F.No. K-46012/8/2017-SC
Government of India
Ministry of Commerce & Industry
Department of Commerce
(State Cell)

Udyog Bhawan, New Delhi
Dated 20th March, 2019

Sub: Minutes of the 8th meeting of the Empowered Committee (EC) on TIES -reg.

The undersigned is directed to forward herewith the minutes of 8th meeting of the Empowered Committee on TIES held under the Chairmanship of Sh. Anup Wadhawan, Commerce Secretary in Room No. 141, Udyog Bhawan, New Delhi on 15th March, 2019 for information and further necessary action.

Receipt of the minutes may kindly be acknowledged.

(Shyam Lal)
Under Secretary to the Government of India
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Encl: As above

To,
All concerned Departments/Agencies
(As per list enclosed)

Copy forwarded for information and necessary action to:
1. Secretary, Department for Promotion of Industry and Internal Trade (DPIIT), Udyog Bhawan, New Delhi
2. Secretary, M/o Development of North East Region (DoNER), Vigyan Bhawan Annexe, New Delhi.
3. Joint Secretary (NE) (Kind attn.: Shri Satyendra Garg), Room No.109-C, North Block, Ministry of Home Affairs, New Delhi.
4. Sr. Adviser(Industry) (Kind Attn.: Ms Anna Roy), R.No. 259, NITI Aayog, Yojana Bhawan, New Delhi.

Copy forwarded for information and necessary action to:
1. PPS to CS
2. PPS to SS&FA/ DG(DGFT)/ AS(SC)/ JS(SKS)/ JS(PB)/ JS(NMT)/ JS(SM)/ JS(DR)/ Addl. DGFT(NKS)/ EA(RD)
3. PricewaterhouseCoopers Private Limited (PwC), the PMA under TIES.
1. Shri R. Selvam, Executive Director, Council for Leather Exports (CLE), CMDA Tower-II, 3rd Floor, Gandhi Irwin Bridge Road, Egmore, Chennai – 600 008

2. Shri Paban K. Borthakur, Chairman, APEDA, 3rd Floor, NCUI Building, 3 Siri Institutional Area, August Kranti Marg, New Delhi – 110016

3. The Commissioner & Secretary, Animal husbandry and Veterinary Department, Govt. of Assam, Dispur, Guwahati -781005

4. Shri Deepak Shinde, General Manager, Maharashtra State Agricultural Marketing Board, Plot No. R-7, Chhatrapati, Shivaji Market Yard, Gultekadi, Pune – 411 037

5. The Managing Director, Jharkhand Industrial Infrastructure Development Corporation (JIIDCO), 3rd Floor, New RIADA Building, Namkum Industrial Estate, Namkum, Ranchi, Jharkhand – 834010

6. The Managing Director, Assam Livestock and Poultry Corporation Ltd. (ALPCO), Khanapara, Guwahati -22

7. The Engineer in Chief, Madhya Pradesh State Agricultural Marketing Board, 26, Kisan Bhawan, Arera Hills, Jail Road, Bhopal

8. The Director & CEO, Andhra Pradesh Medtech Zone Ltd. (AMTZ), Hill No. 2, IT Park, VSEZ, Madhurwada, Visakhapatnam-530 045
Minutes of the 8th meeting of Empowered Committee (EC) on 'Trade Infrastructure for Export Scheme (TIES)' for Financial Year 2018-19 under the Chairmanship of Commerce Secretary held on 15.03.2019 (Friday) at 12:00 A.M. in Room No. 141, Udyog Bhawan, New Delhi.

1. The 8th meeting of Empowered Committee (EC) on ‘Trade Infrastructure for Export Scheme (TIES)’ for Financial Year 2018-19 was held under the Chairmanship of Commerce Secretary on 15.03.2019 (Friday) at 12:00 A.M. in Room No. 141, Udyog Bhawan, New Delhi. The list of participants is at Annexure ‘A’.

2. The proposals received from various implementing agencies seeking TIES funding were appraised and presented by the Project Monitoring Agency (PMA) before the EC. The deliberations of the EC were as follows.

3. Agenda Item No. 1

Implementing Agency (IA) / Project Details – Assam Livestock and Poultry Corporation (ALPCO)

Proposal – Export Oriented Pork Processing Plant at Nazira, Assam

Total project cost - Rs. 11.44 crore

- TIES eligible share – Rs 7.91 Cr
- Assam Livestock and Poultry Corporation (own resources) – Rs. 3.53 Cr

Release of 1st instalment sought – Rs 3.95 Cr

3.1 The Project Monitoring Agency (PMA) apprised to the Empowered Committee (EC) that the proposal was given in-principal approval in the 6th EC meeting and that the proposed facility will comprise of a modernized slaughtering and processing plant, cold storages, effluent Treatment Plant. It was also mentioned that there is non-availability of any such organized slaughter houses in the region which will now be available to exporters for use. The PMA confirmed the export linkage based on their appraisal and interactions.

3.2 PMA apprised that the Implementing Agency (IA) has complied with all the following parameters including those that were specifically required by the EC in the last meeting:

i. Commitment letter from State Government for their contribution of Rs 3.1 crore

ii. Third party vetting of civil works from CPWD

iii. Technical Vetting done by APEDA
3.3 The PMA made a detailed presentation to the EC on the project and its modalities and on its conformance to the TIES guidelines.

3.4 It was enquired whether the proposed facility would actually be used as an export facility since Assam is the largest consumer of pork and there is a huge growth in the domestic demand. APEDA responded that it will solve both the purposes in terms of catering to the domestic and foreign demands as pork is being exported through LCS in neighbouring countries. As on date, the export is limited to Myanmar, Bhutan and Nepal due to limited infrastructure only.

3.5 The issue of whether the livestock is originating from Assam or is it transiting through Assam, was also discussed. The representative from ALPCO informed that the livestock is being procured from Assam and Bangalore, and some livestock is also being exported via Assam border.

3.6 APEDA strongly recommended the project and mentioned that Assam is the main source of originating livestock and also has a "National Research Centre on Pig", which will greatly benefit the project as support infrastructure. The proposed facility will have a capacity of slaughtering 400 animals per day. It would also encourage backward and forward linkages in terms of rearing of pigs and processing and exporting of pork. APEDA also confirmed that this facility would be open to all exporters for use. The representative from DoNER also recommended the project.

3.7 The representative from EP (Agri) Division affirmed their recommendation endorsing APEDA's recommendation.

3.8 After deliberations, the EC required that the following two aspects must be taken into consideration by the IA after creation of the facility:

i. To ensure the export linkage to this facility

ii. To ensure that the facility will be open to any exporter for use on payment basis.

To these observations, the ALPCO representative mentioned that the facility has planned to enter into back to back agreements with the exporters for the use of this facility.

3.9 The project was approved by the EC recommending release of payment of the first installment of Rs 3.95 Cr under TIES.
4. **Agenda Item No. 2**

**Implementing Agency (IA) / Project Details** – Madhya Pradesh State Agricultural Marketing Board (MPSAMB)

**Proposal** – Establishment of post-harvest, management, storage and market facility (hub) for pomegranate at Khargone, Madhya Pradesh

**Total project cost** - Rs. 8.27 Cr

- TIES share requested - Rs. 3.6 cr.
- MPSAMB (own resources) – Rs. 4.67 cr

**Release of 1st instalment sought** – Rs 1.8 Cr

4.1 The PMA apprised to the EC that the proposal was given in-principal approval in the 6th EC meeting subject to the fulfillment of the following conditions:

i. Commitment letter from Head of Implementing Agency for Rs 5.32 Cr (Currently provided for 50% of funds which is Rs 4.46 Cr)

ii. Recommendation from the State Export Commissioner

iii. Project Monitoring Agency’s analysis of utilization of similar facilities in Nashik and Solapur

iv. Technical Vetting by APEDA

4.2 The PMA made a detailed presentation to the EC on the desirability of the project and its modalities and its conformance to the TIES guidelines.

4.3 PMA explained that there is a need for setting up a post-harvest, management, storage and market facility (hub) for pomegranate in the MP state owing to the limited facilities in the vicinity, the nearest such facility being at a distance of 400 kms. The proposed project site is in the proximity of production area of pomegranate with a huge export potential.

4.4 PMA also highlighted that there are similar facilities in Maharashtra in the Sangli and Kolhapur districts, where the capacity utilization ranges between 67% – 75%. It was explained that this is due to the fact that these facilities are mainly functional for 8 months of harvest during the year. However, during this period, the facilities are utilized to their maximum capacity.
4.5 On a query by EC whether MPSAMB is a state owned agency, the IA representative clarified that MPSAMB is under Mandi Board which is a state owned agency.

4.6 The project was approved by the EC recommending release of payment of the first installment under TIES. However, since this is the first installment of Rs. 1.8 Cr which is required to be released to the project, the EC found it necessary to seek approval of the Election Commission prior to release of funds in view of the Model Code of Conduct in force at present.

5. **Agenda Item No. 3**

*Implementing Agency (IA) / Project Details* – Jharkhand Industrial Infrastructure Development Corporation (JIIDCO)

*Proposal* – Construction of World Trade Centre, Ranchi

*Total project cost* - Rs. 44.60 Cr

- Eligible TIES share - Rs. 19.61 cr.
- Jharkhand Industrial Infrastructure Development Corporation (own resources) - Rs 23.99 Cr

*Release of 1st instalment sought* – Rs 9.8 Cr

5.1 The PMA made a detailed presentation on the desirability of the project and its conformance to the TIES guidelines. Thereafter they apprised the EC that the proposal was given in-principal approval in the 6th EC meeting subject to the fulfillment of the following conditions:

i. Consent of export bodies such as Agricultural and Processed food Exports Development Authority, Federation of Indian Export Organisation and DGFT for utilizing the facility

ii. Vetting of civil cost

5.2 PMA apprised that Jharkhand Industrial Infrastructure Development Corporation (JIIDCO) has received the “Letter of Comfort” to utilize the facility of World Trade Centre at Ranchi by Federation of Indian Export Organization (FIEO) and Confederation of Indian Industry (CII). It was also stated the Project had got done the vetting of civil cost from the Dept. of Civil Engineering, National Institute of Technology, Jamshedpur. PMA reiterated that there is a requirement for setting up a
trade centre at Ranchi and the proposed centre will be utilized for show casing of the products manufactured in the Region like tussar silk, steel products, etc.

5.3 The EC deliberated on the commercial viability of the project. It was discussed that an amplified vision is required to tap the full potential of this project. This vision should be consistent with the design outlay including areas for exhibition, testing and research labs, public utilities etc. AS (SC) highlighted that PMA should review the India Trade Promotion Organization’s (ITPO) report on vetting of the proposal and also look at the proposal from a functionality perspective. The facility should promote its use by local Export promotion Branches, exporters/ merchant exporters to have exhibits on display, a platform for collaboration by Common Facility Centres (CFCs), etc.

5.4 MD and CEO, Andhra Pradesh Med Tech Zone (AMTZ) mentioned that as part JIIDCO’s plans; AMTZ can set up an office in their facility to market their products. It was decided by EC that JIIDCO should coordinate with AMTZ to further facilitate the necessary discussions and documentation in this regard.

5.5 After deliberations, the EC requested that JIIDCO submit a complete vision plan of the project and a corresponding architectural plan and DPR duly vetted by ITPO.

6. Agenda Item No. 4

Implementing Agency (IA) / Project Details – Andhra Pradesh MedTech Zone (AMTZ)

Proposal – Setting up of EMI/EMC, Biomaterials, 3D Design and Prototyping and Gamma Irradiation Labs

Total project cost - Rs. 168.86 Cr
- TIES share sanctioned - Rs. 40 cr.
- AMTZ (own resources) - Rs. 128.86 cr.
- 1st instalment released – Rs 4 Cr
- 2nd instalment released – Rs 9 Cr
- 3rd instalment released – Rs 9 Cr

Release of 4th and 5th (final instalment) sought – Rs \( (9 + 9 = 18 \text{ Cr}) \)

6.1 The PMA made a detailed presentation on the progress of the project and informed that AMTZ has utilized Rs 9 Cr released as 3rd instalment under TIES for which the
Utilization Certificate (UC) for Rs 9 Cr of the 3rd installment has been submitted. They informed that till date AMTZ has made a cumulative expenditure of Rs 66.91 Cr against Rs 22 Crore fund released under TIES.

6.2 PMA mentioned that it had undertaken the site visit on 13th March, 2019, it was apprised that the project is nearing its completion and the civil works progress on three out of the four labs was completed while 90% of the work on Centre of Gamma Irradiation Lab has been completed. The PMA further mentioned that though the physical progress of more than 90% has been achieved, only 40% financial progress has been achieved so far due to milestone based payment to the contractors. The AMTZ representative mentioned that there are many bills pending to be raised, which will be done before 31.03.2019 to show corresponding financial progress as well.

6.3 Dr. Jitendar Sharma, CEO and MD of AMTZ mentioned that they have constructed a state of the art facility with 18 high-end industrial labs in the park as medical devices manufacturing requires such high investment facilities which are too capital intensive for individual manufacturing to invest upon. It was also mentioned by him that the entire project has been completed in a record time and 85 entities are already in operation. It was requested that both the pending installments may be released to AMTZ in view of the committed expenses exceeding such amounts. He requested that since the AMTZ had already put in a substantial share in the project far exceeding the TIES grant, both the 4th and 5th installments be considered for release. This was deliberated in the meeting further.

6.4 EC, considering the request of the IA, and based on its speedy implementation of the project, decided to approve the release both the 4th and 5th (final) installments aggregating to Rs 18 Cr.

7. Agenda Item No. 5-
Implementing Agency (IA) / Project Details – Council of Leather Exports (CLE)

Proposal – Common Facility Centre in Melvisharam, Tamil Nadu by Visharam Tanners Common Facility Centre Private Limited

Total project cost - Rs. 24.68 Cr
- Fund approved under ASIDE – Rs 15 Cr
- Fund released under ASIDE – Rs 7.5 Cr
- Balance grant approved under TIES – Rs 4.84 Cr

Release of 2nd (Final) instalment sought under TIES – Rs 2.42 Cr
7.1 The PMA made a detailed presentation based on their recent site visits of the project and apprised the EC on the desirability of the project and its conformance to the TIES guidelines based on the SPV's legal agreements binding on CLE now. PMA apprised to the EC that the project was given in-principal approval in the 5th EC meeting. It was required by the IA to comply with the following parameters covering:
   i. CLE enters into an agreement with the SPV on time bound execution of the project, ensuring proper maintenance of the facility
   ii. Regulation of user charges may be done with the consent of CLE as per agreement
   iii. Vetting of the agreement by the IFD
   iv. Contribution of SPVs deposited with CLE

7.2 PMA mentioned that the IA has sought all the documents and have submitted the same for the approval of their 2nd instalment under TIES share. They also apprised that the site visit was conducted on 7th and 8th of March, 2019 and gave highlights of project's physical and financial progress. PMA mentioned that civil work of common facility centre in Melvisharam is about 90% complete while the procurement & commissioning of machineries is under progress and can be done shortly.

7.3 PMA also explained that the IA had requested a grant of Rs 7.5 Cr under TIES in addition to earlier released grant of Rs 7.5 Cr under ASIDE scheme. However, as per TIES guidelines of capping eligible TIES share to 50% of project cost, PMA had recommended to reduce the requested grant of INR 7.5 Cr. to INR 4.84 Cr for common facility centre in Malvisharam.

7.4 On the query of the EC regarding the total spending of the SPV on the project till date, PMA clarified that SPV has contributed a total of Rs 7.26 Cr i.e. Rs 4.84 under ASIDE scheme and 2.42 under TIES scheme.

7.5 EC deliberated that since the IA has only contributed the total amount of ASIDE share till date, as per the TIES guidelines, the SPV or the IA will have to remit the balance or an amount over and above what has been committed by them till date to be eligible for next instalment which will be released based on Pari-Passu payments. CLE assured that they would provide their Rs.2.42 crore contribution by July, 2019 positively. They assured that the funds being released would be with CLE and released to SPV only when matching funds of Rs.2.42 crores are made available by July, 2019.

7.6 Based on the commitments of the CLE and recommendation of the EP (LSG), EC decided to release fund of 2.42 Cr subject to CLE providing a commitment letter to remit an equal amount by July, 2019.
8. **Agenda Item No. 6**

*Implementing Agency (IA) / Project Details* – Council of Leather Exports (CLE)

*Proposal* – Creation of Additional 596 KLD capacity system in Madhavaram CETP

**Total project cost** - Rs. 13.08 Cr
- Fund approved under ASIDE – Rs 6.54 Cr
- Fund released under ASIDE – Rs 3.27 Cr
- Balance grant approved under TIES – Rs 3.27 Cr

*Release of 2nd and final instalment sought under TIES* – Rs 1.89 Cr

8.1 PMA made a detailed presentation highlighting that the IA has completed the Madhavaram CETP project and is now operational. They have confirmed this through their site visit. They also confirmed that a legally binding agreement has been entered into by the CLE and that the project is now in conformation with the TIES guidelines.

8.2 The EC enquired about the need for additional funds of Rs 1.89 Cr if the IA has already completed the project. PMA explained that IA requires these funds to settle the pending contractor bills and to pay to CWSSB for allowing for mixing the treated water with water released by CWSSB. PMA also highlighted that the IA has reduced one component of the project due to which the remaining TIES share of Rs 3.27 Cr has been reduced to Rs 1.89 Cr. The IA’s SPV has already contributed their share of INR 1.89 Cr.

8.3 EC decided to approve the release of 2nd and final instalment of INR 1.89 Cr to CLE.

9. **Agenda Item No. 7**

*Implementing Agency (IA) / Project Details* – Council of Leather Exports (CLE)

*Proposal* – Creation of Additional ZLD capacity in VISHTEC CETP

**Total project cost** - Rs. 18.64 Cr
- Fund approved under ASIDE – Rs 9.32 Cr
- Fund released under ASIDE – Rs 2.30 Cr
- Balance grant approved under TIES – Rs 7.02 Cr

*Release of 2nd instalment sought under TIES* – Rs 2.25 Cr
9.1 PMA made a detailed presentation to the EC in which they highlighted that work at VISHTEC CETP is 30% completed where most of the work at has been stalled due to the shortage of funds. They confirmed that the physical progress is commensurate with the funds released so far. They also confirmed that a legally binding agreement has been entered into by the CLE and that the project is now in conformation with the TIES guidelines.

9.2 PMA also apprised that SPV has remitted an amount of Rs 2.25 Cr over and above their initial share of Rs 2.3 Cr.

9.3 The PMA was specifically asked to comment on the quality of work as the projects were stalled from a long time. PMA highlighted that on physical inspection of the project, the quality of project components have been found to be acceptable.

9.4 EC decided to approve the release of 2nd instalment of INR 2.25 Cr to CLE.

10. **Agenda Item No. 8: Implementing Agency (IA) / Project Details – Maharashtra State Agricultural Marketing Board (MSAMB)**

Proposal – Establishment of Fruit and Vegetable Export, Processing and Blast Freezing Centre at Walva, Dist. Sangli

**Total project cost** - Rs. 26.98 Cr

- Funds requested under TIES – Rs 10.93 Cr
- MPSAMB’s own share – Rs 16.05 Cr

10.1 PMA apprised the EC that there are gaps in the DPR submitted by the IA, to which they have issued a query letter to the IA requesting the following documents to be eligible under the TIES scheme:

i. Letter of Land undertaking as per Annexure II,
ii. Board Resolution/Letter from Head of IA for commitment of funds,
iii. 3rd Party vetting of civil cost

10.2 In addition, EP(Agri) Division, DoC has also requested to defer the proposal in the absence of the proper recommendations from APEDA. No representative from Maharashtra State Agricultural Marketing Board (MSAMB) attended the meeting.

10.3 The EC decided to defer the proposal till the next EC meeting as the full set of documents has not been received by the PMA for examination.
11. **Agenda Item No. 9 - TIES scheme website**

PMA apprised the EC with the website and the dashboard being developed by them for maintaining the list of DPRs, their relevance in terms of sector profile, location and relevant documents etc. ultimately resulting into a one stop management information system (MIS) for the Department of Commerce. PMA also mentioned that it would be an interactive system in terms of showcasing data and conducting data analytics.

The meeting ended with a vote of thanks to the Chair.
List of Participants in the 8th Empowered Committee Meeting on TIES held on 15.03.2019 under the Chairmanship of Shri Anup Wadhawan, Commerce Secretary

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<thead>
<tr>
<th>Name &amp; Designation</th>
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<tr>
<td><strong>Department of Commerce:</strong></td>
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<tr>
<td>1. Shri Anup Wadhawan, CS</td>
<td>In Chair</td>
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<td>2. Shri S.C.Pandey, SS&amp;FA</td>
<td>DoC</td>
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<td>3. Shri Sanjay Chadha, AS</td>
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<td>4. Ms. Nidhi Mani Tripathi, JS</td>
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<td>5. Shri Dammu Ravi, JS</td>
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<td>6. Shri Praveen Bonigala, JS</td>
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<td>7. Shri N.K.Srivastava, Addl. DGFT</td>
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<td>8. Ms. Rupa Dutta, EA</td>
<td>DoC</td>
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<td>9. Ms. Aashna Paul, Director</td>
<td>DoC</td>
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<td>10. Shri Shyam Lal, Under Secretary</td>
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<td>11. Shri Sandeep Verma, Under Secretary</td>
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**Other Ministries/Departments/Organizations:**

1. Ms. Mamta Shankar, EA              | M/o DoNER      |
2. Shri S.S.Das, EA                   | DPIIT          |
3. Shri U.K.Gupta, D.A.               | NITI Aayog     |

**Implementing/Proposing Agency:**

1. Shri B.N.Tiwari, GM                | Govt. of Madhya Pradesh, MSME Department |
2. Shri B.P.Goyal, S.E.               | Govt. of Madhya Pradesh, SAMB, Bhopal   |
3. Dr. Tarun Bajaj, GM                | APEDA         |
4. Shri B.K.Baruah, AGM               | APEDA         |
5. Shri Atul K.Mishra, RD             | CLE, Chennai   |
6. Shri S.Poonguzhal, AD              | CLE, Chennai   |
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<td>7.</td>
<td>Dr. P. N. Konwar, Admn. Officer</td>
<td>ALPCO, Assam</td>
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<td>8.</td>
<td>Shri Neyaz Ahmad, Project Manager</td>
<td>JIIDCO, Ranchi</td>
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<td>9.</td>
<td>Shri K. Balasubramanian</td>
<td>MEPZ SEZ</td>
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<td>10.</td>
<td>Dr. Jitendar Sharma, MD</td>
<td>AMTZ</td>
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<td>Shri Ramakrishnan N., Sr. Manager</td>
<td>AMTZ</td>
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<td>Shri Manish Sachdeva</td>
<td>Yes Bank</td>
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<td>Shri Amit Saluja</td>
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**Project Monitoring Agency (PMA) under TIES**

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<td>1.</td>
<td>Shri Mohammad Athar, Partner</td>
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