

FIFTY-SEVENTH REPORT  
COMMITTEE ON AGRICULTURE  
(2013-2014)

(FIFTEENTH LOK SABHA)

MINISTRY OF FOOD PROCESSING INDUSTRIES

NATIONAL INSTITUTE OF FOOD TECHNOLOGY,  
ENTREPRENEURSHIP AND MANAGEMENT (NIFTEM)

*Presented to Lok Sabha on 11.02.2014*  
*Laid on the Table of Rajya Sabha on 11.02.2014*



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COMPOSITION OF THE COMMITTEE  
ON AGRICULTURE (2013-2014)

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5. Smt. Ashwamedh Devi
6. Shri L. Raja Gopal
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8. Shri Anant Kumar Hegde
9. Shri Premdas Katheria
10. Shri P. Kumar
11. Smt. Botcha Jhansi Lakshmi
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20. Dr. Vinay Kumar Pandey 'Vinnu'
21. Shri Hukumdev Narayan Yadav

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23. Shri Satyavrat Chaturvedi
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26. Dr. K.V.P. Ramachandra Rao
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3. Shri T.H. Rao — *Additional Director*

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20. Dr. Vinay Kumar Pandey 'Vinnu'
21. Shri Hukumdev Narayan Yadav

*Rajya Sabha*

22. Shri Satyavrat Chaturvedi
- \*23. Vacant

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\* *Vice* Shri A. Elavarasan who ceased to be the Member of the Committee on his retirement from Rajya Sabha on 24 July, 2013.

24. Smt. Mohsina Kidwai
25. Shri Dharmendra Pradhan
26. Dr. K.V.P. Ramachandra Rao
27. Shri Parshottam Khodabhai Rupala
28. Shri Rajpal Singh Saini
29. Shri Shivanand Tiwari
30. Shri S. Thangavelu
31. Shri Darshan Singh Yadav



COMPOSITION OF THE COMMITTEE  
ON AGRICULTURE (2011-2012)

Shri Basudeb Acharia — *Chairman*

MEMBERS

*Lok Sabha*

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- \*24. Shri Satyavrat Chaturvedi
25. Shri A. Elavarasan
- \*26. Shri Vinay Katiyar
27. Shri Mohd. Ali Khan
28. Shri Upendra Kushwaha
29. Shri Bharatsinh Prabhatsinh Parmar
30. Shri Rajpal Singh Saini
31. Shri S. Thangavelu

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\*Nominated to the Committee on 04.05.2012.

## INTRODUCTION

I, the Chairman, Committee on Agriculture (2013-2014) having been authorized by the Committee to submit the Report on their behalf, present this Fifty-Seventh Report on National Institute of Food Technology, Entrepreneurship and Management (NIFTEM) pertaining to the Ministry of Food Processing Industries.

2. The Committee took a briefing on the subject from the representatives of the Ministry of Food Processing Industries on 23.04.2012 and took their oral evidence on 08.06.2012. The Committee also undertook on-the-spot study tour to NIFTEM on 28.10.2013.

3. The Committee considered and adopted the Report at their Sitting held on 06 February, 2014.

4. The Committee wish to express their thanks to the representatives of the Ministry of Food Processing Industries and National Institute of Food Technology, Entrepreneurship and Management for tendering evidence before them and furnishing the requisite information to the Committee in connection with the examination of the subject.

5. For facility of reference and convenience, the Observations/ Recommendations of the Committee have been printed in bold letters in Part-II of the Report.

NEW DELHI;  
10 February, 2014  

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21 Magha, 1935 (Saka)

BASUDEB ACHARIA,  
Chairman,  
Committee on Agriculture.



## **PART I**

### **REPORT**

#### **CHAPTER I**

##### **SETTING UP OF NIFTEM**

###### **(A) Need for a New Institute**

Quantum increase in the level of processing and value addition of primary agriculture produce is of critical importance for enhancing farmers' income, generating employment and reducing wastages, and to accomplish overall growth of the national economy. It is equally important to ensure global cost and quality competitiveness of processed food so as to access global markets where price realization is higher and India has a comparative advantage. Moreover, setting food standards and reliable testing protocols has become a matter of serious public concern. It is accordingly necessary to develop world class Food Scientists and Technologists who could do R&D in frontier areas, set food standards and develop protocols for testing, and also develop world-class entrepreneurs who undergo courses and training programmes having proper mix of inputs on food science, technology, management, entrepreneurship and business incubation. Vision, strategy and action plan document prepared by the Ministry (April, 2005) aims to treble the size of food processing industry in next ten years by increasing the level of processing from 6% to 20%, value addition from 20% to 35% and share in global trade from 1.5% to 3% by the year 2015. The Ministry in its vision document—2015, has emphasized the need for an apex institution to focus on these aspects.

1.2 In view of the above, it was decided in August, 2006 to set up National Institute of Food Technology, Entrepreneurship and Management (NIFTEM) at a cost of Rs. 245 crore with anticipated completion in 2009-10.

1.3 National Institute of Food Technology, Entrepreneurship and Management has been set up with a vision to be a Centre of Excellence which integrates all facets of food technology, entrepreneurship and management and be recognized as focal point for catalyzing the growth of the Indian Food Processing Industry in the global context.

1.4 There are a few institutions in existence like National Dairy Research Institute (NDRI), Central Food Technological Research Institute (CFTRI) and Defence Food Research Laboratory (DFRL). These institutes are constrained by their existing organizational setup and could not attract world- class talent, which is a prerequisite for a multi-dimensional role in a globalized world. An evaluation of these institutes for upgradation was examined. NDRI was ruled out for comparison due to their limited sectoral focus.

1.5 The main objective of DFRL at Mysore is to cater to the needs of the defence personnel. Only CFTRI is catering to the R&D needs of Food Processing Industries. CFTRI is focused on basic level research & training of local importance and is moreover located at Mysore in southern India. CFTRI focuses on applied research in Food Technology and lacks the comprehensive research focus in the food science arena. There is no institute in India to cater to the needs of its unique requirements.

1.6 During evidence when asked about the functions being undertaken at Indian Institute of Crop Processing Technology (IICPT) Thanjavur, the Secretary, MoFPI replied:—

“There we research in crop processing as also we run B.Tech. and M.Tech. courses. In the case of NIFTEM, the mandate is much wider. It is because we will have this division which is looking after small and medium enterprises. We will have a Consultancy Division and we will help FSSAI in developing standards. So, IICPT, at present, is a much smaller institution. Its total cost was about Rs. 88 crore. Initially, it was affiliated to the Annamalai University. Last year, they got affiliation with the Tamil Nadu Agricultural University. At some point of time, as it grows, we may perhaps make it a deemed university or we may have our own Act. That we will see as we go along.”

1.7 When asked how NIFTEM is different from the Central Food Technology Research Institute, Mysore, the Secretary, MoFPI, further informed that:—

“The CFTRI is one of the CSIR institutes. But we cannot say that it has nothing to do with our Ministry as it does a lot of research for us. But it is not under our Administrative control. It is under CSIR but we also use their expertise in some of our Committees. We give them money to do research. We have interaction with them. They do not run regular B.Tech. or M.Tech courses. Perhaps

they do some short term training but they do not have regular B.Tech. or M.Tech. courses. The B.Tech and M.Tech. courses in the Government are only in the Thanjavur Institute and next will be in NIFTEM. But as we go along, we will show how NIFTEM's approach is going to be radically different."

1.8 On being enquired whether NIFTEM would be a stand alone project or it would also coordinate with other research institutes like the ICAR, the Secretary, MoFPI, informed the Committee that:—

"NIFTEM, as a whole will definitely be engaged in collaboration with other research organisations in India and outside. That is one of the key features of NIFTEM that they will act as a central repository of knowledge. They also have a consultancy division to provide consultancy in the field of Food Processing Sector..... That is one of the objectives of NIFTEM."

1.9 On being pointed out that the Food Technology Institute at Thanjavur has already been functioning for quite sometime and experience has also been gathered and then why a new institute is being developed instead of developing the existing institute by converting it into an integrated one both technology-wise and management-wise. Further, it took about five years since the idea was conceived. The Secretary of MoFPI, informed the Committee that:—

"The IICPT, the Indian Institute of Crop Processing Technologies, Thanjavur, ..... was started in 1968 as a small research station in Tamil Nadu as part of the Tamil Nadu Food Supplies Corporation and because its focus was very limited, it could not grow..... Paddy which was grown in Thanjavur area was the focus of that institution and ultimately, when it got shifted to Thanjavur also, it was called the Paddy Processing Research Centre. Only in 2007, a decision was taken to upgrade it to a national level institute where the Finance Minister announced in the Budget speech and then a project worth about Rs. 89 crores was sanctioned for strengthening the Institute by doing two things. One is taking in more scientists on the rolls of that institution and changing from paddy processing research centre to Indian Institute of Crop Processing Technologies and secondly, by establishing more number of laboratories so that they can work on a larger scale focussing on paddy and related crops. The main focus for them remained this crop and they could not graduate into meat, fish and other things..... It has not got into management..... In the 12th Plan, we are hoping to expand these Institutes both in Thanjavur and NIFTEM so that they either have

branches or they have distance learning. There are some issues with the UGC regulations. We will have to see how to overcome these but given the level of skill shortage and given the demand that is there for skill, there is space for both these institutions..... So, there was a need for a new institution to be developed which would focus both on the academic side and the non-academics side.....”

1.10 Further, it was also stated that:—

“..... IIMR which is an institution of repute had conducted a detailed study about the food processing sector in 2006 itself and they had projected that by 2022, you will need to train and skill 3.5 million people for the food processing sector because that is the shortage which the sector is suffering from now..... They say that because of the unskilled people working in the industry, the productivity and efficiency of the food processing industry is suffering by 32 to 35 per cent and that itself is a huge loss. To train about 3.5 million skilled people over a period of ten years is difficult.”

1.11 The need for setting up of the NIFTEM was that:—

- (a) The Institute of Applied Manpower Research (IAMR) in its report (2004) had recommended creation of a National Institute of Technology and Management for taking care of human resource development needs of the FPIs. and building effective partnerships among various stakeholders.
- (b) Integrated strategy for the promotion of agri-business under Prime Ministers’ thrust areas envisages setting up of such an institution.
- (c) Therefore a new organization was required to be set up, with a structure and systems aligned with its objectives to be the apex institution in food research and education in the country having global capabilities.
- (d) The Finance Minister, in his Budget Speech on 28.02.2006 announced the intention of government to set up a National Institute of Food Technology, Entrepreneurship and Management (NIFTEM) as an international center of excellence which will work synergistically with industry and other institutions within India and abroad.

1.12 It is observed from the minutes of the Expenditure Finance Committee (EFC) meeting held on 16.12.2005 that the total expenditure for setting up of NIFTEM was estimated to be Rs. 245 crore, including



recurring expenditure of Rs. 75 crore in the first five years. The recurring expenditure of NIFTEM, when fully operational would be Rs. 24.4 crore per annum. It was explained that the projected Internal Rate of Return (IRR) was 9.75 per cent for a 15 year period under the assumption of robust growth of food processing sector and if the growth was moderate, Government might have to meet two-third of the recurring expenditure, as is the case with IIM, Lucknow.

1.13 Expressing serious reservations regarding the establishment of NIFTEM, in the EFC meeting on 16.12.2005, the Joint Secretary, Department of Expenditure pointed out that there would be duplication of functions and felt that there was a strong case for upgrading existing institutions because of longer lead time, and expressed doubt about economic viability of the project. He also added that the project may face a serious risk of sustainability as it may not be easy for NIFTEM to attract world class faculty. The Director, Min. of Health felt that the proposed functions of NIFTEM would result in duplication. The Advisor, Planning Commission felt that public private partnership model would be better than a purely public funded model and also suggested a SWOT analysis to identify the critical gaps that needed to be filled up. The Deputy Director General, Indian Council of Agriculture Research suggested that upgradation of existing institutions would be more appropriate and that NIFTEM would find it difficult to get quality faculty as many of the existing institutes were already facing similar problems.

1.14 In the EFC meeting held on 24.03.2006, the Joint Secretary, Department of Expenditure pointed out that answers to various issues raised in the earlier meeting were still not forthcoming and that there was no case for creating a new institution with R&D capability. Businesses incubators were provided generally as an adjunct to industrial parks and Universities. These facilities should be spread all over the country and cannot be localized in one institute. The Joint Secretary, Min. of HRD stated that there was not clarity regarding the courses and curriculum to be taken up by the NIFTEM. The Advisor, Planning Commission stated that the status of existing institutions was not clear and the gap analysis was not adequate. He emphasized the need for greater involvement of the private sector. The Secretary, MoFPI stressed that while the institute was envisaged to become self-sustainable, five years to achieve this goal may be too short a period and stated that eleven years has been projected on the basis of fresh projections. In the statement of comments attached to the proposal, it was stated that the institution would start earning revenue from the 3rd year of inception. The funds generated from the 3rd to 5th year

shall be able to sustain it from 6th to 10th year after which it shall be on a fully self-sustaining basis.

1.15 In the note for Cabinet Committee on Economic Affairs (CCEA) (14th August, 2006), it was projected that the institute would commence limited activities in 2006-07 in hired buildings to begin with. Infrastructure would be completed and equipments installed by the 4th year and the Institute will be fully operational from 2010-11.

1.16 Based on the observations of the EFC a revised DPR was prepared which addressed the issues raised in the EFC and the comments received from various stakeholders. The observations of EFC were addressed and the proposal submitted to CCEA for its approval.

1.17 Thereafter, the CCEA considered the proposal of setting up of NIFTEM in its meeting held on 31.8.2006 and approved the following:—

- (i) Setting up of National Institute of Food Technology Entrepreneurship & Management (NIFTEM) at Kundli (Haryana) at an estimated cost of Rs. 244.6 crore including foreign exchange component of US \$ 8.1 million.
- (ii) The mandate of the Institute was as follows:
  - (a) promote cooperation and networking amongst existing institutions both within the country and international bodies, create a complete data base on domestic resources and bring in international best practices for improving the food processing sector,
  - (b) undertake frontier and inter disciplinary research in areas of relevance to the sector,
  - (c) cooperate in setting standards as well as protocols for testing of food products,
  - (d) provide industry friendly short-term courses, including regular degree and management courses leading upto Ph.D. programmes, for developing HRD resources for the food processing sector,
  - (e) with capacities developed in the aforesaid areas, assist Government in policy formation and regulatory framework, and
  - (f) to interact and work with all stakeholders, namely, industry, Government and consumers so as to remain economically viable and socially relevant and guide the growth of the food processing sector along healthy and modern lines.

- (iii) Register the Institute under Section 25 Company of the Companies Act, 1956 with the Board of Directors comprising Head of the institute; Secretary, Ministry of Health; Secretary, Ministry of Food Processing Industries and Secretary, Department of Commerce as members; two industry representatives from Food Processing Industries; three Directors, one each from a reputed management institute and a reputed technology institute in India and one from a leading global technology institute.
- (iv) CCEA also directed that a detailed road map of phased expansion of the institute be finalized by 31.03.2007.

1.18 NIFTEM would work as Sector/Business Promotion Organization of the food processing sector. Major objectives of NIFTEM drawn from its mandate are:—

- (a) Working as a “One Stop Solution Provider” to all the problems of the sector.
- (b) Working for “Skill Development” and “Entrepreneurship Development” for the sector.
- (c) Facilitating business incubation services with its ultra modern pilot plant for processing of fruit and vegetables, dairy, meat and grain processing.
- (d) Conducting frontier area research for development of the sector.
- (e) Developing world class managerial talent with advanced knowhow in food science and technology.
- (f) Providing intellectual backing for regulations which will govern food safety and quality and at the same time foster innovation.
- (g) Functioning as a knowledge repository on various aspects of food processing such as product information, production and processing technology, market trends, safety and quality standards, management practices among others.
- (h) Working for upgradation of SME food processing clusters.
- (i) Promoting cooperation and networking among existing institutions within India and as well as with international bodies.

1.19 Accordingly, in pursuance of the decision taken by the CCEA, the MoFPI acquired 100 acres of land from Haryana State Industrial and Infrastructure Development Corporation (HSIIDC) at Kundli, Sonapat, Haryana at a cost of Rs. 31.37 crore in August, 2007. The work for design, architecture and construction of NIFTEM campus at Kundli, Haryana was awarded to NBCC on turnkey basis with the signing of MoU in October, 2007. Subsequently, M/s. RITES Ltd. was engaged as a third party inspection agency for the project.

#### **(B) Engagement of Consultants**

1.20 Enumerating chronology of events which led to short listing of M/s Rabo India Finance Pvt. Ltd., as the agency for preparing DPR, the Ministry of Food Processing Industries informed that a proposal was initially received from Government of U.P. for setting up of Institute of Food Technology in May, 2001 along with a Project Report. The proposal was examined in the Ministry and it was found that the U.P. Government's Project Report was only indicative of the need for the Institute and is required to be redone to make it objective oriented, comprehensive and complete. Moreover Food Technology concern areas of frontier knowledge and every nation has to compete globally for the large and extending Food Trade. The State Government may not be in a position to set up such an Institute of global standard and to meet the recurring and future developmental expenditure. Hence the Ministry of Food Processing Industries considered it imperative to set up a National Institute of Food Technology Entrepreneurship and Management.

1.21 Accordingly, an Executive Committee consisting of representatives from MoFPI, Government of Uttar Pradesh, Ministry of HRD and Planning Commission was constituted to facilitate preparation of a comprehensive action plan for setting up the proposed Institute and to ensure speedy implementation and monitoring of the Project.

1.22 Initially the work for preparation of Feasibility Report and Detailed Project Report was assigned to M/s. Educational Consultants India Ltd. Their report was, however, not found acceptable by the Executive Committee. The Executive Committee therefore recommended that consultants of global reputation may be assigned the work. Based on this, the Ministry invited technical and financial bids from the six Consultants which were earlier shortlisted by the Ministry for preparation of Mega Study-cum-Vision Document for the Ministry. Out of the 6 Consultants, only three Consultants responded to the Ministry's letter seeking bids including M/s. Rabo India Finance Pvt. Ltd.

1.23 Further, the Executive Committee after taking presentation from the above three Consultancy firms, shortlisted M/s. Rabo India Finance Pvt. Ltd. in its meeting held on November, 2003, at a cost of Rs. 40.70 lakh plus applicable service tax.

1.24 The Ministry further indicated that credential of M/s. Rabo India Finance Pvt. Ltd. as provided by them in their Technical bid were as follows:—

1. An institution Dedicated to Food and Agribusiness.
2. Strong Repository of Knowledge of various sectors in Food and Agribusiness.
3. Significant experience in the Food Supply Chain from Farm to Consumer.
4. International Resources involved in Food and Agribusiness research.
5. Team of highly qualified and experienced Food and Agribusiness Professionals.
6. Experience of working with Government and Industry Bodies.
7. Deep knowledge and experience of developing public private partnership models for infrastructure projects in India.
8. Agency was assigned the work for preparation of a Mega Study of Vision Document by the Ministry.

1.25 Past performance for similar Project Consultancy Services in the Technical bid as given by M/s. Rabo India is given below:—

“NDDDB—Feasibility study for setting up modern marketing systems for fruits and vegetables in India.

1. Gujarat State Government—Strategic Plan for food and agriculture for Gujarat.
2. DCM Sriram Consolidated Ltd.—Strategies to develop and supply chain for food and agriculture products.
3. MARK FED, Punjab—Strategies for growth in processed vegetable sector.
4. Mother Dairy—Corporate Strategy.
5. Leading Sugar Company—Business and financial restructuring.

6. Leading Tea Company—Restructuring and sourcing international alliances.
7. Heineken International—Entry Strategy for India.
8. Dairy Industries Ltd.—Strategic advisory for growth plan and sourcing potential alliances.
9. Leading Starch Cooperative—Strategic Advisory services (market analysis) with report to its entry plan in India.
10. IFFCO—Advisory on Business diversification areas.
11. ISAGRO S.P.A.—Advisory RPGLS in the sale of its agrochemical business.
12. WHYTE MACKAY—Advisory in the sale of 51% of Whyte and Machay India Ltd to BACARDI.
13. Leading Marine Product Company—Identification of market opportunity and develop a comprehensive business strategy.
14. Coffee Trading Company — Sole strategies and financial advisory to amalgamated Bean Coffee Trading Co. (ABC) for raising capital for its growth plan.
15. East Asiatic Company—Entry Strategy upto India and acquisition of “Protenix” and “Dumex” from Ptizer Ltd.
16. Leading Brazilian Company—Strategic Advisory (market analysis) on current status and future potential for fuel ethanol in India.

Project Approval Committee Chaired by the then Secretary, MoFPI, gave the approval.”

1.26 As a part of the terms of reference for preparation of DPR, Rabo India Finance was required to identify a collaboration partner for NIFTEM. M/s Rabo India Finance after extensive interaction with the global institutions of excellence in the similar fields identified three Universities for such collaboration. Cornell University, USA was placed at No. 1 institution in the order of priority. It was also suggested in the DPR that it is critical to engage a collaboration partner in the initial stage to ensure that active support and inputs are obtained in the areas of course structure and design, organization structure and advisory on strategic planning process and sustainability.

- o Keeping in view that—
  - Cornell was placed at No. 1 institution in the order of priority in the DPR after extensive interaction with the global institutions of excellence in the similar fields by Rabo India Finance Ltd.

- Cornell is the foremost among IVY League Universities with comprehensive ability to deliver different dimensions of research and education programs in Life Sciences.
- No other University offers such diversity of courses in the areas of agriculture, Food Nutrition and other aspects of Life Sciences as Cornell.
- Cornell is the only IVY League University with comprehensive team strength in India through Cornell Sathguru Foundation for Development, Hyderabad who has been engaged for the last 15 years and rendering support services to ICAR, Department of Bio-technology, Ministry of Health, Ministry of Environment and several State Government agencies.
- Cornell has unmatched brand value which will help develop NIFTEM as a world class institute.

1.27 The College of Agriculture and Life Sciences (CALs) at Cornell University, a global leader in agriculture and food research and education through Cornell Sathguru Foundation for Development, Hyderabad were engaged for knowledge sharing partnership for design of facilities, course curricula, faculty training and internship, developing a strategic frame work for nurturing research, development of intellectual property and technology transfer policy and strategic plan for technology transfer and enterprise development, training centre for continuing education and design of food enterprise incubator with the approval of the Project Approval Committee of the Ministry of Food Processing Industries. An agreement was signed with Cornell Sathguru Foundation in this regard on 08.01.2008.

1.28 The knowledge sharing partnership agreement was signed with College of Agriculture and Life Sciences at Cornell University through CSF on 08.01.2008 on payment of Rs. 3.925 crore spread over three years. The duration of agreement was for a period of five years. However, the duration of specific services would be initially for period of 30 months. The following are key task areas (scope of work) for CSF in supporting NIFTEM:—

1. Strategic inputs for design of teaching and research facilities including support facilities such as the Library/Laboratories and e-learning centre.
2. Guidance for design of under-graduate courses and also procedure for selection.

3. Faculty capacity building and exchange.
4. Development of a strategic framework for nurturing research within NIFTEM.
5. Development of Institutional Policy, Intellectual Property and Technology Transfer Policy and Development of a strategic plan for Technology Transfer and enterprise development.
6. Developing strategic plan and course design for a Training centre for continuing education.
7. Development of detailed plan for food enterprise incubator and interface with industry.
8. Assistance in faculty selection.

1.29 CSF reviewed the Rabo DPR and functional requirements of NIFTEM which envisaged the following additional focus areas, which were not conceived in the RABO Report:—

- Focus on comprehensive spectrum of food science and food technology such as food chemistry, food molecular biology, food nutrition, food process engineering and food laws as distinct research disciplines with requisite research labs for each of the core disciplines of food science and technology.
- Creation of comprehensive incubators for Grains, Fruits and Vegetables, Meat products and dairy products in order to validate technologies developed by NIFTEM researchers and transfer such technology to small and medium enterprises.
- Creation of tenancy area within the Incubator, wherein enterprises can incubate their research projects and work in tandem with NIFTEM faculty for product research.
- Creation of Bio-resource center, Sensory facility, culinary kitchen and other essential research facilities that is essential to deliver advanced courses in food science and food technology.
- Creation of a continuing education centers with state-of-the-art equipments that can help to re-skill industry professionals and Scientists in modern food science and food process technologies.
- State-of-the-art symposium and auditorium facility that is essential for a center of excellence to conduct symposiums and workshops.



1.30 The above entire core infrastructures are essential facilities to be created for NIFTEM to excel in research and knowledge generation in the area of food science and food technology commensurate to the envisaged mandate.

1.31 Cornell Sathguru Foundation for Development (CSF), Hyderabad, did not provide the following essential documents/services:—

1. Basic parameter for equipment for Central Bio-Process facilities, Incubator and Labs.
2. Appropriate learning tools and help devise experiential learning modules for best exposure to students.
3. Development of intellectual property and technology transfer policy and development of a strategic plan for technology transfer and enterprise development.
4. Identification of training needs of entrepreneurs and design of training course.
5. Design of food enterprise incubator.
6. Approaches on forming research consortiums and strategic focus in forging international partnerships in research management.

1.32 Regarding selection of Cornell University as knowledge partner a representative of MoFPI stated as follows:—

“When this Detailed Project Report was made for establishing NIFTEM, the idea was to establish an institution with a wide canvass with a modern outlook. .... This is why a few universities were short listed. Cornell University was finally selected because it has a very well established food processing department. It has food processing laboratories of various kinds; it has very large pilot plants incubation centres.... One could really learn and see as to what are the different possibilities with the same product. For example, take milk. Milk can be converted into hundreds of products while we make only a few. Similarly, there are many such horticulture products, meat or fish which could be developed in such a way so that on the one hand we save them from getting rotten or wasted and on the other hand we improve the farmers. or growers. income because that value addition will flow ultimately to the farmer or to the grower. Cornell has such an old and well-developed physical infrastructure and very well-developed academic team also. That is why at that time Cornell was selected.”

1.33 Regarding terms of reference in the agreement with M/s. Cornell Sathguru Foundation for Development, Hyderabad (CSF) and the reasons for termination of the consultancy, the representative of the MoFPI submitted that:—

“Initially, the terms of reference were broadly two. One is to design or improve the DPR which was initially made for the project so that all sorts of modern laboratories, all modern practices could be brought in and infrastructure could be built which could be used for the most frontier areas of research. ....The second part of the terms of reference was to design the curriculum in such a way which is suited to the Indian industry, which is required by the Indian industry and which is a blend of modern as well as traditional knowledge in the country. But, in between we found that they could not come up to our expectations in the sense that the suggestions which were coming from them were not related or not relatable to Indian conditions or Indian industry and we thought it will be very impractical to implement such suggestions in India because whatever is happening in America or maybe in France, we cannot transplant the whole thing here. This has to be properly altered, indigenised and all that. But, somehow, that did not come. That was one big problem.

Secondly, when the question of designing the course curriculum for B.Tech. and M. Tech. came up, they could not do that. Ultimately, we had to take that up on our own where we designed the curriculum by having three rounds of consultations. In the first round, we invited about 150 people — all top professors, researchers, scientists and top industry people from all over the country. They sat here for two days in Delhi and made the first framework of B.Tech. and M.Tech. curriculum. We circulated this to about 500 people all over the world just to get their comments. ....After getting their comments, we had another Core Group and fine-tuned the curriculum further. Finally, we circulated it again to the industry; got their feedback and we have refined the curriculum.... ultimately we had to pull out of that Cornell arrangement and now for the last two and a half years, we are totally on our own.”

1.34 It has been stated that the reasons for signing an agreement in January, 2008 with Cornell Satguru Foundation for Development (CSF) instead of directly having an agreement with the College of Agriculture and Life Science at Cornell University and the credentials and standing of CSF in Food Technology, Research and Education were as follows:—

- (a) Cornell—Sathguru Foundation is an initiative of Cornell University and Sathguru Management Consultants,

Hyderabad to support academic and research partnerships of importance to India in the area of agriculture and life sciences.

- (b) The College of Agriculture and Life Sciences (CALs) at Cornell University was engaged through Cornell Sathguru Foundation for Development, Hyderabad for knowledge sharing partnership. Cornell Sathguru Foundation for Development, a non-profit organization registered under Andhra Pradesh Societies Registration Act, 2001, focuses on the development of agriculture and food chain in India through partnerships with Public and Private Sector and engages resources from Cornell University and Sathguru Management Consultants with a view to engage in education and research partnerships. Cornell University has permitted use of certain Trademarks (such as Cornell in India, Cornell University and Cornell) in rendering services for the joint initiatives of Cornell Sathguru in India.

1.35 Subsequently, on 28.01.2010 the College of Agriculture and Life Sciences, USA addressed a letter to Secretary, MoFPI, regretting their inability to provide any more assistance beyond what has been provided, on account of funding uncertainty and absence of faculty in NIFTEM.

1.36 The above situation was due to a delay of about 2 years in obtaining the approval for revision of cost estimates from the competent authority due to procedural formalities and comments received from various Government Departments which were required to be addressed suitably before obtaining approval of CCEA. There was also delay in creation of posts and appointment of faculties due to the legal status of NIFTEM as a Company registered under Section 25 of the Companies Act. Creation of posts and recruitment of faculties could only be made after the Union Cabinet approved registration of NIFTEM as an autonomous body under the Societies Registration Act.

1.37 It has been stated that in view of above position and the fact that College of Agriculture and Life Sciences at Cornell University had disassociated itself from the project midway on grounds of funding uncertainty and non-availability of faculty, which were beyond the control of the Institute till approval of revised cost estimates and approval for creation of posts, it was considered appropriate to discontinue with the agreement signed with CSF with no further financial liability on NIFTEM and subject, however, to the condition that CSF furnishes details of services rendered by them under the agreement proportionate to the fee already paid to them.

1.38 When asked whether there was any scope of having fresh Agreement at this stage in order to achieve the original aim of the Agreement, the MoFPI in their written reply stated that most of the aims of the Agreement with CSF have been achieved by NIFTEM. The UG & PG course curriculum has been developed. For training & internship, NIFTEM has signed three MoUs with renowned Universities viz. (a) Kansas State University, Manhattan, USA, (b) Wageningen University Research, The Netherlands, and (c) University of Nebraska, Lincoln, USA. The strategic frame work of research with NIFTEM has been planned. Short Term Training Programmes are being conducted by Skill Development Division of NIFTEM. In view of this position, it is felt that there is no need to have a fresh agreement with them at this stage.

### **(C) Form of the Institute**

1.39 The institute was incorporated as a 'not for profit' Company under Section 25 of the Companies Act, 1956 in August, 2007. Subsequently, the Institute was registered as a Society under the Society Registration Act.

1.40 In spite of the fact that NIFTEM is an educational institution, originally registration was made under the Companies Act. The reason being that the DPR suggested both the options for registering NIFTEM either under section 25 of the Companies Act or under Societies Registration Act. M/s. Rabo India Finance Limited had however, recommended that NIFTEM be constituted as a Section 25 Private company as it provides certainty to the legal status, which is critical in terms of collaborations with leading Global Institutes, provide more accountability and transparency in terms of financial reporting. The draft EFC Note and the CCEA Note, *inter alia*, providing for registration of NIFTEM under section 25 of the Companies Act was circulated to Ministry of HRD who in turn obtained comments of UGC and AICTE. The Ministry of HRD while supporting the proposal commented as under:—

- (a) It has to be set up either as a Central University or apply for Deemed to be University status.
- (b) No overlapping with the role of AICTE for determining the norms and standards in the area of engineering and technology.
- (c) Obtaining AICTE approval of the courses and intake of the programme.

1.41 The Ministry in their written replies specifically stated that at no point of time did it transpire that the legal status of the Institute as Section 25 of Company registered under Companies Act would make it ineligible to get Deemed to be University status from UGC.

1.42 The Ministry further informed that since the legal status of NIFTEM as a Company was creating hurdles in obtaining statutory recognition as a Deemed University from the University Grants Commission (UGC) for running its academic courses, the Government approved registration of NIFTEM as a society with transfer of all assets and liabilities from the Company to the Society and winding up of the NIFTEM company. In pursuance of above decision, NIFTEM has been registered as a society on 19.05.2010 and all assets and liabilities of the company transferred to the society on 11.11.2010. The Voluntary Liquidator appointed by the company, after realizing all known liabilities of the company, has already sent a report to the Official Liquidator of the Delhi High Court on 07.05.2012 for voluntary winding of the Company.

1.43 Thereafter, on 08.05.2012, the Ministry of Human Resource Development (Department of Higher Education) on the advice of UGC declared NIFTEM a Deemed to be University under *De Novo* category under Section 3 of the UGC Act, 1956.

1.44 When the Committee enquired why the Ministry did not think of bringing up a legislation for creation of NIFTEM, the Secretary, MoFPI stated, that—

“While it is possible that we could have taken the last route—and if I may say so, we are not ruling that out for the future also—but at that time, it was felt that the best way for a new institute to be developed, an institute of this magnitude and importance, was to take advantage of the UGC Act and establish it under the framework of the UGC Act, which is also a framework approved by the Parliament.

There are many institutions of the Government of India of equal importance, which have also used this route successfully. For example, the Indian Institute of Foreign Trade is a deemed-to-be university, and the National Institute of Fashion Technology is also a deemed-to-be university. So, from what I can understand is that looking at the successful examples, the Ministry had, at that time, felt that the shortest and the fastest route would be to use the existing legislation and if necessary, at a later point of time, consider our own legislation.”

## CHAPTER II

### DELAY AND COST ESCALATION

#### (A) Schedule of Completion

2.1 The original schedule of completion of infrastructure envisaged in the Implementation Schedule as estimated on 14.08.2006 was 2009-10. In the note dated 15.04.2011 submitted to Government for approval of revised cost estimates it was indicated that the Institutional Buildings and other peripheral infrastructure of Phase-1 has been completed.

2.2 Regarding completion of construction work, the MoFPI stated in October, 2013 that nearly 80% of the construction has been completed and the remaining 20% is under way. This is expected to be completed by June, 2014. The construction of various facilities had been linked with the students intake, faculty strength etc. Some of the items which are incomplete as yet are second floor of Institutional Building, interior work of Auditorium, interior work and designing of Pilot Plants, 1st & 2nd floor of Seminar Block, interior work of Guest House and interior work of Bank and Post-office. Hostel Block and Residential Units have been completed and become functional.

2.3 Giving the status of completion of infrastructure facilities provided at NIFTEM, the MoFPI stated as under:—

- (1) Major portions of Institutional Buildings have been completed.
- (2) The shell structure of Pilot Plants and Auditorium have been completed.
- (3) For designing furniture, furnishing and procurement of equipments in Pilot Plants, a Project Management Agency was being appointed.
- (4) Auditorium and the remaining work of Institutional buildings were in progress.
- (5) 3 Hostel Blocks with a capacity for accommodating 725 students and residential units have been completed.
- (6) 13 out of 14 Teaching-cum-Research Labs have been completed and functional.

- (7) NIFTEM Knowledge Centre (Library) made functional with adequate resource of international level.
- (8) The primary horticulture work commensurating with the Institutional buildings have been completed. Main horticulture work contracts have been awarded and the work will be completed by 31.12.2013.

2.4 The following Teaching and Research Labs have been made fully functional except the 'Central Instrumentation' Lab which is under construction:—

- (1) Food Science and Technology
- (2) Dairy & Food Engineering
- (3) Engineering Workshop-I
- (4) Engineering Workshop-II
- (5) Animal Product Technology
- (6) Electrical & Electronics Engineering
- (7) Computer Centre and Communication
- (8) Chemistry & Biochemistry
- (9) Central Instrumentation
- (10) Microbiology
- (11) Food Packaging
- (12) Food Engineering
- (13) Physics
- (14) Engineering Graphics

2.5 When the Committee visited NIFTEM in October, 2013, the Committee were informed that the Institutes uses IT infrastructure to the maximum possible extent. Backup of the class room teachings are automatically recorded so that students could use it later on whenever they require.

#### **(B) Cost of the Project**

2.6 The CCEA approved the setting up of NIFTEM in its meeting held in August, 2006 at an estimated cost of Rs. 244.6 crore including foreign exchange component of US \$ 8.1 million. Now the revised project cost is Rs. 479.94 crore.

2.7 On being asked reasons for revision of project cost, the Ministry in a written reply stated that the Secretary, MoFPI after visiting various Universities in USA from September, 2007 to October, 2007 suggested that the structure of NIFTEM as provided in RABO DPR and functional requirements need to be reviewed immediately with a view to ensure that they are in line with the best international practices and that the Architect should visit USA and understand the architectural practices adopted and the facilities provided. These suggestions were approved by Minister of State (Independent Charge) of the Ministry of Food Processing Industries in October, 2007 and he further ordered that the experience gained by the Secretary should be fully utilized in framing the Ministry's MoU with NBCC.

2.8 Accordingly, a team consisting of representatives of NBCC, STUP Consultants Pvt. Ltd. and MFPI visited Cornell University and U.C. Davis during December 1-7, 2007. Based on the inputs gathered by the team and those provided by the Cornell University to NBCC and their Architect, the concept and design of NIFTEM Campus was prepared by the Architect and approved by the Ministry with the approval of Minister of State (Independent Charge) of the MoFPI. On the basis of accepted concept and design Block Cost Estimates were submitted by NBCC for construction work.

2.9 Based on the inputs about technical area requirement from Cornell Sathguru Foundation, NBCC worked out the circulation and utility areas for the NIFTEM campus as per established sound civil engineering practices and bye laws. The area for residential and other amenities buildings have been adopted as per CPWD/UGC norms by NBCC. The cost of construction submitted by NBCC has increased from Rs. 75.10 crore to Rs. 310.74 crore with covered area of 98,539 sq.m. The construction cost has been worked out based on CPWD rates of 2008. The increase in cost of construction of NIFTEM campus has been attributed to the following:—

- Escalation in cost *vis-a-vis* the cost indicated in the DPR which is based on May, 2005 market price.
- Increase in area of construction *vis-a-vis* the area indicated in the DPR due to increased intake capacity of the students from 430 to 950 and assuming 100% provision for hostels and 60% for residential as against 50% both for residential and hostels assumed in DPR of May, 2006.
- Additions of facilities not provided in the DPR such as landscaping, internal roads, lighting, etc., Continuing



Education Centre, Water treatment plant with pumps, electric work for water treatment plant, plant room work, solar panel system, lifts, boundary wall, neighbourhood facilities, amphitheater, ETP and STP.

2.10 Further to the submission of Block Cost Estimates by NBCC, Cornell Sathguru Foundation worked out the total project outlay covering cost of construction, cost of equipments, hardware & software, library resources, IT infrastructure and other miscellaneous expenditure at Rs. 604.75 crore.

2.11 Accordingly, the Draft EFC Note was circulated to Ministry of Finance and Planning Commission and other concerned Ministries/ Departments for their comments. The Ministry of Finance and Planning Commission had expressed reservations on the enhanced cost projected in the RCE *vis-a-vis* the original approved cost of Rs. 244.60 crore and advised the MoFPI to re-examine and rationalize the overall cost estimate. In pursuance of the directives of Ministry of Finance and Planning Commission the Revised project cost was revised by the Ministry. A series of review meetings were taken with NBCC and Architect as a result of which the revised cost was reduced from Rs. 604.75 crore to Rs. 479.94 crore without compromising with the quality of construction.

2.12 It was stated that the proposal for revision of Project Cost Estimates from Rs. 244.60 crore to Rs. 479.94 crore has been appraised and recommended by the Expenditure Finance Committee in its meeting held on 18 February, 2011 for approval of CCEA. The proposal as recommended by EFC was being submitted to CCEA for consideration and approval. When asked to furnish a detailed note on hiking of initial estimated cost of Rs. 244.60 crore to Rs. 604.75 crore and, thereafter, pruning it down to Rs. 479.94 crore, the Ministry replied that the original cost estimated of Rs. 244.60 crore was based on DPR of May, 2006 prepared by M/s RABO India Finance India Pvt. Ltd. The Break-up of cost, component-wise, is indicated below:—

(Rs. in crore)				
Sl. No.	Component	Original Approved Cost	1st Revised Cost	Final Revised Cost
1	2	3	4	5
1.	Land	31.40	31.37	36.10
2.	Building	75.10	314.16	264.58

1	2	3	4	5
3.	Equipments	47.00	41.60	56.00
4.	Hardware & Software	4.00	9.58	13.57
5.	Library & Others		12.50	12.50
6.	Preoperative expenses	11.70	31.32	13.27
7.	Contingencies (@3% on Sl. No. 3 to 5)		1.91	-
8.	Total Non-recurring cost	169.20	432.44	396.02
9.	Recurring Cost (For 5 Years)	75.40	172.31	83.92
	Total	244.60	604.75	479.94

2.13 The reasons for revision of cost from Rs. 244.60 crore originally to that of Rs. 479.94 are as under:—

Sl.No.	Reasons for escalation	Escalated cost (Rs. in Crore)
1.	Escalation in cost based on 2008 market price <i>vis-a-vis</i> the cost indicated in the DPR, which was based on 2005 market price	75.58
2.	Increase in area of construction <i>vis-a-vis</i> the area (from 40588 sq.mtr. To 98539 sq.mtr.) indicated in DPR/ due to increase intake of students (from 430 to 950) and assuming 100% provision for hostels and 60% for residential accommodation for faculty and staff as against 50% both for hostels and residential assumed in DPR.	121.04
3.	Additional facilities such as development services (other than landscaping), continuing education centre, water treatment plant, solar panel system, neighbourhood facilities, amphitheatre, ETP/STP (Effluent Treatment Plant/Sewerage Treatment Plant) etc. not provided in the original DPR.	38.72
	Total	235.34

### (C) Generation of Revenue

2.14 The Institute has commenced its first Academic Session with effect from the Academic Year 2012-13. During the year 2012-13, the institute has generated revenue to the tune of Rs. 845.74 lakhs. The details of the same are indicated below:

	(Rupees in lakhs)
1. Income from the Students	242.33
2. Interest earned	517.36
3. Other income from Consultancy services/ STTP etc.	86.05
Total:	845.74

2.15 The Institute has also earned some income in earlier years from interest on short term deposits/saving bank.

2.16 The institute anticipates revenue income of Rs. 976.84 lakhs during current fiscal *i.e.* 2013-14 as per details below:

	(Rupees in lakhs)
1. Income from the Students	542.34
2. Interest earned	300.00
3. Other income like Consultancy services/ STTP etc.	134.50
Total:	976.84

2.17 During informal discussion, the Committee enquired whether NIFTEM is able to generate its own resources to meet financial requirements, the representative of NIFTEM informed the Committee that none of the Government Institution like IITs, IIMs, etc. are in a position to generate sufficient funds to fully meet their financial requirements. There has to be financial support from the Government. Already these Institutions have increased the fee structure for various courses and it is not prudent to put extra burden on the parents. Unless there is substantial financial support from the Government, neither can they support in-house Academic and Research work to the desired level nor can make best of the faculty/non-faculty recruitment within the available resources. NIFTEM is already facing financial crunch on this count.

2.18 Subsequent to the above, the Ministry submitted a note on "Non-Plan support to National Institute of Food Technology Entrepreneurship & Management (NIFTEM), Kundli, Haryana and

Indian Institute of Crop Processing Technology (IICPT), Thanjavur, Tamil Nadu (which are under its administrative control) during 12th Plan” contemplating, *inter-alia*, that the institutes have their main revenue income from tuition fee. The revenue generated from registration fee of seminars and short term courses, and consultancy is very small. The tuition fee of these institutes is higher than NITs, Central Universities, IITs and other Government technical institutions. These institutes have to incur expenditure connected with salaries, maintenance of assets, electricity charges, lab and research expenses, library charges, telephone/internet and postage, office expenses, seminars and conferences, etc. Apart from these, the institutes also incur further expenditure like advertisement and publicity, travelling etc. The expenditure incurred on these items is much more than the revenue generated by the institutes. Their tuition fee being already very high, cannot be revised upwards as any further enhancement will deny opportunity to poorer sections of the society from availing the benefit of study in these Government funded institutions.

2.19 As per the approvals of the Government granted to these institutes, NIFTEM is provided financial support for recurring expenditure upto 2014-15 by the Ministry. Thereafter, the institute still requires Non-Plan support from the Government to meet its Revenue expenditure.

2.20 IICPT has submitted a proposal to the Ministry for Non-Plan support of Rs. 28.50 crore from 2013-14 to 2016-17. However, Department of Expenditure has agreed to provide only 50% of the proposed amount. NIFTEM has also submitted a proposal to meet the deficit between revenue income and revenue expenditure amounting to Rs. 131.67 crore for the period 2014-15 to 2016-17.

2.21 As per Planning Commission “Guidelines for classification of expenditure (Plan/Non-Plan) for the 12th Plan period” all expenditures connected with maintenance of existing institutions and establishment will be treated as Non-Plan committed expenditure.

2.22 Central Universities and similar institutes like IITs, NITs, NIFT, and academic institutions under ICAR are running on Non-Plan support from the Government. University Grants Commission has also informed the Ministry that it provides non-plan grant to the Central Universities for meeting expenditure on salaries and non-salary items (which includes recurring expenditure on maintenance of laboratories, libraries, maintenance of buildings, payment of taxes, telephone, postages, electricity, water charges, etc). UGC has further informed that Ministry of Human Resource Development for the year 2013-14 has approved the BE of Rs. 3408.96 crore under non-plan in respect of Central Universities.

2.23 The MoFPI have submitted to the Committee that since, Ministry of Human Resource Development through UGC is providing full financial support to Universities and similarly Department of Agricultural Research & Education provides support to ICAR institutes for meeting their non-plan expenditure, NIFTEM may also be provided adequate non-plan support to meet essential recurring expenditure. The other revenue expenditure of the institute would be met from the revenue generated by the institutes.

**(D) Faculty**

2.24 The Ministry in their note to CCEA regarding setting up of NIFTEM, proposed about the staffing of the Institution that:—

“The staffing of the institution shall be kept lean, essentially based on projects taken up for research, priorities and mandate of the Institute. The institution shall have visiting faculty and engage temporary faculty depending on the requirements as they emerge from time to time. Detailed proposal for creation of posts will be taken up with the Competent Authority. The institution shall be encouraged to outsource as many services as possible and advantageous.”

**(E) Creation of Posts**

2.25 The total number of posts as per DPR was 240. The breakup of posts envisaged in DPR is indicated below:—

**Faculty**

• Director	:	01
• Additional Director	:	01
• Professors (including 13 theme centre heads)	:	21
• Associate Professors	:	30
• Assistant Professors	:	42

**Staff**

• Grade I (research scholars and associates)	:	58
• Grade II (lab assistants)	:	56
• Grade III (secretarial)	:	31
	Total	: 240

2.26 However, creation of posts approved so far with the approval of Ministry of Finance was as under:

Sl.No.	Year of approval	Creation of posts approved
1.	2010-11	46
2.	2011-12	18
3.	2012-13	29
4.	2013-14	7
Total:		100

Category wise:-

Sl.No.	Category of Posts	Creation of posts approved
1.	Director	01
2.	Academic (Teaching)	45
3.	Academic (Non-Teaching)	22
4.	Non-Academic	32
Total:		100

Total No. of Contractual and Outsourced Staff in NIFTEM:—

No. of Contractual Staff	52
No. of Outsourced Staff	25
Total:	77

2.27 Explaining the modalities regarding recruitment and appointment of and the qualifications prescribed for the post of Chancellor, Vice Chancellor, Director and Registrar of the Institute and for the other members of the Board of the Institute, the MoFPI stated as follows:—

- The post of Chancellor is non-functional post. The Ministry has appointed Secretary, MoFPI as Chancellor of NIFTEM, Deemed to be University.
- Vice Chancellor and Director is one post. Director, NIFTEM has been designated as Vice Chancellor of NIFTEM by the Ministry. The post of Director was created with the approval

of Cabinet. Selection of Director was made through the mechanism of Search-cum-Selection Committee as prescribed by Central Government for senior level posts. Appointment of Director was made with the approval of Appointments' Committee of the Cabinet.

- The post of Registrar was created with the approval of Ministry of Finance. Selection was made through Search-cum-Selection Committee mechanism. Appointment was made with the approval of Secretary, MoFPI.
- The qualifications and experience is prescribed in the Recruitment Rules for each post approved by the Ministry.
- The Board of Management was constituted as prescribed in Rules and Regulations approved by Registrar of Societies at the time of registration of NIFTEM as a Society. All Members of the Board except Director-cum-VC are honorary and are selected *ex-officio*. There is as such no qualification prescribed for Board Members. The Board is now being reconstituted, consequent to the recognition of the Institute as a Deemed to be University.

2.28 The Applications for filling up the post of Director, NIFTEM were invited through advertisement issued by NIFTEM. In response to the advertisement, 47 applications were received and of these 45 applicants met the eligibility criteria. Ministry of Food Processing Industries with the approval of Hon'ble Minister (A&FPI) and the Department of Personnel & Training (DoP&T) had constituted a Search-cum-Selection Committee (SCSC) with following composition:—

1. Chairman : Secretary, Ministry of Food Processing Industries
2. Member : Secretary, Department of Agriculture & Co-operation (Nominee of the President of the Deemed to be University)
3. Member : Prof. Devi Singh, Director, IIM (Lucknow) (Director of National Level Institute)
4. Member : Dr. Surendra Prasad, Director (IIT), Delhi (Subject Expert)

2.29 The SCSC in its meeting held on 17.06.2011 had shortlisted 10 candidates for discussion/personal interview for final selection. The SCSC after considering all aspects of the candidates recommended the

following panel of candidates in the order of merit for selection to the post of Director, NIFTEM as under:—

1. Shri Ajit Kumar, Joint Secretary, Ministry of Food Processing Industries
2. Dr. B.S. Bisht, Vice-Chancellor, G.B.Pant Agricultural University
3. Dr. Satish Kulkarni, Head, NDRI (SRS Bangalore)

2.30 DoP&T *vide* their OM No. 9/34/2011-EO (SM.II) dated 31.01.2012 had conveyed the approval of ACC for appointment of Sh. Ajit Kumar, IAS (BH: 80) to the post of Director, NIFTEM in the scale of pay of Rs. 75,000 (fixed) + 5000 Spl. Allowance on permanent absorption basis with effect from the date of assumption of the charge of the post for a period of 5 years or till he attains the age of 70 years or until further orders whichever is the earliest. Sh. Ajit Kumar assumed the charge of the post of Director, NIFTEM *w.e.f.* 01.05.2012.

2.31 Sh. Ajit Kumar joined the Ministry of Food Processing Industries on the post of Joint Secretary on 18.09.2006 and worked in the Ministry for a period of more than 5 years. In this capacity he was dealing with various schemes and programmes for promotion of Food Processing Sector in the Ministry and Policy issues related thereto. His educational qualification is M.Sc. (Environmental Sciences). Dr. Ajit Kumar holds Ph.D. from IIT, Delhi and the topic of his thesis was "Drying of Medicinal Plant/Vegetable Products by Hybrid Photovoltaic Thermal (PVT) Green House Dryer".

2.32 Ministry of Human Resource Development, Department of Higher Education declared NIFTEM a Deemed to be University under *De Novo* category on 08.05.2012. Consequent upon this, the board of Management of NIFTEM has been reconstituted by NIFTEM in accordance with its revised Memorandum of Association and rules concurred by UGC, Shri Ajit Kumar, Director-cum-Vice Chancellor, NIFTEM is the Chairman of Board of Management of NIFTEM.

2.33 All posts of faculty and non-faculty were created with the approval of Ministry of Finance. The approval includes approval of pay scales, qualifications and experience required etc. Recruitment were made by calling applications through advertisement on all India basis. Reservation for SC/ST and OBC as prescribed by Central Government was followed. Selection were made through Selection Committees duly constituted by Board of Management and appointment were made with the approval of Secretary, MoFPI and Chairman, NIFTEM Board. The qualifications of faculty were in conformity with the UGC/AICTE requirements.



2.34 Out of 100 sanctioned posts 53 posts have been filled. The details of vacancies in each category against the sanctioned posts are given at the table below:—

**Details of Posts created, filled & to be filled**

Sl. No.	Post name	Post Created	Incumbents in Position	Posts to be filled
1.	Director	1	1	0
2.	Professor	6	3	3
3.	Associate Professor	14	9	5
4.	Assistant Professor	25	17	8
5.	Registrar	1	1	0
6.	Private Secretary	1	-	1
7.	Personal Assistant	2	-	2
8.	Executive Assistant	11	3	8
9.	Peon	2	-	2
10.	Lab Incharge	8	2	6
11.	Lab Technician	9	3	6
12.	Deputy librarian	1	1	0
13.	Assistant Librarian	2	1	1
14.	Sr. Library Information Asstt.	2	1	1
15.	Assistant Registrar	3	3	0
16.	Network Administrator	1	-	1
17.	System Administrator	1	1	-
18.	Deputy Controller (Finance & Accounts)	1	1	0
19.	Accounts Officer	1	1	0
20.	Accountant	2	2	0
21.	Cashier	1	1	0
22.	Junior Engineer	2	2	0
23.	Deputy General Manager	1	-	1
24.	Assistant General Manager	1	-	1
25.	Controller of Examination	1	0	1
Total:		100	53	47

2.35 As intimated by the Ministry, Faculty posts have been worked out year-wise based on the students strength as per AICTE norms. Creation of Faculty posts have been approved by the Government based on the student strength upto the Academic Year 2013-14. Proposal for creation of faculty posts based student strength upto the academic year 2014-15 is being submitted to the Government for approval.

2.36 As regards the creation of non-faculty posts, a proposal for creation of 63 posts was sent to the Government for approval. As against this, the Ministry of Finance has approved creation of only 4 posts. The proposal for creation of remaining non-faculty posts was being submitted again for approval.

2.37 Further, in order to meet the requirement of teaching, Guest faculties in the concerned subjects have been arranged from Academia and Industry. Visiting faculty have also been engaged in some courses. Rolling advertisement have been given to attract competent faculty. This was being repeated after regular intervals of time.

2.38 Pending creation and filling up of regular posts, 52 persons have been engaged on contractual basis. Further action was being taken to recruit additional staff on contractual basis pending creation and filling up of the regular posts so that the work of the Institute does not suffer.

2.39 On being asked whether the Institute is able to attract world class faculty, the Ministry in their written replies stated that efforts are being made to appoint best possible candidates out of those who have applied to NIFTEM for teaching position. There is overall dearth of qualified University Faculty even in reputed IITs & IIMs. Many of NIFTEM Faculty is drawn from reputed institutions like IITs, IIMs, BHU, and JNU. Some of the Faculty members are also trained in foreign countries.

2.40 During informal discussions, the representative of the NIFTEM informed the Committee that the Institute is facing great difficulty in getting higher level teaching staff due to unmatched salary package as available in private sector. Even teaching staff from foreign universities are not coming forward to join NIFTEM due to low pay packages.

2.41 Giving details of the incentives for the faculty, the MoFPI stated:—

- Faculty Members are encouraged to visit good Institutions abroad.

- Participate in conference and training programmes.
- Engage in research, project writing/workshops.
- Faculty is provided the facilities of Books/E-Books/E-Journals, Computers/Laptops, Residence, Telephone Reimbursement, Entertainment Allowances, Professional Development facilities, Medical Reimbursement, Medical facilities in the campus, Relocation Allowance etc.
- Faculty Members granted additional/advance increment as per UGC norms.
- The faculty's facility support generates positive work environment.

## CHAPTER III

### ACADEMIC INITIATIVES

#### (A) Academic Endeavours

3.1 Giving details of the degree courses, the Ministry have stated that NIFTEM has started four years regular degree programme as B.Tech. in Food Technology and Management at under graduate level and two years regular M.Tech. degree programme in five different disciplines namely— 1. Food Supply Chain Management, 2. Food Safety and Quality Management, 3. Food Process Engineering and Management, 4. Food Plant Operations Management, 5. Food Technology and Management at post graduate level.

3.2 115 students in B.Tech. (Food Technology and Management) and 88 students in the five streams of M.Tech. were admitted for the first academic session 2012-13. For the 2nd Academic Session 2013-14 174 students in B.Tech and 88 in M.Tech admitted. Ph.D. Programme in all the five disciplines has commenced from the Academic Year 2013-14 and 9 scholars have been admitted in Ph.D.

#### (B) Industry Internship

3.3 It has been informed that all the students of M.Tech. have been placed in the prominent food processing industries for 5 months industrial internship starting from August, 2013.

#### (C) Village Adoption Programme

3.4 NIFTEM has reportedly developed a 'Village Adoption Programme' with the following features:—

- (i) Conceptualisation of Village Adoption Program for the students with a view to make them aware of rural India, educate them on the problems and practices of the farmers at the grass root level.
- (ii) The aim is to help the Indian food processing sector to accomplish its objective of all inclusive growth and facilitate the process of integrating the underprivileged sections of our population with the main stream economy.

- (iii) To sensitize and train the farmers and local youths about food processing and its advantages, encourage farmers and local youths to form producer's company and establish small Food Processing Units and promote good agricultural practices.

NIFTEM has already completed 3 Village Adoption Programmes in 2012-13 adopting 72 Villages covering 43 States. In the fourth round ending October, 2013, 27 villages in 17 States across the country have been adopted.

3.5 According to the MoFPI, this programme has made the students and the faculty understand ground realities of the country and connect them to the grass root level with farmers. They have also been able to understand and appreciate as to why the farmers not get enough remuneration for their hard work in the fields and what are the points of exploitation of farmers. They also get sensitized as to what are the inefficiencies in the supply chain from the farmer's farm gate to the consumer's dinner plate and how they can be addressed. When the students and faculty educate and guide the farmers, village youths and poor women about the value addition to the agricultural produce, reduction of wastages and preservation of the produce by starting small micro enterprises of food processing, the students unconsciously develop a sense of entrepreneurship in themselves also. The faculty also becomes more knowledgeable of the ground realities which make them more competent to find solutions towards inclusive growth in the country through food processing.

3.6 Under the Village Adoption Programme, immediately after joining B.Tech./M.Tech. course, students are divided into groups of 5 to 7. Each group adopts a village anywhere in India and nurses it for four years of B.Tech. or two years of M.Tech. Students stay in the village four times a year: 7 to 15 days each time.

3.7 Students obtain firsthand experience of Indian Rural scenario; villagers are benefited by their scientific and Technical knowledge. They study traditional food processing practices and promote future possibilities and also help farmers in making them entrepreneurs.

3.8 The programme has received support of government departments, industry, academia and social institutions:—

- Team NIFTEM has organized various activities like awareness campaigns, training workshops, expert lectures for raising awareness about food processing in various locations.

- Banks, corporate houses, industries and other institutions are coming forward to get associated with NIFTEM VAP.
- ICAR has supported NIFTEM VAP by consenting association of 22 Krishi Vigyan Kendras in different rural locations across India.
- Promotion of use of solar energy and its use in food processing.
- Creation of core groups/SHG's for food processing related activities.
- Addressing social issues adult education, girl child education, sanitation, hygiene, etc

#### **(D) Other Initiatives**

3.9 The Ministry informed the Committee that a consultancy division has been established as there was an urgent need for a global standard consultancy in the Food Processing Sector which can fill in the gaps across the entire value chain from arm to fork. NIFTEM consultancy division will be striving to strengthen food processing sector by universalizing core competencies in the sub-sectors, enhance business capabilities of SMEs and provide single window catering across the sector.

3.10 According to the Ministry, NIFTEM has conducted 26 Short Term Training Programmes during 2011-13 benefitting 583 participants. The rationale and objectives of the skilled development programme was to educate and upgrade the knowledge of base level to well qualified and professionals; to integrate different sectors of Food Processing to fill the gap between skill available and skill needed. It is also meant to design need based segment-wise separate module of Training Programme; and to impart training from Farm to Customer level to enhance the deliverable quality of food and prevention of wastages.

3.11 The Ministry informed that the Institute has established a 'Research Cell' for starting research activities in the relevant areas of Food Technology Entrepreneurship and Management. Six research projects started with internal funding. A research project from the Indian Council of Medical Research in collaboration with NDRI, Karnal started at a cost of Rs. 31 lakhs. A research project on Biochar from food industry waste has also been started.

3.12 Accordingly to the MoFPI, NIFTEM has conceptualized creation of an Innovation Fund for students of NIFTEM to promote innovation driven learning. Under this initiative, NIFTEM extends Financial Assistance to the students to motivate them to undertake innovative research as individuals or groups. NIFTEM provides 100% of the Innovation project cost upto Rs. 15.00 lakh for a project. This limit can be exceeded in case of deserving projects.

3.13 Elaborating on the IT initiatives of the NIFTEM, the Ministry stated that Wi-Fi facility is provided in whole campus with 100 Mbps internet speed. There is a provision of Video Conferencing/Interview/ Lecture system. NIFTEM has registered website under the domain name niftem.ac.in When enquired whether the website contains any information beneficial to farmers and food processing industry apart from student community, the Ministry in their written reply stated that NIFTEM website is registered under domain.ac.in with URL www.niftem.ac.in for public access. Information about various schemes of MoFPI is available on the website of the Ministry to which a link has been provided from NIFTEM's website.

#### **(E) NIFTEM Research Development Council (NRDC)**

3.14 The Ministry informed the Committee that Research Development Council consisting of about 50 members drawn from industry and academia has been set up to chalk out the future Research Agenda of NIFTEM. Experts from Indian Council of Agricultural Research (ICAR)/Central Food Technological Research Institute (CFTRI)/Central Institute of Post Harvest Engineering & Technology (CIPHET)/Defence Food Research Laboratory (DFRL)/Defence Research & Development Organisation (DRDO)/IIT, Kharagpur, Harcourt Butler Technological Institute (HBTI), Kanpur have been included in the Council. Two meetings of NIFTEM Research Development Council have so far been held.

3.15 The Institute has set up NIFTEM Industry Forum consisting of representatives of Micro, Small, Medium and Large Industries in Food Processing Sector. This will be one of the main policy advisory body to lay down the NIFTEM's Agenda for the future for Teaching, Research, Entrepreneurship Development, Skill Development, Consultancy to the Industry and also SME Upgradation. Under this initiative interaction of Industrial houses with the students of NIFTEM will also be arranged to provide necessary exposure to the students and sensitize them to understand the challenges of the Industry. Three meetings of NIFTEM Industry Forum have so far been held.

3.16 When asked about NIFTEM's initiatives to support the needs of Industry, the Ministry explained as follows:—

- (a) Proposed NIFTEM initiatives to meet the Industry needs are:
  - (i) Pilot Plants-cum-incubation Centre.
  - (ii) Specialized Centres.
  - (iii) Food Testing Laboratories.
  - (iv) Centre for Entrepreneurship Development.
- (b) Initiative for benefit of Industry:
  - (i) Short Term Training Programmes.
  - (ii) Greening of Food Processing Sector.
- (c) Establishing Chair Professors of Industry Focused Research.

**(F) Research & Training Centres**

3.17 International Grain Processing Research and Training Centre has been set up in collaboration with Grain Industry to function as an international outreach organization of NIFTEM and to enhance market promotion, consumption and utilization of Indian Cereal grains and their value added products. The Centre has organized an International Short Term Training Programme (STTP) on 'Extrusion Processing—Technology, Applications and Business Development for the Indian Food and Feed Market' from April 8-10, 2013 in collaboration with Kansas State University, USA & M/s. Wenger, USA.

3.18 The Committee were informed that NIFTEM has set up an International Bakery Research and Training Centre to facilitate in-house & externally supported continuous experiential learning or motivating the entrepreneurs to establish or start new ventures with faculty mentoring from NIFTEM. The proposed Bakery Centre could also train the work force and upgrade their skills to achieve quality of the bakery products. Apart from this the proposed Bakery Centre will also cater to the needs of new product development and implementation of hygiene in the Bakery Plants. The efforts will also help to convert NIFTEM generated technologies into commercialized bakery products. NIFTEM delegation during their visit to Germany held discussions with IREKS GmbH, Germany, a lead company in bakery ingredients. Collaboration arrangement with them is being worked out.



3.19 The MoFPI stated that for setting up of an International Centre of Excellence on Food Safety and Quality to address all the related issues in a holistic manner. NIFTEM proposes to set up a Food Testing Lab for conducting physical, chemical and microbiological analysis of food samples. The proposed Testing Lab will be accredited by National Accreditation Board for Testing and Calibration Laboratories (NABL) for the purpose of carrying out analysis of samples by the food analysis under this Act. Further the laboratory shall fulfill all the conditions required for a Referral Laboratory as per the guidelines of Food Safety and Standards Authority of India (FSSAI). This lab will also provide testing facility to Food Sector at low cost and will meet Referral Laboratory as per the guidelines of FSSAI. Food Testing Lab is expected to be commissioned by the end of December, 2013.

3.20 The Ministry informed the Committee that the Food Safety and Standards Authority of India (FSSAI) and National Horticulture Board (NHB) have approached NIFTEM for setting up of Chair Professor separately for FASSI & NHB. FSSAI has also sought to sign a MoU with NIFTEM with regard to provide training to Food safety officers, designated officers, etc. The NHB has desired that the training may be given to graduate Mechanical and Refrigeration Engineers. The Institute will impart training to the FSSAI/NHB personnel as well as African Nationals. NIFTEM proposes to conduct Outreach/Training Programmes all over the country for farmers/prospective entrepreneurs on Pan India basis.

3.21 NIFTEM is in the process of setting up a Food Testing Laboratory which will also provide for testing of meat and meat products. NM&PPB has made available some of the food testing equipments like GCMS, LCMS, ICP-OES, HPLC etc. to NIFTEM for making use of the same in the NIFTEM Food Testing Laboratory. These equipments will be used for testing of food for various parameters and making food testing services available to the food testing industry.

#### **(G) Foreign Collaborations**

3.22 Informing the Committee of the foreign collaboration, the MoFPI stated that NIFTEM has signed MoUs with (i) Wageningen University, The Netherlands on 08.11.2011; (ii) Kansas State University, USA on 29.08.2012; and (iii) University of Nebraska Lincoln, USA on 10.01.2013 mutual cooperation in the field of faculty/students exchange programme, research and other subjects of common interest.

3.23 When enquired how these Universities were selected for mutual cooperation, whether there will be technology transfer between

these Universities and NIFTEM and what kind of technical help they will provide to NIFTEM, the Ministry in their written reply stated that:—

“These universities were selected on the basis of their expertise and reputation in education and research in area of Food Science, Food Safety and Technology including food safety. As a result of these agreements 1st batch of 18 meritorious students of B.Tech. and M.Tech. led by 3 faculty members was sent to University of Nebraska Lincoln (UNL), Kansas State University (KSU), USA & University of Saskatchewan, Canada for 1 week/3 Weeks study visit during July-August 2013.

Under the terms of MoUs with these institutions, educational and academic exchanges in the following area will be considered:

- (i) Long-term and short-term exchanges of faculty, students, and staff for purposes of teaching and research;
- (ii) Reciprocal assistance for visiting faculty, students and staff;
- (iii) Coordination of joint research, lectures and training;
- (iv) Development of mutually beneficial academic programs, courses, and distance learning facilities;
- (v) Exchange of documentation and research materials in fields of mutually interest provided that, to the best knowledge of the respective institutions, there is no prohibition at law or otherwise against the exchange;
- (vi) Exchange of students for study and research;
- (vii) Coordination/Guidance in setting up of research priorities; and
- (viii) Any other activity requiring consultation.

Technology transfer, as such, is not a part of the MoUs signed with these Universities.”

3.24 Giving details of the international visits of the students in the year 2013, the Ministry stated as follows:—

University	M.Tech. students	B.Tech. students
Univ. of Nebraska, Lincoln, USA	4	8
Kansas State Univ. Manhattan, USA	4	-
Univ. of Saskatchewan, Saskatoon, Canada	2	-
Total:	10	8

## PART II

### OBSERVATIONS/RECOMMENDATIONS OF THE COMMITTEE

1. The Committee's examination of National Institute of Food Technology, Entrepreneurship and Management (NIFTEM) reveals that the proposal to set up NIFTEM was approved by the Expenditure Finance Committee (EFC) despite serious reservations by the Department of Expenditure, Planning Commission, Ministry of Health and Ministry of HRD on the grounds of duplication of functions, economic un-viability, longer lead time, lack of clarity regarding courses, difficulty in attracting world class faculty and that there was no case for creating a new institution, as evident from the minutes of EFC meetings held on 16.12.2005 and 24.03.2006. The Committee feel that there was no strong case for creation of a new institution at a huge cost when the Indian Institute of Crop Processing Technology (IICPT) at Thanjavur, which is under MoFPI was conducting graduate and post-graduate courses on food technology. In the Committee's view, the objectives of setting up of the NIFTEM could have easily been achieved at a fraction of the cost of NIFTEM and within shortest time, by suitable upgradation of the IICPT. Alternatively, the same could have been achieved by introduction of relevant courses and facilities in the IITs which are located in most of the states with requisite infrastructure and eminent faculty.

2. The setting up of NIFTEM at an initially estimated cost of Rs. 245 crore was approved in August, 2006 with scheduled completion in 2009-10. The Committee observe that the project suffered phenomenal cost escalation and time over run. The cost of the project as well as execution time were almost doubled. The cost of the project shot up from Rs. 245 crore to Rs. 480 crore and the project which was originally anticipated to be completed in 2009-10 is now expected to be completed only by June, 2014, three and half years after the initial schedule of completion. Increase in the cost of the project is attributed to increase in area of construction (from 40,588 sq.mtr. to 98,539 sq.mtr.) and addition of facilities not provided in the detail project report (DPR) such as development services, continuing education centre, water treatment plan, solar panel system, amphitheatre etc. It is obvious that the initial planning and DPR were awfully inadequate. Besides, the form of organisation of the Institute was misconceived. The knowledge sharing partner disassociated itself midway. The Committee do not expect such amateurish handling of a project relating to an institute which was projected to be a global centre of excellence.

3. Though it was aimed to set up a world class institution, the Committee observe that no global competitive bid was invited from consultants having relevant experience. Initially, M/s. Educational Consultants India Limited was engaged for preparation of a Feasibility Report (FR) and Detailed Project Report (DPR). The report was not found acceptable. Then the Ministry of Food Processing Industries (MoFPI) invited bids from six short-listed consultants and finally engaged M/s. Rabo India Finance Pvt. Limited in November, 2003 at a cost of over Rs. 40 lakhs. It is observed from the information furnished by MoFPI that Rabo India never had any experience in preparation of FR/DPR of any educational institution. It is no surprise that when the Rabo DPR was reviewed by Cornell-Sathguru Foundation (CSF) for Development, it found that several essential facilities required for NIFTEM to excel in research and knowledge generation were not conceived in the DPR. The Committee would await an explanation as to how such a consultant was engaged for setting up an Institute touted to be an International Centre of Eminence.

4. An agreement was signed in January, 2008 with Cornell Sathguru Foundation for Development (CSF) for five years with staggered payment of Rs. 3.925 crore (spread over three years) for having knowledge sharing partnership with the College of Agriculture and Life Sciences (CALS) at Cornell University. Cornell is stated to be the foremost among IVY League Universities and a global leader in agriculture and food research and education with unmatched brand value. The agreement was, however, terminated in January, 2010. MoFPI came up with two conflicting versions as reasons for termination. In a written submission it was stated that the Cornell disassociated itself from the project midway on the grounds of funding uncertainty and non-availability of faculty in NIFTEM. During the oral deposition before the Committee, it was, however, stated that Cornell could not design the course curriculum and their suggestions were not relatable to Indian conditions. The Committee would like to know what exactly were the reasons for termination of contract with Cornell and what action was taken to claim damages for breach of contract if any, by CSF.

5. Strangely, NIFTEM was initially incorporated (in August, 2007), as a "not-for-profit" company under Section 25 of the Companies Act despite the fact that it is not a commercial entity but an educational institution. It was realized only later that the institute in the form of a company would be ineligible to get the status of "deemed university" from the UGC for running its academic courses.

It was only in August, 2010, NIFTEM was registered as a society and it took another two years for it to get the status of “deemed to be university”. Consequently, creation of posts and appointment of faculties and staff got delayed which reportedly led to termination of agreement by the knowledge partner. The Institute became operational only in 2012-13 instead of the initial plan of commencement in 2010-11. Surely, such inept handling of establishing an educational institution cannot be expected from any quarter. The Committee would like to know who was responsible for this mishandling and what action was taken in the matter.

6. In a presentation made to EFC on 16.12.2005, NIFTEM was projected to earn an Internal Rate of Return (IRR) of 9.75 per cent for a 15 year period and NIFTEM becoming self-sustainable from the 6th year. The recurring expenditure when fully operational was projected to be around Rs. 25 crore per annum. It was stated that the institution would start earning revenue from the 3rd year of inception. The funds generated from the 3rd to 5th year shall be able to sustain it from 6th to 10th year after which it shall be on a fully sustaining basis. It has, however, been pleaded now before the Committee that unless there is substantial financial support from the government, neither can NIFTEM support in-house academic and research work to the desired level nor can it make best of the faculty/non-faculty recruitment. NIFTEM has sought non-plan support of around Rs. 132 crore for the three years period from 2014-15 to 2016-17 to meet the deficit between revenue income and revenue expenditure. It is indeed distressing that Cabinet Committee on Economic Affairs was presented with a *fait accompli*.

7. The Committee have been informed that there are plans to expand IICPT and NIFTEM with networks of branches/distance learning. Ideally, IICPT and NIFTEM should have statutory basis with sufficient autonomy for their academic and professional functioning on the lines of IITs. The Committee desire that action should be taken in this regard and legislation introduced in Parliament at the earliest.

8. Sadly, an institution, projected to be an international centre of excellence, has begun its academic functioning with a bureaucrat as its Vice-Chancellor. Without casting doubt on the capabilities of the present incumbent to steer NIFTEM to global heights, the Committee would stress that, as a general rule, NIFTEM should be headed by a professional/academician specialized in the field with proven credentials as in the case of IITs/IIMs. There is no dearth of such persons in the country. The Committee urge that there should be no bureaucrat as Vice-Chancellor in NIFTEM, in future.

9. The Institute is reportedly facing great difficulty in getting higher level teaching staff due to unmatched salary package available in private sector. Thus, the apprehensions expressed in this regard in the EFC meeting on 16.12.2005 turned out to be prophetic. It has been stated that in order to attract suitable faculty, incentives such as professional development facilities, research projects, participation in conferences, training programme, etc. are extended. Out of 45 posts of faculty already created, only 29 have been filled up. It has been stated that in order to meet the requirement of teaching, guest faculties have been arranged from Academia and Industry. The Committee would suggest that NIFTEM should emulate IITs and follow their methods and incentives to attract the best faculty.

10. The Committee have been informed that NIFTEM has signed MoUs with Wageningen University (Netherland) in 2011, Kansas State University (USA) in 2012 and University of Nebraska Lincoln (USA) in 2013 on mutual cooperation in the field of faculty/students exchange programme, research etc. and that the first batch of 18 students led by three faculty members was sent to these universities in 2013. The Committee desire that maximum benefit should be derived from such collaborations in the field of research, training, development of academic programmes, etc. and it should be ensured that NIFTEM achieves its objective of becoming a global centre of excellence.

11. The Committee are glad to know that since its inception in 2012-13, NIFTEM has taken a number of initiatives such as village adoption programme for the students and short term training programmes benefitting 580 participants for skill development. NIFTEM has also set up a research development council consisting about 50 members drawn from industry and academia such as from Indian Council of Agriculture Research, Central Food Technological Research Institute, Central Institute of Post Harvest Engineering & Technology, Defence Food Research Laboratory, Defence Research and Development Organisation and IIT, Kharagpur. A number of research and training centres have also been set up to cater to the needs of the industry. The Committee hope that all these initiatives will yield desired results in meeting the projected skilled manpower requirement of 3.5 million by the year 2022.

NEW DELHI;  
10 February, 2014  
21 Magha, 1935 (Saka)

BASUDEB ACHARIA,  
Chairman,  
Committee on Agriculture.

## APPENDIX I

### COMMITTEE ON AGRICULTURE (2011-12)

#### MINUTES OF THE THIRTIETH SITTING OF THE COMMITTEE

The Committee sat on Monday, the 23 April, 2012 from 1500 hours to 1615 hours in Committee Room No. 'D', Parliament House Annexe, New Delhi.

#### PRESENT

Shri Basudeb Acharia — *Chairman*

#### MEMBERS

#### *Lok Sabha*

2. Shri Thangso Baite
3. Smt. Shruti Choudhary
4. Smt. Ashwamedh Devi
5. Shri Premdas
6. Shri Vitthalbhai Hansrajbhai Radadiya

#### *Rajya Sabha*

7. Shri Shashi Bhusan Behera
8. Shri Mohd. Ali Khan
9. Shri Upendra Kushwaha
10. Shri Rajpal Singh Saini

#### SECRETARIAT

1. Shri Deepak Mahna — *Joint Secretary*
2. Shri P.V.L.N. Murthy — *Director*
3. Shri P.C. Koul — *Additional Director*

#### WITNESSES

1. Shri Rakesh Kacker — *Secretary*
2. Shri Ajit Kumar — *Joint Secretary*

**National Institute of Food Technology, Entrepreneurship and  
Management (NIFTEM)**

Shri Sushil Kumar — Registrar, NIFTEM

\*2. At the outset, the Hon'ble Chairman welcomed the members to the Sitting of the Committee. \*\*\* \*\*

\*3. \*\*\* \*\*

4. Thereafter, the Chairman directed that the witnesses be ushered in for and in connection with the examination of the Subject "National Institute of Food Technology, Entrepreneurship and Management".

*(At around 1515 hours the representatives of Ministry of Food Processing Industries took their seats in the Committee Room)*

5. The Chairman welcomed the representatives of the Ministry of Food Processing Industries and NIFTEM to the Sitting. After the customary introduction, the Secretary of the Ministry briefed the Committee on "National Institute of Food Technology, Entrepreneurship and Management with the help of an audio-visual presentation". The members sought several clarifications on the various aspects of the subject. The representative of the Ministry responded to them.

6. The Chairman, thereafter, thanked the witness for appearing before the Committee as well as for furnishing valuable information on the subject. He also directed him to send the replies to the queries which could not be clarified by him during the Sitting to the Committee Secretariat latest by 7 May, 2012, positively.

*The witness then withdrew.*

A verbatim record of the proceedings has been kept separately.

*The Committee then adjourned.*

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\*Matter not related to this Report.



## APPENDIX II

### COMMITTEE ON AGRICULTURE (2011-12)

#### MINUTES OF THE THIRTY-SIXTH SITTING OF THE COMMITTEE

The Committee sat on Friday, the 8th June, 2012 from 1500 hours to 1625 hours in Room G-074, Parliament Library Building, New Delhi.

#### PRESENT

Shri Basudeb Acharia — *Chairman*

#### MEMBERS

##### *Lok Sabha*

2. Smt. Shruti Choudhary
3. Shri Premdas
4. Shri Nripendra Nath Roy

##### *Rajya Sabha*

5. Shri Shashi Bhusan Behera
6. Shri Narendra Budania
7. Shri Upendra Kushwaha
8. Shri Rajpal Singh Saini
9. Shri S. Thangavelu

#### SECRETARIAT

1. Shri Deepak Mahna — *Joint Secretary*
2. Shri P.C. Koul — *Additional Director*

#### WITNESSES

#### **Ministry of Food Processing Industries**

1. Shri Rakesh Kacker — *Secretary*
2. Smt. Anuradha Prasad — *Joint Secretary*

**National Institute of Food Technology, Entrepreneurship and  
Management (NIFTEM)**

1. Shri Ajit Kumar — Director
2. Shri Sushil Kumar — Registrar

2. At the outset, the Chairman and the members deliberated for a while and decided to continue the Sitting as Oral Evidence of representatives of Ministry of Food Processing Industries which had already been postponed once on 31 May, 2012 due to Bharat Bandh was to be taken. The Chairman, then directed the witnesses be ushered in.

*(At about 1505 hrs. the witnesses were ushered in)*

3. The Chairman welcomed the witnesses and asked them to introduce themselves. The Secretary of the Ministry and other witnesses briefed the Committee on the various aspects of NIFTEM including the efforts being made by the Government for commencement of the admission to Degree Courses during 2012 Academic Session. Thereafter, the members sought several clarifications pertaining to the subject 'National Institute of Food Technology, Entrepreneurship and Management'.

4. Before the Sitting concluded, the Chairman thanked the witnesses for appearing before the Committee and sharing their views on the subject and directed them to send information on points on which information could not be readily provided by them during the Sitting to the Committee Secretariat by 18 June, 2012.

A verbatim record of the proceedings has been kept separately.

*The Committee then adjourned.*

### APPENDIX III

#### COMMITTEE ON AGRICULTURE (2013-14)

#### MINUTES OF THE SEVENTEENTH SITTING OF THE COMMITTEE

The Committee sat on Thursday, the 6 February, 2014 from 1500 hours to 1515 hours in Committee Room 'E', Parliament House Annexe, New Delhi.

#### PRESENT

Shri Basudeb Acharia — *Chairman*

#### MEMBERS

#### *Lok Sabha*

2. Shri Sanjay Singh Chauhan
3. Smt. Ashwamedh Devi
4. Shri Premdas Katheria
5. Smt. Botcha Jhansi Lakshmi
6. Sardar Sukhdev Singh Libra
7. Shri Naranbhai Kachhadia
8. Shri Jagdish Singh Rana
9. Shri Rajaiah Siricilla

#### *Rajya Sabha*

10. Shri N. Balaganga
11. Shri Satyavrat Chaturvedi
12. Smt. Mohsina Kidwai
13. Shri Parshottam Khodabhai Rupala
14. Shri Shivanand Tiwari

#### SECRETARIAT

- |                               |   |                            |
|-------------------------------|---|----------------------------|
| 1. Shri A. Louis Martin       | — | <i>Joint Secretary</i>     |
| 2. Smt. Abha Singh Yaduvanshi | — | <i>Director</i>            |
| 3. Shri T.H. Rao              | — | <i>Additional Director</i> |
| 4. Shri C. Vanlalruata        | — | <i>Deputy Secretary</i>    |

2. At the outset the Chairman welcomed the members to the Sitting of the Committee. The Committee, then, took up the draft Report on "National Institute of Food Technology, Entrepreneurship and Management (NIFTEM)" for consideration.

3. After some deliberations, the Committee adopted the draft Report without any modification and authorized the Chairman to finalise the same on the basis of factual verification and present the same to Parliament.

*The Committee then adjourned.*