 2.81 crore under TIES was approved for the project. Accordingly, 1st installment of the TIES grant of Rs. 1.40 crores was released for the project in October 2022. The utilization Certificate for the 1st installment has been received from I.A. As informed by I.A., the project has been completed.

10.2 After due deliberations, the E.C. approved the release of the 2nd and final installment of Rs. 1.41 crore of TIES grant to I.A.

11. Agenda Item No.2

Proposal: *Expansion of Chennai Trade Centre Tamil Nadu*

Implementing Agency: *Tamil Nadu Trade Promotion Organization*

(TNTPO)

Project Cost: Rs 308.75 crore

- TIES share: Rs. 20 crore
- TIES grant released: Rs. 10 crore
- Last instalment requested: Rs. 10 crore

11.1 The E.C. has been apprised that the financial grant of Rs. 20 crore under TIES was approved for the project. Accordingly, 1st installment of the TIES grant of Rs. 10 crore was released for the project in November 2017. Utilization Certificate for the 1st installment has been received from I.A. I.A. has fulfilled pari-passu commitment.

11.2 After deliberations, the E.C. approved the release of the 2nd and final installment of Rs. 10 crore of the TIES grant.

12. Agenda Item No.3

Proposal: Air Cargo Complex at I.C.D. Sanganer, Jaipur, Rajasthan

Implementing Agency: Rajasthan Small Industries Corporation Limited (RAJSICO)

Project Cost: Rs 9.99 crore

- TIES share: Rs. 7.13 crore
- TIES grant released: Rs. 3.56 crore
- Last installment requested: Rs. 3.57 crore

12.1 The E.C. has been apprised that the financial grant of Rs. 7.13 crore under TIES was approved for the project. Accordingly, 1st installment of the TIES grant of Rs. 3.56 crore was released for the project in November 2022. The utilization Certificate for the 1st installment has been received from I.A. However, IA is yet to fulfil pari-passu commitment and refund the interest accrued on 1st installment of TIES grant.

12.2 During the discussion, the E.C. was informed that the airport is being operated by a private operator. Therefore, to ensure optimal utilization of the project, RAJSICO, the I.A. is required to have no objection from the private operator/A.A.I. to set up all necessary infrastructure, such as customs clearance facility, etc., for the operation of the project.

12.3 After due deliberations, the E.C. decided that the release of the 2nd installment of the TIES grant amounting to Rs. 3.57 crores, which shall be subject to I.A. furnishing no objection from the private airport operator/A.A.I. to set up all necessary infrastructure for optimal capacity utilization of the project.

C. New Project Proposals

13 The E.C. has been informed that 16 new project proposals have been received from various State/Central Government Agencies to grant financial assistance under the scheme. The E.C. has also been informed that, at present, only fund of Rs. 34.44 crores is available for taking up new projects. Accordingly, after deliberation, the E.C. decided to consider the following project for the release of a TIES grant from the available fund: -

14 Agenda Item No 1.

Proposal: *Setting up common infrastructure facilities at Sardar Vallabh Bhai Patel Niryat Suvidha Kendra at Chunar Tehsil, Mirzapur-U.P*

Implementing Agency: *Agricultural and Processed Food Products Export Development Authority (APEDA)*

Project Cost: Rs 28.59 crore

- TIES share sought: Rs. 20 crore
- TIES grant admissible: Rs. 18.63 crore

14.1 The E.C. has been apprised that the I.A. intends to set up a centre for the potential agriculture and food product exporters from Uttar Pradesh, Bihar, Jharkhand & Madhya Pradesh, as well as to boost agricultural exports from the region. The Centre will guide the prospective exporters on various aspects of the farm-to-fork chain of agro-exports with the guidance and support of industry experts.

14.2 The representative of I.A., i.e., APEDA, informed that they have procured the land for the project from their own fund. APEDA has also informed that out of the total financial commitment of Rs. 9.96 crores for the project on the part of I.A., APEDA will contribute Rs. 6.00 crore from its own IEBR/Reserves and balance of Rs. 3.96 crores shall be provided by E.I.C., MPEDA, Spices Board and I.I.P. APEDA has also submitted that it shall be responsible and provide financial commitment of total contribution of Rs. 9.96 crores out of its own IEBR/Reserves, in case contribution is not received from any of the participating agencies.

14.3 After due deliberations, the E.C. sanctioned a TIES grant of Rs. 18.63 crores for the project. Further, the E.C. approved the release of the first instalment of the TIES grant of Rs. 9.32 crores for the project.

15. Agenda Item No.2

Proposal: *Setting up of Irradiation facility in Hyderabad*

Implementing Agency: *GMR Hyderabad International Airport Limited*

(GHIAL)

Project Cost: Rs 20.22 crore

- TIES share sought: Rs. 16.20 crore
- TIES grant admissible: Rs. 13.64 crore

15.1 The E.C. has been apprised that the proposed facility would enable many exporters based in Telangana to start exporting from Hyderabad airport for key products such as mangoes. In addition, many Hyderabad-based exporters also look forward to exploring newer markets, which will be possible if an irradiation facility is made available in Hyderabad.

15.2 The E.C. was informed that although the State Government of Telangana is a shareholder in GHIAL, they are not providing any funding for this project. GHIAL, the Implementing Agency, is contributing the entire fund.

15.3 After due deliberations, E.C. directed I.A. to explore the possibility of the contribution of funds by the State Government in the implementation of the project. The project proposal may be taken up for evaluation in the next E.C. meeting.

16. Further, the E.C. decided that remaining new project proposals received from various Central/State Government Agencies shall be considered for release of financial assistance under the scheme later on, subject to the availability of the funds.

17. Lastly, the E.C. directed that new project proposals received under the scheme may be evaluated on various parameters such as project feasibility study, cost-benefit analysis, rationale addressing gap in infrastructure, export linkage, etc. Project proposals may be prioritized based on such evaluation, and the Implementing Agencies for these projects may be asked to make a detailed presentation.

Annexure-I

Confirmation List of Participants in the 18th Empowered Committee Meeting (Physical & Virtual) on TIES on 14.07.2023 under the Chairmanship of Commerce Secretary.

	Name & Designation	Organization
Department of Commerce :		
1.	Shri Sunil Barthwal, CS	In Chair
2.	Ms.Arati Bhatnagar, AS&FA	DoC
3.	ShriL.Satya Srinivas Rao, AS	DoC
4.	Shri S.K. Sarangi, AS & D.G.	DoC.

	(DGFT)	
5.	Dr. M. Balaji, J.S.	DoC
6.	Shri Anil Kumar, Addl. DGFT	DoC
7.	Smt. Renu Lata, EA	DoC
8.	Shri Abhimanyu Kumar, Director	DoC
9.	Shri R. Arulanandan, Director	DoC
10.	Shri Anil Kumar, DS	DoC
11.	Shri Shyam Lal, US	DoC
Other Ministries/ Departments/Organizations:		
12.	Shri A.K. Dhyani, Director (NE)	M.H.A.
13.	Ms. Niharika Khatana (AD)	DPIIT
Implementing / Proposing Agency:		
14.	Shri Prasad Jaligama	GMR Hyderabad International Airport Ltd.
15.	Shri Haroon Rasheed	GMR Hyderabad International Airport Ltd.
16.	Ms. Mansi Gupta	GJEPC - P.S.U. (Deloitte)
17.	Shri Prem Ravi	Tamil Nadu Tidel Park/TIDCO
18.	Shri Ganesh Jagadesan	Tamil Nadu F.D.F. Centre of Excellence Coimbatore
19.	Shri Suresh Kumar P	Tamil Nadu F.D.F. Centre of Excellence Coimbatore
20.	Shri Arun Prakash Tripathi	Industries Extension Officer Govt. of Bihar Industrial
21.	Ms. Apoorva Yadav	GJEPC - P.S.U. (Deloitte)
22.	Shri Praveen A	KPMG (GMR Hyderabad Int. Airport)
23.	Shri Samarpan Singh	KPMG (GMR Hyderabad Int. Airport)
24.	Ms. M. Pallavi Baldev IAS,	MD, TIDEL Park, Chennai,
25.	Shri B. Krishnanoorthy	Special Project Director, TIDCO
26.	Shri P.R.	MD& CEO, ITCOT

	Perumal	
27.	Shri N. Vijayan	N. Delhi CSIR - NPL
28.	Dr. G.A. Basheed	New Delhi CSIR - NPL
29.	Dr. N. Shekhar Singh	New Delhi CSIR - NPL
30.	Shri Vivek Ranjan,	Director, Food Processing & Govt. of Bihar
31.	Dr. Sudhanshu,	Secretary, APEDA
32.	Shri Saurav Agarawal, AGM	APEDA
33.	Shri Alex Paul Menon, IAS	MEPZ, T.N.
34.	Shri Sabyasachi Roy ED	GJEPC, Mumbai
35.	Ms. Suruchi Khindria	GJEPC
