

18

COMMITTEE ON AGRICULTURE  
(2015-2016)

SIXTEENTH LOK SABHA

MINISTRY OF FOOD PROCESSING INDUSTRIES

'DEMANDS FOR GRANTS (2015-16)'

*[Action Taken by the Government on the Observations/Recommendations contained in the Eighth Report (Sixteenth Lok Sabha) of the Standing Committee on Agriculture (2014-2015)]*

EIGHTEENTH REPORT



सत्यमेव जयते

LOK SABHA SECRETARIAT  
NEW DELHI

*December 2015/Agrahayana, 1937 (Saka)*



EIGHTEENTH REPORT

STANDING COMMITTEE ON AGRICULTURE  
(2015-2016)

(SIXTEENTH LOK SABHA)

MINISTRY OF FOOD PROCESSING INDUSTRIES

‘DEMANDS FOR GRANTS (2015-16)’

*[Action Taken by the Government on the Observations/Recommendations  
contained in the Eighth Report (Sixteenth Lok Sabha) of the Standing  
Committee on Agriculture (2014-2015)]*

*Presented to Lok Sabha on 16.12.2015  
Laid on the Table of Rajya Sabha on 16.12.2015*



LOK SABHA SECRETARIAT  
NEW DELHI  
*December 2015/Agrahayana, 1937 (Saka)*

**C.O.A. No. 328**

*Price* : Rs. 103.00

© 2016 BY LOK SABHA SECRETARIAT

Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (Fifteenth Edition) and Printed by National Printers, New Delhi-110 028.

## CONTENTS

	PAGE
COMPOSITION OF THE COMMITTEE .....	(iii)
INTRODUCTION .....	(v)
CHAPTER I Report.....	1
CHAPTER II Observations/Recommendations which have been accepted by the Government .....	27
CHAPTER III Observations/Recommendations which the Committee do not desire to pursue in view of the Government's replies .....	52
CHAPTER IV Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee .....	58
CHAPTER V Observations/Recommendations in respect of which final replies of the Government are still awaited .....	64

### ANNEXURE

I. DO letter from Secretary, Ministry of Food Processing Industries for enhancement of funds for the Ministry .....	65
II. Status of financial progress of the 21 Mega Food Parks accorded Final Approval (as on 26.05.2015) .....	67
III. OM from Secretary, Ministry of Food Processing Industries regarding Consolidated Scheme Guidelines and Revised Guidelines .....	70
IV. Status of 110 Sanctioned posts in NIFTEM .....	72
V. Extract of Minutes of the 11th Sitting of the Committee held on 10.12.2015 .....	74

### APPENDIX

Analysis of Action Taken by the Government on the Recommendations contained in the Eighth Report (Sixteenth Lok Sabha) of the Standing Committee on Agriculture (2014-15) .....	76
---	----

COMPOSITION OF THE STANDING COMMITTEE ON  
AGRICULTURE (2015-16)

Shri Hukm Deo Narayan Yadav — *Chairperson*

MEMBERS

*Lok Sabha*

2. Prof. Ravindra Vishwanath Gaikwad
3. Prof. Richard Hay
4. Shri Sanganna Karadi
5. Shri Nalin Kumar Kateel
6. Md. Badaruddoza Khan
7. Shri C. Mahendran
8. Dr. Tapas Mandal
9. Shri Janardan Mishra
10. Shri Ajay Nishad
11. Shri Dalpat Singh Paraste
12. Shri Nityanand Rai
13. Shri Mukesh Rajput
14. Shri Konakalla Narayana Rao
15. Shri C.L. Ruala
16. Shri Arjun Charan Sethi
17. Shri Satyapal Singh (Sambhal)
18. Shri Virendra Singh
19. Shri Dharmendra Yadav
20. Shri Jai Prakash Narayan Yadav
21. Shri B.S. Yeddyurappa

*Rajya Sabha*

22. Shri A.W. Rabi Bernard
23. Shrimati Renuka Chowdhury
24. Sardar Sukhdev Singh Dhindsa
25. Shri Janardan Dwivedi
26. Shri Vinay Katiyar
27. Shri Mohd. Ali Khan
28. Shri Rajpal Singh Saini
29. Shri Ram Nath Thakur
30. Shri Shankarbhai N. Vegad
31. Shri Darshan Singh Yadav

SECRETARIAT

1. Shri U.B.S. Negi — *Joint Secretary*
2. Shri Arun K. Kaushik — *Director*
3. Smt. Juby Amar — *Additional Director*
4. Shri Sumesh Kumar — *Under Secretary*

## INTRODUCTION

I, the Chairperson, Standing Committee on Agriculture (2015-16), having been authorized by the Committee to submit the Report on their behalf, present this Eighteenth Report on action taken by the Government on the Observations/Recommendations contained in the Eighth Report (Sixteenth Lok Sabha) of the Standing Committee on Agriculture (2014-15) on 'Demands For Grants (2015-16)' pertaining to the Ministry of Food Processing Industries.

2. The Eighth Report (Sixteenth Lok Sabha) of the Standing Committee on Agriculture (2014-15) on 'Demands For Grants (2015-16)' of the Ministry of Food Processing Industries was presented to Lok Sabha and laid on the Table of Rajya Sabha on 24 April, 2015. The Action Taken Notes on the Report were received on 16 June, 2015.

3. The Report was considered and adopted by the Committee at their Sitting held on 10.12.2015.

4. An analysis of the action taken by the Government on the Observations/Recommendations contained in the Eighth Report (Sixteenth Lok Sabha) of the Committee is given in Appendix.

NEW DELHI;  
14 December, 2015  

---

23 Agraphayana, 1937 (Saka)

HUKM DEO NARAYAN YADAV,  
Chairperson,  
Standing Committee on Agriculture.



## CHAPTER I

### REPORT

This Report of the Committee on Agriculture deals with the action taken by the Government on the Observations/Recommendations contained in the Eighth Report (Sixteenth Lok Sabha) of the Committee on Agriculture (2014-15) on "Demands for Grants (2015-16)" pertaining to Ministry of Food Processing Industries which was presented to Lok Sabha and laid on the Table of Rajya Sabha on 24.04.2015.

1.2 The Ministry of Food Processing Industries have furnished Action Taken Replies in respect of all the 17 Observations/Recommendations contained in the Report. These replies have been categorized as under:—

- (i) Observations/Recommendations that have been accepted by the Government:

Recommendation Nos. 1, 2, 3, 4, 5, 7, 8, 9, 10, 11, 12, 13, 14 and 15

Chapter- II  
Total : 14

- (ii) Observations/Recommendations in respect of which the Committee do not desire to pursue in view of the Government's reply:

Recommendation Nos. 16 and 17

Chapter- III  
Total : 02

- (iii) Observations/Recommendations in respect of which action taken replies of the Government have not been accepted by the Committee:

Recommendation No. 6

Chapter- IV  
Total : 01

- (iv) Observations/Recommendations in respect of which final replies of the Government are still awaited:

Recommendation No. -Nil-

Chapter- V  
Total : 0

**1.3 The Committee trust that utmost importance would be given to implementation of the Observations/Recommendations accepted by the Government. In cases, where it is not possible for the Department to implement the Recommendations in letter and spirit for any reason, the matter should be reported to the Committee with reasons for non-implementation. The Committee desire that further Action Taken Notes on the Observations/Recommendations contained in Chapter-I of this Report be furnished to them at an early date.**

1.4 The Committee will now deal with the action taken by the Government on some of the Recommendations in the succeeding paragraphs.

**A. Outstanding Utilization Certificate (UCs)**

**Recommendation (Serial No. 5)**

1.5 The Committee had observed/recommended as under:—

“The Committee are disappointed to note that 1911 Utilization Certificates amounting to Rs. 343.69 crore at the end of February, 2015 are yet to be liquidated. They further observe that this huge pendency is reflective of bad accounting and financial mismanagement practiced by the State Governments/Implementing Agencies. The Committee recommend to the Ministry to impress upon the State Governments/implementing agencies to initiate corrective measures and submit the UCs at the earliest as in absence of the same, they are the ones who have to bear the consequences. The Committee desire that the Government should tackle the pendency of UCs on a war-footing and impress upon all the implementing agencies to clear their backlog within a stipulated time.”

1.6 In its reply, the Ministry has stated as under:—

“Release of grants and receipt of Utilization Certificates (UCs) in lieu thereof is a continuous process. 103 number of UCs amounting to Rs. 37.11 crore were settled during the month of March, 2015

which resulted in bringing down the number of outstanding UCs to 1808 amounting to Rs. 306.58 crore as on 31.03.2015. This pending position is for UCs upto 2012-13.

UCs for the year 2013-14 have also become due *w.e.f.* 01.04.2015. As on 01.04.2015, 2011 UCs amounting to Rs. 445.14 crore are pending for settlement. The Ministry is making every effort for liquidating these outstanding Utilization Certificates and the status is being regularly reviewed. Divisions dealing with Plan Schemes are being regularly reminded to make efforts with the implementing Agencies/State Governments for early settlement of these outstanding UCs.”

**1.7 The Committee note that out of 1911 Utilization Certificates (UCs) amounting Rs. 343.69 crore which were to be liquidated at the end of February, 2015, only 103 UCs amounting to Rs. 37.11 crore were settled till March, 2015. However, 1808 number of outstanding UCs amounting Rs. 445.14 crore upto 2012-13 still remain unsettled. Further Utilization Certificates for the year 2013-14 have also become due for settlement taking the figure to 2011 amounting to Rs. 445.14 crore. This is not a very satisfactory position and the pendency of large number of Utilization Certificates is a matter of great concern for the Committee as the same come in the way for releasing of funds to the States/Implementing Agencies and which naturally affect the effective implementation of the schemes/activities of the Government. The Committee, therefore, desire the Ministry to make all out efforts to liquidate the Utilization Certificates at the earliest. The Committee would like to be apprised of the initiatives undertaken by the Ministry in this regard and in getting adequate budget allocation from the Ministry of Finance.**

## **B. Gender Budgeting**

### **Recommendation (Serial No. 6)**

1.8 The Committee had observed/recommended as under:—

“The Committee are aware that the origin of food processing lies in the culinary tradition of our Nation and carried forward by the women folk since ages. Women are traditionally engaged in food processing activities like making pickles, papad, nuggat, aam papad etc. The Committee note that a Gender Budget Cell under the Chairmanship of a Joint Secretary is in place in the Ministry for inducting and effecting a change in the Ministry’s policies and programs in a way that could tackle gender imbalances, promote

gender equality and development and could ensure that public resources through the Ministry's budget are allocated and managed accordingly. However, they are not satisfied with the progress of the Cell as well as the attitude of the Government towards this issue. The Committee are apprised that there is no specific allocation of funds for gender related expenditure in the plan schemes of the Ministry. The benefit accruing from the schemes of the Ministry has not been quantified. The Committee, considering the importance of encouragement of Women entrepreneurs/stakeholders, strongly recommend to release specific funds for gender related expenditure in these schemes. The Committee also recommend the Gender Budget Cell to participate more actively in raising the gender specific issues and needs and also to sensitize the Ministry on a greater level so that the purpose for which they have been created is resolved in a satisfactory manner. The Ministry should also assess the benefits accruing to women through these schemes, quantify and assemble related data. The Committee emphasize that the Ministry should utilize the traditional technology and knowledge and the acumen of the women folk for processing the food products through various means of processing.

The Committee are also apprised that a survey-cum-study has been conducted by Centre for Market Research and Social Development, New Delhi for suggesting an Integrated Gender Action Plan pertaining to Food Processing Sector including the required standards and parameters on the basis of which units can be certified as compliant with these requirements as also process of certification and accreditation of the units which comply with these standards. The study report makes suggestions on various relevant issues such as policy of the Ministry, monitoring system to assess gender mainstreaming efforts, Gender Audit of the policies of the Government, steps to encourage the women Self Help Groups to start their food processing units, points of convergence with the existing schemes of other Ministries/Departments and Gender Budgeting etc. The Committee find Ministry has offered a very cold response to the recommendations put-forth by the Study-Report. The Committee recommend that there are some burning issues which should be taken up by the Ministry more seriously than by passing the buck to other Ministries/Departments. The recommendations like working environment, Gender-Audit, demand for specific funds, encouraging women entrepreneurs by

incentivizing them financially as well as socially (like award presentations) are very important issues and may be taken up more seriously by the Ministry and also better collaborations should be catered with other Ministries/Departments to work on these issues in a more positive manner. The Committee also recommend the implementing agencies to ensure that private players must abide by the guidelines regarding gender specific issues and implement them in true manner so that interest of women workers/entrepreneurs/stakeholders must be secured.”

1.9 The Ministry in its Action Taken Reply has stated as under:—

“The Ministry has taken a note of the concern of the Committee. In this context, it is submitted that though the schemes of the Ministry are project-oriented and not specific to State/Area/Community/Caste and Gender, there is substantial women participation in manufacturing of food products and beverages. As per the latest Annual Survey of Industries 2012-13, a total of 2.59 lakh women workers were directly employed in registered food processing units in the country. As regards women employment in unregistered food processing units, it was estimated that a total of 11.86 lakh women workers were engaged in the year 2010-11 as per the information released in the National Sample Survey Office (NSSO) 67th Round (July, 2010-June, 2011).

The overall scenario of women employment in food processing sector is as under:—

Women employment in Food Processing Sector*: Registered and Unregistered units			
Sector	Number of Women	Total Employment—Food Processing Sector	(%) Share of Women
Registered (2012-13)	2.59 lakh	9.14 lakh	28.3
Unregistered (2010-11)	11.86 lakh	47.9 lakh	24.8

\*Includes manufacturing of food products and beverages.

As regards the plan schemes of the Ministry *i.e.* Mega Food Parks Scheme and Cold Chain Scheme, the Ministry has approved 40 Mega Food Park projects (Final Approval—21 projects and In-principle Approval—19 projects), out of which there are 10 female

promoters in 6 projects. The details of the female promoters in the 6 projects are as under:—

Sl. No.	Name of Food Park	No. of Female Promoters	Name of Female Promoters
	Accorded Final Approval		
1.	M/s Satara Mega Food Park Pvt. Ltd.	1	(1) Smt. Vaishali Hanmant Rao Gaikwad
2.	M/s Godavari Mega Aqua Park Pvt. Ltd.	2	(1) Smt. Ch. Vyjayanthi (2) Smt. T. Subrahmanyamma
3.	M/s Sikaria Mega Food Park Pvt. Ltd.	3	(1) Surabhi Agriculture SHG (2) Swapna Agriculture SHG (3) Rashmi SHG
	Accorded In-principle Approval		
4.	M/s Zoram Mega Food Park Pvt. Ltd.	2	(1) Smt. Zonunsiami (2) Smt. Doris Zothansanji Chhange
5.	M/s Jain Agro Trading Pvt. Ltd.	1	(1) Ms. Sara H. Shafiq
6.	M/s Raaga Mayuri Agrovet Pvt. Ltd.	1	(1) Mrs. V. Mani Reddy
	Total	10	

In the cold chain scheme, 138 cold chain projects are under implementation, out of which there are 60 women promoters in 39 Cold Chain projects.

The number of the female Project Investigators in the R&D programmes sanctioned by the Ministry are as under:—

	Female Project Investigators		Total Project Investigators		Percentage (%)	
	No. of PI	Amount of GIA sanctioned (Rs. in lakh)	No. of PI	Amount of GIA sanctioned (Rs. in lakh)	No. of PI	Amount of GIA sanctioned
Ongoing Projects	18	972.03	120	4010.31	15.0%	24.24%
Completed Projects	16	538.41	70	2441.57	22.86%	22.05%
	34*	1510.44	190*	6451.88	17.89%	23.41%

\*Some of the Project Investigators have more than one project and they have been counted separately for each project.

As regards the two academic-cum-research institutes namely, National Institute of Food Technology and Entrepreneurship Management (NIFTEM) and Indian Institute of Crop Processing Technology (IICPT) under the administrative control of Ministry of Food Processing Industries, the details regarding the number of students passed out and studying in various courses; number of female trainees participated in the training programmes; number of female beneficiaries covered under the Village Adoption Programme being conducted by NIFTEM and number of female project investigations in R&D programmes of IICPT by the Ministry are as under:—

NIFTEM	
Number of the female students passed out and studying in various courses being conducted by the NIFTEM.	Passed Out: M.Tech. (2012-14) – 33  Studying: B.Tech. 2012-16 Batch – 50 B.Tech. 2013-17 Batch – 55 B.Tech. 2014-18 Batch – 24 M.Tech. 2013-15 Batch – 33 M.Tech. 2014-16 Batch – 37 Ph.D. 2013 – 00 Ph.D. 2014 – 05
Number of the female trainees who have participated in the training programme conducted by NIFTEM.	1192
Number of female beneficiaries covered under the Village Adoption Programme being conducted by NIFTEM.	615

## IICPT

### Number of female students passed out and studying in various courses being conducted by IICPT

- Presently studying: 26 (in M.Tech. + Ph.D. Programmes) and 71 (in B.Tech. Programme)
- Passed out: 65

	B.Tech.	M.Tech. (FPE)	M.Tech. (FST)	Ph.D.
PASSED OUT				
2009-10	13	5		
2010-11	14	6		2
2011-12	13	4		2
2012-13		6		
PRESENT				
2012-13	23			3
2013-14	25	4	6	1
2014-15	25	3	6	3

Number of female trainees who have participated in the training programmes conducted by IICPT

- 1518 (during the year 2014-15)
- 799 (2012-13), 760 (2013-14) and 1148 (2014-15)

Number of female project investigators in the R&D programmes of IICPT sanctioned by the Ministry:—

- 3 Project Investigators and 2 Co-Project Investigators (during the period from 2011-12 till date)

The Human Resource Development (HRD) component of the Centrally Sponsored Scheme National Mission on Food Processing (NMFP) which was being implemented through the State/UT Governments, aimed at skill upgradation in the food processing sector by imparting training under the Entrepreneurship Development Programme and Food Processing Training Centre components having not less than 35% of the trainees from SC/ST/women candidates. However, the Centrally Sponsored Scheme of NMFP has been delinked from Central Government support from the financial year 2015-16. State Governments may decide to continue with the Mission out of their increased resources resulting from the recommendations of the 14th Finance Commission.”



1.10 In its Action Taken Reply, the Ministry has elaborated the overall scenario of women employment in food processing sector, the number of female promoters in Mega Food Park projects, the number of students passed out and studying in various courses, the number of female trainees participated in the training programmes and the number of female beneficiaries covered under the Village Adoption Programme and the number of female project investigators in R&D programmes, conducted by NIFTEM or IICPT. However the Ministry is silent on the recommendation of the Committee for release of specific funds for gender related expenditure. The Ministry is also silent on the follow-up action taken by them on the suggestions made by Center for Market Research and Social Development, New Delhi on the basis of their survey-cum-study. The Ministry has also not responded to the recommendation of the Committee that Implementing Agencies are to ensure that private players abide by the guidelines regarding gender specific issues. The Ministry is expected to respond to the recommendations of the Committee with all seriousness and alacrity it deserves. The Committee, therefore, deplore the lackadaisical attitude of the Ministry in this regard and desire that follow-up action may be taken on the suggestions given by Center for Market Research and Social Development, New Delhi. The Committee also desire the Ministry to explore option for release of specific funds for encouraging women entrepreneurs in food processing sector. The Committee would like to be apprised of the initiatives undertaken and the progress made in this regard.

### C. Delay in Mega Food Parks

#### Recommendation (Serial No. 9)

1.11 The Committee had recommended as under:—

“The Committee note that Mega Food Parks Scheme envisages a well defined agriculture/horticulture processing zone containing State of the art processing facilities with supporting infrastructure and well established supply chain. The idea behind the scheme is to bring together farmers processors and retailers and link agricultural production to the market so as to ensure maximisation of value addition, minimisation of wastages and improving farmers’ income. The Committee find that out of Rs. 1714 crore, allocation for the XIIth plan only is Rs. 241.10 crore *i.e* just 14% has been

utilized during the first three years of the plan period. Further, the Committee note that Government had approved setting up of 42 Mega Food Parks during 11th and 12th plan in four phases, however, the Ministry have approved 40 projects. Out of these 21 projects have been accorded final approval, 4 projects have been accorded in-principle approval and 15 projects have been cancelled/withdrawn. Out of 21 finally approved projects, 4 are partially operational and 4 projects are in advanced stages of implementation, 2 of which are likely to be completed during 2014-15 and 2 in the year 2015-16. The Committee are aghast to note that as many as 15 projects have been cancelled whereas only 4 are partially operational till date. The Committee are concerned to note the tardy progress in construction of Mega Food Parks. The plea of the Ministry that being big and complex projects, these have a long gestation period, hence, it is not possible for these projects to keep their pace of implementation in conformity with the prescribed timelines, is not acceptable to the Committee. Such justification only highlights the lack of vision in the Ministry. The Committee note that the Ministry have made certain modification in the existing scheme for facilitating speedy and better project implementation *viz.* MFPs projects be implemented owned and operated by an SPV, time schedule for completion and operationalisation of project being increased to 30 months and release of grant instalments being linked with specific milestones. The Committee while taking cognizance of the steps being taken by the Ministry, in consultation with the stakeholder for facilitating speedier and better operated project implementation, are of the view that much more remains to be done. They recommend the Ministry to carefully monitor and follow-up the time schedules for completion of the projects and link release of installments with specific milestones, workout a single window clearance system for expediting the projects. The Committee also insist the Ministry to regularly interact with the stakeholders to address the impediments in progress of the project implementation. The Committee emphasize that appropriate penalties be imposed on erring parties in completion of the project, as scheduled. In the event of SPV withdrawing from executing the projects or unable to meet the guidelines, the proper penalty prescribed by the Ministry including return of amount of

grant-in-aid and accrued interest should be imposed to make up for the loss of time.”

1.12 The Ministry in its Action Taken Reply has stated as under:—

“One more Mega Food Park *i.e.* NE Mega Food Park at Nalbari, Assam has become operational on 28.05.2015. Now, out of 21 (twenty one) finally approved projects, 5 (five) projects are operational. 3 (three) more projects are in advance stages of implementation, which are likely to become operational during 2015-16. 2 (two) more projects are expected to become operational in the year 2015-16.

To fill up the vacancies caused due to seventeen (17) cancelled Mega Food Parks, the Ministry had issued the Expression of Interest (EOI) notice on 10.02.2014. In response, the Ministry received (72) seventy two proposals fit to be appraised. Out of these, 17 projects have been selected against the existing 17 vacancies of Mega Food Parks based on merit through a three-tier scrutiny of proposals by Program Management Agency (PMA), Technical Committee (TC) and Inter-Ministerial Approval Committee (IMAC). A total 21 projects have been found eligible and remaining 51 were considered ineligible in IMAC meeting held on 16.03.2015. The successful 17 projects have been announced in a Press Conference by the Hon’ble Minister on 24.03.2015. The Ministry has issued “In-principle Approval” letters to 15 Mega Food Park projects on 31.03.2015. The remaining 2 Mega Food Park projects were also under consideration for according “In-principle Approval.” However, in the meantime, the Hon’ble High Court of Delhi has restrained the Ministry on 30.04.2015 to issue In-principle approval to these two projects.

The Ministry is monitoring the progress of implementation of each of the Mega Food Park individually and adherence to the prescribed time schedules for completion of the projects.

Release of instalments has been linked with specific milestones in the revised Scheme Guidelines issued on 10.02.2014.

The Ministry is impressing upon the State Governments to implement the single window clearance system for Mega Food Park projects to expedite the implementation of the projects.

To address the impediments in progress of the project implementation and to make the incentives and fiscal benefits available to the implementing agencies and the food processing units in the Park so as to accelerate the pace of implementation, the Ministry is regularly interacting with the promoters of the SPVs and other stakeholders e.g. concerned officials of State Governments as well as Central Government. Imposition of appropriate penalties on erring parties for delays in completion of the project is under active consideration of the Ministry. Necessary steps are being taken by the Ministry for recovery of the prescribed penalty including grant-in-aid with interest in the event of SPV withdrawing from executing the projects or unable to meet the Scheme Guidelines. The security money of Rs. 10.00 Lakh is also forfeited in case of cancellation of the project or withdrawal from the project by SPV.”

**1.13 While noting with concern the tardy progress in construction of Mega Food Parks, the Committee had recommended that the Ministry should carefully monitor and follow up the time schedules for completion of the projects like release of installments with specific milestones and workout a single window clearance system for expediting the projects. The Committee had also insisted that the Ministry should also regularly interact with the stakeholders to address the impediments in the progress of implementation of the projects. The Committee had also emphasized that appropriate penalties be imposed on erring parties in completion of projects, as scheduled. In its Action Taken Reply, the Ministry has elaborated various measures undertaken by them to address the impediments in the progress of the implementation of Mega Food Park projects and their completion within the prescribed time schedules. While appreciating the various initiatives undertaken by the Ministry to accelerate the pace of implementation of Mega Food Parks, the fact remains that out of 21 finally approved projects, only 5 are operational. This only reflect the slow pace of progress of implementation of Mega Food Parks Projects and the various measures undertaken by the Ministry do not seem to be enough to expedite the implementation of the projects. In this context, it has been informed by the Ministry that State Governments have been impressed upon to implement the single window clearance system for the purpose. In view of the foregoing, the Committee would like the Ministry to pursue the matter vigorously with State Governments to set up single window system for implementation of the projects at the earliest. The Committee would like to be apprised of the initiatives undertaken by the Ministry in this regard.**

## D. Evaluation Study of Mega Food Parks

### Recommendation (Serial No. 12)

1.14 The Committee had observed/recommended as under:—

“The Committee understand that Mega Food Parks Scheme was launched with a lot of fanfare and a hype was created publicizing that each MFP will cater to 30-35 Food Parks units, generate 5000 direct and 30,000 indirect employment when fully functional besides bringing about an investment to Rs. 75-100 crore in common facilities and another Rs. 225-250 crore in processing and ancillary units. The Committee find that the Ministry has assigned a study to M/s Indian Council for Research on International Economic Relations (ICRIER) in August, 2014 for mid-term evaluation of impact of the scheme. The Committee find that even after 8 months of the constitution of this study, the Report is yet to be submitted. The Committee emphasize that this evaluation study should assess the impact/benefits, coverage, farmers who have invested in these projects and reach of the scheme on socio-economic parameters. The Committee recommend that a mechanism should be developed for obtaining the feedback from the beneficiaries/stakeholders involved in operationalisation of MFPs. Such feedback and the findings of the aforesaid study should be incorporated in guidelines for future projects. The Committee also desire that further efforts should be made by the Ministry to publicise widely the available facilities, the incentives and the benefits to the farmers and various other stakeholders through this scheme.”

1.15 The Ministry in its Action Taken Reply has stated as under:—

“The timelines for completion of the study was 4 months. The timeline has expired on 12.12.2014. The draft study report could be submitted by ICRIER on 15.04.2015. The study report has been examined by the Ministry and its comments have been forwarded to ICRIER for necessary incorporations in the report on 08.05.2015. The finalization of the report is being expedited.

Suitable steps would be taken by the Ministry for further streamlining the process of implementation on the basis of the feedbacks, findings and suggestions/recommendations of the evaluation report to be submitted by M/s Indian Council for

Research on International Economic Relations (ICRIER),  
New Delhi.

In addition to the initial Terms of Reference of the Study, the ICRIER has been asked to incorporate the following information also in the study report:—

- i. Mechanism for obtaining feedback from the beneficiaries especially farmers.
- ii. Assessment of impact/benefits, coverage and reach of the scheme on socio-economic parameters.
- iii. Determination of the numbers of farmers who have invested in Mega Food park projects and the extent to which it has brought about prosperity to local farmers.
- iv. Creation of employment to local youths in agro based avenues.

To widely publicize the benefits, incentives and facilities available to the farmers and other stakeholders under the Scheme as well as to attract investment, Conferences/Investment Summits are being organized by the Ministry in different parts of the country in association with national level Industry Associations/Chambers of Commerce.

**1.16 The Committee note from the Action Taken Reply of the Ministry that the draft study report of M/s ICRIER on mid-term evaluation of impact of Mega Food Park Scheme could be submitted by them on 15.04.2015. After its examination by the Ministry, its comments have been forwarded to M/s ICRIER for necessary incorporations in the report on 08.05.2015. In addition to the initial terms of reference of the study, M/s ICRIER has also been asked to incorporate additional information in the study report on the issues like mechanism for obtaining feedback from the beneficiaries, assessment of the scheme on socio-economic parameters, determination of the number of farmers who have invested in Mega Food Park projects and the prosperity brought about to local farmers and creation of employment to local youths. The Committee are of the view that timeline for completion of any study sponsored by the Ministry should be adhered to as it is very vital for planning, assessment and**

reformulation of schemes for smooth and effective implementation of the schemes and to avoid time and cost overruns in implementation. The Committee, therefore, recommend the Ministry to ensure timely finalization of study sponsored by them and ask M/s ICRIER to furnish their feedback, findings and suggestions/recommendations in this matter without further delay to enable the Ministry to further streamlining the process of implementation of the scheme. The Committee would like to be apprised of the progress made in this regard.

#### E. Increasing the Capacity of Cold Chains

##### Recommendation (Serial No. 13)

1.17 The Committee had observed/recommended as under:—

“The Committee observe that to encourage setting up of cold chain facilities in the country, Ministry is operating a Plan Scheme to provide financial assistance to project proposals received for integrated cold chain infrastructure development from public/private organisations. The scheme envisages financial assistance in the form of grant-in-aid @ 50% of the total cost of plant and machinery and technical civil works in general areas and 75% for North Eastern Region and difficult areas subject to a maximum of Rs. 10.00 crore. The initiatives are aimed at filling the gaps in the long and fragmented supply chain, strengthening of cold chain infrastructure with infrastructural facilities like sorting, grading, packaging and processing of horticultural produce including organic produce, marine, dairy, poultry, etc.

The Committee observe that the Committee constituted by the Planning Commission under the Chairmanship of Dr. Saumitra Chaudhuri, Member Planning Commission in the year 2012 on encouraging investments in supply chains including provision for Cold Chain for more efficient distribution of farm produce citing the study conducted by National Spot Exchange Limited (NSEL) in 2010, has indicated requirement of 61 million metric tonnes of cold storage capacity against the available capacity of 24 million tonnes. Thus, there was a gap of about 37 million tonnes of cold storage capacity in 2010. The Committee note that a capacity of about 8 million tonnes has been added thereafter through different

programmes of the Government. The present cold storage capacity is estimated at around 32 million tonnes and therefore the present gap is estimated at about 29 million tonnes. The Committee are of the view that with increasing agricultural production in the country and with the increasing need to arrest post harvest losses, there is an urgent need to fill in the yawning gap between actual and required capacity of Cold storage in the country which is increasing by the day. The Committee are aware that the Cold Storage facilities now available are mainly for single commodity like Potato, Grapes, Pomegranate, Orange, Apples etc. leading to under-utilisation of the capacity. The Committee, therefore, recommend that the Ministry make all out efforts to facilitate and provide integrated, complete cold chain and enhance preservation infrastructure facilities to maintain continuity from the farm gate to the end consumers/retail outlets. They also recommend that efforts should be made to enhance small sized cold storage facilities not only to increase the capacity but also to promote more participation from small and medium level farmers. They further desire that the Cold Storage Projects could cater for multiple products so as to operate on optimum capacity.

The Committee find that the Government had approved 138 Cold Chain Projects in 4 phases during 11th and 12th plan period of which the Ministry had sanctioned 121 projects. Out of these 9 Cold Storage projects were cancelled due to unwillingness and non-commitment evinced by the promoters in timely implementing the projects. Out of the remaining 112 projects, 50 projects have become commercially operational, 28 projects have achieved 25% progress, 25 projects have achieved 75% progress and remaining are under various stages of implementation. Besides, upscaling of the schemes has been approved during the 12th plan by taking up 75 new Cold Chain Projects as per financial assistance pattern of 11th plan. The Committee feel that the completion status of the projects is not satisfactory and have incurred time overrun. The Committee note with some satisfaction that during the 12th plan period some initiatives have been taken by the Ministry to expedite and simplify the implementation of the Cold Chain Scheme *viz.* setting up of integrated Cold Chains by individuals/groups of entrepreneur interested in supply chain management, organisation/ Government/PSUs/Joint Ventures/NGOs/Co-operatives/SHGs/



Private Companies and corporations, merging non-horticulture projects with the component of National Mission on Food Processing, while horticulture projects would be implemented through National Horticulture Board, increasing timeline of project implementation and reconstituting the Technical Committee and Inter Ministerial Approval Committee (IMAC) which is chaired by Hon'ble Minister (FPI). The Committee however opine that much is still required to be done at the implementation stage of the projects. They also recommend the Ministry to pursue the State Governments/Agencies to have a single window clearance for the projects after getting due clearance from reconstituted high-powered Program Management Agency, Technical Committee and Inter-Ministerial approval Committee so as to expedite the implementation. The Committee may be kept abreast of the mechanism developed for coordination between the Centre-State agencies for expeditious clearance of the projects and also about the status of implementation of the projects. The Committee would also like to be apprised of the status of additional allocation sought by the Ministry for the scheme to meet the requirement of projects under implementation. Last but not the least, the Committee emphasise the Ministry to be vigilant and strengthen the monitoring mechanism to avoid delay in execution of the projects.

The Committee note that there is a lacuna in backward-forward linkage for the Cold Chains Projects. Also, there is a huge requirement of infrastructure for linking up the farms with the retail markets. They desire the Ministry to assess the option of contract farming to overcome the long and fragmented supply chain, whereby the companies be incentivised to create direct farm linkages to source appropriate quality, quantity and varieties of inputs. The Committee therefore recommend that in order to assure the backward-forward linkage, private players must be promoted by facilitating fiscal and financial concessions and easing the requirements to do business."

1.18 The Ministry in its Action Taken Reply has stated as under:—

"So far, the Government has approved 138 cold chain projects in four phases during the 11th and 12th Plan Period. Against 138 approved slots for cold chain projects, the Ministry had sanctioned

121 projects. Subsequently, the Ministry cancelled 13 cold chain projects due to unwillingness and non-commitment evinced by the promoters in timely implementing the projects. Out of the remaining 108 projects, 52 have already achieved completion and commenced commercial operation. Remaining 56 projects are in various stages of implementation. Most of the projects are making satisfactory progress. However, due to non-availability of funds, the Ministry has not been able to release grant-in-aid in time to some of the projects which has resulted in delay in the progress of the projects. Ministry had sought an additional allocation of Rs. 100 crore during 2014-15 to meet the committed liabilities. However, the same was not acceded to by the Government.

Further, to fill up the vacant slots created by cancellation/non-sanction of the cold chain projects, the Ministry had floated an Expression of Interest on 02.12.2013. After following due procedure of appraisal and scrutiny, 30 cold chain projects have been approved by the Ministry. Thus at present the Ministry is assisting total 138 cold chain projects [108 already under implementation/achieved completion plus 30 newly approved].

To accelerate the availability of cold storage and to improve the efficiency of Cold Chain Management, Prime Minister's Office had set up a Task Force under the Chairmanship of Secretary, Ministry of Food Processing Industries. The Task Force, *inter alia*, has recommended that (i) Government should aim at creating additional capacity of 7.5 million tonnes over the next five years. Out of this, Department of Agriculture and Cooperation can take up 5 million tonnes under MIDH (2.5 million tonnes each by NHM and NHB) and Ministry of Food Processing Industries can take up 2.5 million tonnes, (ii) evolving an effective system of single window clearance to ensure timely completion of cold chain projects, and (iii) exempting certain processes undertaken on agriculture commodities from the purview of service tax for services such as pre-conditioning (e.g. washing, waxing, de-sapping), pre-cooling, ripening, waxing, retail packaging and labelling, climate controlled storage and transportation which do not alter the essential characteristics of agricultural produce.

In pursuance of recommendations of Task Force, the Ministry has submitted an EFC memorandum to Department of Expenditure for

upscaling the scheme of Cold Chain, Value Addition and Preservation Infrastructure for taking up additional 500 cold chain projects with financial outlay of Rs. 4000 crore and making the scheme open ended. Department of Expenditure has returned the EFC memo with the remarks that in view of restructuring of the budget line for CSS, the proposal may be reviewed. Accordingly, the EFC proposal would be re-submitted after taking into account delinking of Centrally Sponsored Scheme of National Mission on Food Processing of the Ministry.

The Government has also announced many fiscal incentives to promote food processing and cold chain services. Excise Duty on food processing and packaging machinery has been reduced from 10% to 6% in Budget 2014-15. Refrigeration machinery and parts used for installation of cold storage, cold room or refrigerated vehicle are exempt from excise duty. Services related to Cold Chain like pre-conditioning, pre-cooling, ripening, waxing, retail packing, labelling of fruits and vegetables which do not change or alter the essential characteristics of the said fruits and vegetables have been exempted from service tax in Budget 2015-16. In the latest guidelines issued by Reserve Bank of India on 23rd April 2015, agro-processing and cold chain have been classified under Agriculture activities for priority sector lending by banks.

The scheme of Cold Chain, Value Addition and Preservation Infrastructure of the Ministry does not place any restriction on the promoters/private investors to build to create cold storage and preservation infrastructure facilities of any particular capacity and they are free to decide the capacity of cold chain infrastructure to be created by them keeping in view the techno-economic viability of the project. Further, the cold chain and preservation infrastructure facilities being created under the cold chain scheme of the Ministry cater to multiple products. In majority of the cold chain projects assisted by the Ministry, the promoters are resorting to direct linkages with the farmers which benefit the farmers and also ensures quality product to the consumers.”

**1.19 The Committee observe from the Action Taken Reply of the Ministry that the Task Force constituted to accelerate availability of cold storage and to improve the efficiency of Cold Chain Management had *inter-alia* recommended for creating additional capacity of**

7.5 million tonnes over the next five years, out of this, the Ministry of Food Processing Industries can take up 2.5 million tonnes, evolving an effective single window system clearance to ensure timely completion of cold chain projects and exempting certain processes on agricultural commodities for the purview of service tax for services which do not alter the essential characteristics of agricultural produce. However, in pursuance of the recommendations of the Task Force EFC memorandum submitted by the Ministry to Department of Expenditure for taking up additional 500 cold chain projects with financial outlay of Rs. 4000 crore and making the scheme open ended was returned by the Department of Expenditure with the remarks that in view of restructuring of the budget line for CSS, the proposal may be reviewed. According to the Ministry, proposal would be re-submitted after taking into account delinking of Centrally Sponsored Scheme of National Mission on Food Processing of the Ministry. The Committee are of the view that creation of additional cold storage capacity is of utmost necessity for increasing shelf life of agricultural produce which would ultimately benefit the farmers as well as consumers. The Committee, therefore, desire the Ministry to expedite the submission of revised EFC memorandum to the Department of Expenditure for taking up additional 500 cold chain projects. The Committee are also anguished to note that due to non-availability of funds, the Ministry has not been able to release grant-in-aid in time to some of the cold chain projects which has resulted in delay in the progress of the projects. While the Ministry had sought an additional allocation of Rs. 100 crore during 2014-15 to meet the committed liabilities, the same has not been acceded to by the Government. The Committee feel that it is imperative for the Ministry of Finance to provide adequate funds to the MoFPI so that various projects/schemes undertaken by MoFPI do not suffer for want of funds. The Committee would like the Ministry to take up the issue vigorously with Ministry of Finance. The Committee would like to be apprised of the progress made on the issues as discussed above.

#### **F. NIFTEM and Village Adoption Programme**

##### **Recommendation (Serial No. 14)**

1.20 The Committee had recommended as under:—

“NIFTEM is envisaged as an international centre of excellence which is offering high quality education research and management

programmes specific to disseminating knowledge to the food sector, providing referral advice on food standards and business incubation facility. Village Adoption is a unique programme conceptualised by NIFTEM for its students, with a view to sensitise and educate them on the problems and practices of the farmers at the grass root level while training and demonstrating simple processing techniques to farmers/villages making it two way learning process. They were apprised that seven rounds of Village Adoption Programme has been completed by NIFTEM students covering 39 villages in 19 States, 100 programmes including training and expert lectures, awareness camps have been organised, 120 interested entrepreneurs have been identified. Further, students along with their mentor have taken Product Development Training Programmes demonstrating preparation of jams, jellies, pickles, mango panna, fruit based beverages besides cataloguing of traditional knowledge including preparation booklets on 130 traditional food recipes and booklets on traditional food preservation practices. The Committee while being satisfied about the programme are of the opinion that this exchange will help in retaining the age old good and effective prevalent practices, while modernising the not so useful ways of value additions. It would lead to developing innovative and new methods of preservation processing and value addition to the crop/produce. The Committee recommend that during this mutual interaction the traditional know-how should be so upgraded/modified by NIFTEM so as to develop technology or methods of Food Processing which are in accordance with the economic and intellectual capacity of the farmers. The students *vide* this programme should make deliberate efforts to simplify the specialised know-how for generalised use by small and marginal farmers and NIFTEM should hold brainstorming workshop session in their Institute and incorporate in their curriculum. Such programmes should be advertised and propagated by the Institute so that the SAUs/ICAR also emulate and pursue such exercises in the courses within their ambit.

The Committee note that out of 110 posts which have been sanctioned for creation (55-faculty posts and 55-non faculty posts) only 72 posts (41-faculty posts and 31-non faculty posts) have been filled till date. So, there exist vacancies of 38 posts (14 in faculty and 24 in non-faculty). The Committee further recommend the

Institution to fill up the vacancies at the earliest so that the desired goals may well be achieved. The Committee recommend that NIFTEM should publicise these posts, along with the perks and pay packages for these faculty post widely in print and visual media so as to get highly educated and expert faculty for this Institution of global standard, as a centre of excellence. The Committee also recommend that the Institution must also emphasize on training more and more farmers with an idea that these trained farmers may be utilised as 'Kisan Prashikshakas' for training the other farmers on a large scale so that it may be helpful in dealing with technical issues relating to agriculture in a more efficient manner."

1.21 The Ministry in its Action Taken Reply has stated as under:—

"Village adoption is a unique program conceptualized and being implemented by NIFTEM for its students since 2012, with a view to sensitizing and educating them of the problems and practices of the farmers at the grass root level.

Under this programme, B. Tech. (Food Technology and Management) and M. Tech. students are divided into groups of 10 to 12 students and each group adopts a village anywhere in India and nurses it during the entire programme of study.

The Groups stay for 10 to 12 days each time in those villages during a semester. It is a symbiotic process leading to exchange of knowledge. While villagers gain scientific and technical knowledge through students who promote future possibilities of food processing among them, students obtain firsthand experience of Indian rural scenario and understand traditional processing technologies adopted by the villagers.

As per recommendations of the committee, NIFTEM is exploring the traditional know-how of the recipes, under its Make In India initiative. The objective is to discover the science of these traditional Indian foods, characterise them and develop machinery for manufacturing these traditional foods.

NIFTEM also undertakes brainstorming workshops/seminars/symposia/conferences on the various issues pertaining to food industry from time to time.

NIFTEM would be approaching various SAUs/ICAR institutes and KVKs for undertaking programmes similar to VAP for greater outreach of the in-house Technologies and inclusive development.

NIFTEM has also organised skill development training for the farmers/prospective entrepreneurs for promoting food processing, value addition, and entrepreneurship development in food processing sector. NIFTEM will continue to carry out the skill development programmes.

With regard to the filling of the vacant posts in the Institute, NIFTEM has informed that concerted efforts are being made to fill up the remaining vacant posts by giving wide publicity in print and visual media. The updated status of 110 posts sanctioned by Government is at Annexure-IV.

Number of posts created in NIFTEM is 110, out of which NIFTEM has filled 71 posts and 39 posts are vacant.”

**1.22 The Committee had recommended that traditional know-how should be upgraded/modified by NIFTEM which are in accordance with the economic and intellectual capacity of the farmers. In Action Taken Reply, the Ministry has stated that NIFTEM is exploring the traditional know-how of the recipes under its Make in India initiative. The objective is to discover the science of these traditional Indian foods, characterise them and develop machinery for manufacturing these traditional foods. The Committee have also been informed that NIFTEM would be approaching various SAUs/ICAR institutes and KVKs for undertaking programmes similar to VAP for greater outreach of the in-house Technologies and inclusive development. With regard to the filling up of the vacant posts in the Institutes, it has been informed that concerted efforts are being to fill up the vacant posts by giving wide publicity in print and visual media. While taking cognizance of the efforts being made by the NIFTEM, the Committee would like to be apprised of the progress made by them as a result of their efforts.**

## G. Training and Skill Gap

### Recommendation (Serial No. 15)

1.23 The Committee had recommended as under:—

“The Committee find that budgetary allocation for strengthening of the Institutions in Food Processing Industry for the year 2015-16 is Rs. 75 crore. The Committee feel that the initiatives are being taken through Institutes like NIFTEM, IICPT, IGPB and NMPPB, yet much remains to be done for enhancing and upgrading the skills and implementation of schemes for Skill Development. They are of the opinion that this sector is demand oriented, vibrant and depends on the changing nature of Indian consumer, who is now more informed in terms of food hygiene, taste and nutritive value. The consumer are now ready to try newer and processed foods. It creates a lot of scope wherein the youth could be well trained *w.r.t.* these areas professionally. The Committee desire that within the given premises Ministry should probe the possibility for immediate adoption of ITIs by FPI in various clusters of the Country to upgrade the lower end skills and the youth could be directly employed with attractive pay packages. Further, they also emphasize that FPI Sector should partner with few food technology/processing Institutes and certain courses could be added (B. Tech. in Food Technology) in IITs also on pilot basis for upgradation of higher end skills.”

1.24 The Ministry in its Action Taken Reply has stated as under:—

“NIFTEM has been running B. Tech. (Food Technology and Management) Course since 2012-13 with student strength of 180 students per batch.

Total 90 students are admitted in M.Tech. programme of NIFTEM every year. NIFTEM is offering five streams of Post Graduate Programmes with two years regular M.Tech. degree which are as under:—

1. M.Tech. in Food Technology and Management (FTM)



2. M.Tech. in Food Process Engineering and Management (FPEM)
3. M.Tech. in Food Plant Operations and Management (FPOM)
4. M.Tech. in Food Safety and Quality Management (FSQM)
5. M.Tech. in Food Supply Chain Management (FSCM)

Total 20 students are admitted in Ph.D. programme of NIFTEM. NIFTEM is offering Ph.D. programme in all the above Post Graduate streams.

The Indian Institute of Crop Processing Technology began offering formal degree courses at Bachelor's/Master's Level and Doctoral levels in Food Process Engineering (FPE) from 2009-10 academic year. In B. Tech. Program, 40 students are admitted every year, 20 students are admitted in M.Tech. and 5 are admitted in Ph.D. programme.

For involvement of ITIs in various clusters for promoting food processing and value addition, the matter is being taken up with the Ministry of Skill Development and Entrepreneurship.

As regards adding B.Tech. course in Food Technology in IITs, the matter is being taken up with the Ministry of HRD. Already, IIT Kharagpur has a programme on Agriculture and Food Engineering.

National Meat and Poultry Processing Board (NMPPB) is in the process of winding up and is not undertaking any new activity.

There is no continuation of Indian Grape Processing Board (IGPB) in 12th Plan as on date."

**1.25 In its Action Taken Reply, the Ministry has informed the Committee that for involvement of ITIs in various clusters for promoting food processing and value addition, the matter is being taken up with the Ministry of Skill Development and Entrepreneurship. Further, the Ministry of Human Resource Development is also being approached for adding B.Tech. course in Food Technology in IITs. The Committee have also been informed that IIT Kharagpur has a programme on**

**Agriculture and Food Engineering.** While appreciating the efforts being made by the Ministry of Food Processing Industries, the Committee desire the Ministry to pursue the matter vigorously with all concerned to its logical conclusion. The Committee would like to be apprised of the progress made on the initiatives undertaken by them.

## CHAPTER II

### OBSERVATIONS/RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY THE GOVERNMENT

#### A. Implementation of the Committee's Recommendations

##### Recommendation (Serial No. 1)

The Committee note that Action Taken Replies on action taken by the Government on Observations/Recommendations contained in the Fourth Report of the Committee on Agriculture on Demands for Grants (2014-15) of Ministry of Food Processing Industries have been furnished to the Committee by the Ministry on 18 March, 2015 *i.e.* within the stipulated three months. They further note that the Statement of the Minister under Direction 73-A of Direction by the Speaker, Lok Sabha to be made by the Minister of Food Processing Industries on the status of implementation of various Recommendations made by the Committee in their Fourth Report would be due on 18 June, 2015.

##### Reply of the Government

On the observation of the Committee that the statement of the Minister under Direction 73-A of Direction by the Speaker, Lok Sabha to be laid by the Minister of Food Processing Industries on the status of implementation of various recommendations made by the Committee in their Fourth Report would be due on 18.06.2015, it is submitted that the Hon'ble Minister of State for Food Processing Industries made a statement in Lok Sabha on 06.05.2015 and in Rajya Sabha on 08.05.2015 *i.e.* before the due date of 18th June, 2015.

[Ministry of Food Processing Industries (Letter No.6-02/2015-  
Parl. dated 16.06.2015)]

#### B. Allocation of Funds

##### Recommendation (Serial No. 2)

The Committee find that India is one of the World's largest producer as well as consumer of food products. They are aware that while increased

productivity is an essential component of a vibrant agricultural sector, improved post-harvest handling and processing is equally essential to ensure value addition, reductions in wastage and quality products reach the market. A strong and dynamic food processing sector plays a vital role in diversification and commercialization of agriculture, enhances shelf life, ensures value addition to the agricultural produce, generates employments, enhances income of farmers and creates markets for export of agro foods. Food processing helps the farmers to get better returns, higher yields and lowers the risk of perishability. The growth of FP sector will make significant contribution to the Indian Economy not only in economic terms but also in meeting the objectives of 'inclusive growth' and 'food security'.

The Committee observe that Food Processing Sector has emerged as an important segment of the Indian Economy in terms of its contribution to GDP, employment and investment. The sector constitutes as much as 9% and 11% of GDP in Manufacturing and Agriculture sector respectively. During the last 5 years ending 2012-13, Food Processing Industries sector has been growing at an Annual Average Growth Rate (AAGR) of around 8.4% as compared to around 3.3% in Agriculture and 6.6% in Manufacturing.

The Committee are, however, concerned to note that the budgetary allocations made over the last few years are not in tune with the potential of this sector in driving the rural economy, in bringing about synergy between the consumer, industry and agriculture. Budgetary allocations were reduced during the year 2012-13 and also in 2014-15. The allocations this year is just Rs. 487 crore *i.e* it has been lowered to 6.3% of the previous year allocation and is only 33.10% of the allocation sought (Rs. 1471.03 crore) by the Ministry for the year 2015-16. Further, this allocation is even less than the actual expenditure of the year 2014-15 *i.e.* Rs. 537.6 crore.

The Committee observe that this industry being at a nascent stage requires hand holding in terms of obtaining adequate funds to perform and grow. The attitude of the Planning Commission and Ministry of Finance regarding provision of funds reflects non-priority to the sector. Considering the contribution of this sector to the economy of our Country and its potential, this is indeed a matter of concern. The Committee strongly recommend that the matter be taken up with the Ministry of Finance and they be impressed about the vitality and potential of this Sector in terms of economic growth, employment capacity and food security, so that not only the funds are increased at RE stage but adequate funds are provided from next financial year onwards.

## **Reply of the Government**

The Ministry has requested the Ministry of Finance for augmenting the provision referring the recommendations of the Committee on Agriculture *vide* DO letter dated 08/06/2015 from Secretary (FPI). A copy of the same is at *Annexure-I*.

[Ministry of Food Processing Industries (Letter No.6-02/2015-Parl. dated 16.06.2015)]

### **C. FDI**

#### **Recommendation (Serial No. 3)**

The Committee are aware that Indian Food Processing Sector is among the largest sectors in terms of production, consumption, export and growth prospects. They note that Government is giving some fiscal incentives for promoting investment. This sector has been growing at an AAGR of around 8.4% *vis-à-vis* about 3.3% growth in Agriculture and 6.6% in Manufacturing Sectors during the last five years ending 2014-15. With various measures taken by the Government to encourage FDI in this sector, the FDI is constantly increasing since 2011-12. During the year 2013-14 it touched Rs. 25,106 crore. The Committee find that FDI is permissible for all food products upto 100% on automatic route except for items reserved for Micro and Small Enterprises (MSEs) in which case FDI is permissible under automatic route upto 24% of the capital only. The FDI has however been only Rs. 2571.96 crore in 2014-15. The Committee appreciate the efforts of the Government in this regard, especially at a time when this sector is in dire need of funds for investment and budgetary allocation are insufficient to meet the requirement of this upcoming sector. The Committee are however apprehensive about FDI in the Sector in 2014-15. The Committee feel that by promoting FDI including facilitating approvals for licenses would be beneficial as this would create infrastructure and capital in the sector. The Committee recommend that the Department should identify the potential areas where FDI would be beneficial in the Sector (keeping in mind the appropriate safeguards required for protecting our MSEs) regularly review the incentives required and the extent to which automatic FDI could be permissible. They emphasize that these vital parameters should be regularly communicated to the Ministry of Finance for appropriately incorporating it in FDI policy of the country so that trend of increasing FDI in this sector continues.

## Reply of the Government

The year-wise FDI inflow for last three years in Food Processing Sector are as follows:—

Sl. No.	Year	FDI in Rs. crore	FDI in US \$ Million
1.	2012-13	2193.65	401.46
2.	2013-14	25106.77	3892.89
3.	2014-15 (upto Feb. 2015)	2844.67	465.47

Sectors like Mega Food Park, Cold Chain, fruits and vegetables processing, dairy industries and breakfast cereals are certain areas where investment as well as technology is required for development of these sectors. Ministry is taking up the matter with Ministry of Finance for fiscal incentives for development of this sector. Government has reduced excise duty on certain food processing machinery and packing machinery from 10% to 6% in budget 2014-15. Reserve Bank of India has announced revised priority sector lending guidelines on 23.04.2015. As per revised guidelines, Food and Agro processing units and construction of storage facilities including cold storage units/cold storage chains designed to store agriculture produce/products have been included under agriculture activities for priority sector lending. This will facilitate flow of more credit to MSE units in food processing.

[Ministry of Food Processing Industries (Letter No.6-02/2015-  
Parl. dated 16.06.2015)]

### D. Spill Over Liabilities

#### Recommendation (Serial No. 4)

The Committee observe that during the XIIth plan, Ministry is liquidating the committed liabilities of the 11th plan proposals received in the Ministry upto 31.03.2015 *w.r.t.* two schemes *i.e.* Scheme for Technology Upgradation and Scheme for Human Resource Development. They were apprised that CCEA had approved the total committed liability amounting to Rs. 740.00 crore for 3168 proposals under the scheme for Technology upgradation and liabilities amounting to Rs. 35.61 crore for 832 proposals under the scheme for Human Resource Development (all three components). The Committee are also apprised that, out of these liabilities, a total of Rs. 257. 75 crore under the scheme for Technology Upgradation and a total of Rs. 13.51 crore under the scheme for Human

Resource Development (all three components) are yet to be liquidated as on 31.03.2015. While taking into account the fact that, the Committee had also recommended for the speedy disposal of these liabilities in their 4th Report on Demands for Grants (2014-15) for Ministry of Food Processing Industries and the liabilities are yet to be disbursed completely, the Committee strongly recommend that these liabilities be taken up on a priority basis and must be liquidated in the XIIth plan period itself. The Committee advise the Government not to carry forward these liabilities in the next plan period.

As the liabilities are on the higher side *i.e.* Rs. 257.75 crore for the scheme of Technology Upgradation plus Rs. 13.51 crore for the scheme of Human Resource Development (all three components) total of Rs. 271.26 crore, the Committee also recommend the Ministry to persuade the Ministry of Finance to grant more funds at RE stage to the Ministry of Food Processing Industries, so that these liabilities may be liquidated in the current plan itself.

### **Reply of the Government**

The Ministry has requested the Ministry of Finance for augmenting the provision referring the recommendations of the Committee on Agriculture *vide* DO letter dated 08/06/2015 from Secretary (FPI). A copy of the same is at *Annexure-I*.

[Ministry of Food Processing Industries (Letter No.6-02/2015-Parl. dated 16.06.2015)]

### **E. Outstanding Utilization Certificate (UCs)**

#### **Recommendation (Serial No. 5)**

The Committee are disappointed to note that 1911 Utilization Certificates amounting to Rs. 343.69 crore at the end of February, 2015 are yet to be liquidated. They further observe that this huge pendency is reflective of bad accounting and financial mismanagement practiced by the State Governments/Implementing Agencies. The Committee recommend to the Ministry to impress upon the State Governments/ implementing agencies to initiate corrective measures and submit the UC's at the earliest as in absence of the same, they are the ones who have to bear the consequences. The Committee desire that the Government should tackle the pendency of UCs on a war-footing and impress upon all the implementing agencies to clear their backlog within a stipulated time.

## **Reply of the Government**

Release of Grants and receipt of Utilization Certificates (UCs) in lieu thereof is a continuous process. 103 number of UCs amounting to Rs. 37.11 crore were settled during the month of March, 2015 which resulted in bringing down the number of UCs to 1808 amounting to Rs. 306.58 crore as on 31-03-2015. This pending position is for UCs up to 2012-13.

UCs for the year 2013-14 have also become due *w.e.f.* 01-04-2015. As on 01-04-2015, 2011 UCs amounting to Rs. 445.14 crore are pending for settlement. The Ministry is making every effort for liquidating these outstanding Utilization Certificates and the status is being regularly reviewed. Divisions dealing with Plan Schemes are being regularly reminded to make efforts with the Implementing Agencies/State Governments for early settlement of these outstanding UCs.

[Ministry of Food Processing Industries (Letter No.6-02/2015-  
Parl. dated 16.06.2015)]

## **Comments of the Committee**

For comments of the Committee please refer to Para No. 1.7 of Chapter I of this Report.

### **F. Schemes in FPI Sector**

#### **Recommendation (Serial No. 7)**

The Committee note that to facilitate and exploit the potential of Food Processing Sector, the Government has brought about certain reforms through a network of schemes. The Committee are however, concerned to note that due to reduced budgetary allocation for the year 2015-16, the allocation for most of the schemes have been reduced and are inadequate to achieve the targets. Under scheme for technological upgradation/establishment/modernisation of Food Processing Industries 2014-15 (BE) was Rs. 160 crore, actual expenditure Rs. 142.63 crore whereas 2015-16 (BE) is only Rs. 100 crore. Similarly for scheme for Quality Assurance, Codex Standards, R&D and other promotional activities, allocation for the year 2015-16 has been reduced to Rs. 30 crore from Rs. 36 crore in the year 2014-15 (BE). The Ministry are infact so hard pressed that the targets for most of the schemes have to be downsized. In case of scheme of strengthening of Institutions BE for 2015-16 has been reduced from Rs. 75 crore (2014-15) to Rs. 16.00 crore only. The amount is not even enough to meet the salary requirements of NIFTEM. In such



a scenario the Committee are apprehensive about achieving the target and completion of agenda in their schemes. The Committee, therefore, desire the Ministry to convey the displeasure regarding meagre allocation of funds to the Ministry of Finance. The Ministry of Food Processing Industries should pursue the matter by emphatically stating the significance of the activities covered by these schemes for obtaining more funds. Further, the Committee recommend that the Ministry make proper utilisation of the allocated funds so that there is no pruning of funds at RE stage.

### **Reply of the Government**

The Ministry has requested the Ministry of Finance for augmenting the provision referring the recommendations of the Committee on Agriculture *vide* DO letter dated 08/06/2015 from Secretary (FPI). A copy of the same is at *Annexure-I*.

[Ministry of Food Processing Industries (Letter No.6-02/2015-  
Parl. dated 16.06.2015)]

### **G. Budgetary Allocations for Scheme for Infrastructure Development**

#### **Recommendation (Serial No. 8)**

The Committee note that total allocation of Rs. 329.00 crore has been made for the financial year 2015-16 to the Infrastructure Development Scheme which has three components, Mega Food Parks, Cold Chain and Abattoirs. In previous years the allocation under this scheme was used to be clearly reflected amongst its components separately, however, the same has not been specified this year. But, it has not been done this year. The Ministry have also failed to give a satisfactory reasons for the change in practice. The Committee are of the view that Rs. 329 crore allocated for this scheme be suitably divided amongst its three components *viz.* Mega Food Parks, Cold Chains and Abattoirs so that the physical targets set for each of these components are specifically achieved. The Committee recommend that there should be rational allocation of funds among various programs under the Infrastructure Development Scheme so that the goals of the individual schemes could be met specifically *vis-à-vis* the targets besides ensuring clear assessment of the scheme components.

### **Reply of the Government**

Total allocation of Rs. 329.00 crore made for the financial year 2015-16 to the Infrastructure Development Scheme has been distributed among the three components of Mega Food Parks, Cold Chain and

Abattoirs keeping in view the likely requirement of funds of each of the components. Out of Rs. 329.00 crore, Rs. 120.00 crore has been allocated to Mega Food Park Scheme, Rs. 181.00 crore to Cold Chain, Value Addition and Preservation Infrastructure and Rs. 28.00 crore to Modernization of Abattoirs.

Utilization of funds under the Scheme of Mega Food Park during the last three years and the current year has been as under:—

(Rs. in crore)

Year	B.E.	R.E.	Expenditure
2012-13	86.00	93.20	93.11
2013-14	116.00	110.25	94.11
2014-15	120.00	63.94	63.88
2015-16	120.00	-	20.00 (till date)

Allocation of funds among various programs under the Infrastructure Development Scheme has been done and the details are as under:—

(Rs. in crore)

Sl. No.	Head of Exp.	Name of Scheme for Infrastructure Development		
		Cold Chain, Value Addition and Preservation Infrastructure	Mega Food Park	Modernization of Abattoirs
1.	Grant-in-aid- General	156.72	103.60	22.28
2.	Grant-in-aid- North East	21.78	15.20	4.72
3.	Other Administrative Expenses	0.15	0.10	0.10
4.	Advertisement and Publicity	0.10	0.10	0.10
5.	Professional Services	2.25	1.00	0.80
	Total	181.00	120.00	28.00

The allocation of funds in B.E. for the current year has been made on the basis of the likely requirement of funds keeping in view the progress/status of implementation of the approved projects as well as the past experience of expenditure incurred under the Scheme in the last few years. Out of the 21 Mega Food Park projects currently under Final

approval, most of the projects are progressing in the way that most likely, they would be able to claim one or more installment of the grant approved. If their progress goes in the way expected, there may be a requirement of additional funds during the current financial year under the Scheme. The details of the financial progress of the 21 Mega Food Parks accorded Final Approval currently is at *Annexure-II*.

[Ministry of Food Processing Industries (Letter No.6-02/2015-  
Parl. dated 16.06.2015)]

## H. Mega Food Parks

### Recommendation (Serial No. 9)

The Committee note that Mega Food Parks Scheme envisages a well defined agriculture/horticulture processing zone containing State of the art processing facilities with supporting infrastructure and well established supply chain. The idea behind the scheme is to bring together farmers processors and retailers and link agricultural production to the market so as to ensure maximisation of value addition, minimisation of wastages and improving farmers' income. The Committee find that out of Rs. 1714 crore, allocation for the XIIth plan only Rs. 241.10 crore *i.e* just 14% has been utilized during the first three years of the plan period. Further, the Committee note that Government had approved setting up of 42 Mega Food Parks during 11th and 12th plan in four phases, however, the Ministry have approved 40 projects. Out of these 21 projects have been accorded final approval, 4 projects have been accorded in-principle approval and 15 projects have been cancelled/withdrawn. Out of 21 finally approved projects, 4 are partially operational and 4 projects are in advanced stages of implementation, 2 of which are likely to be completed during 2014-15 and 2 in the year 2015-16. The Committee are aghast to note that as many as 15 projects have been cancelled whereas only 4 are partially operational till date. The Committee are concerned to note the tardy progress in construction of Mega Food Parks. The plea of the Ministry that being big and complex projects, these have a long gestation period, hence, it is not possible for these projects to keep their pace of implementation in conformity with the prescribed timelines, is not acceptable to the Committee. Such justification only highlights the lack of vision in the Ministry. The Committee note that the Ministry have made certain modification in the existing scheme for facilitating speedy and better project implementation *viz.* MFPs projects be implemented owned and operated by an SPV, time schedule for completion and

operationalisation of project being increased to 30 months and release of grant installments being linked with specific milestones. The Committee while taking cognizance of the steps being taken by the Ministry, in consultation with the stakeholder for facilitating speedier and better operated project implementation, are of the view that much more remains to be done. They recommend the Ministry to carefully monitor and follow up the time schedules for completion of the projects and link release of installments with specific milestones, workout a single window clearance system for expediting the projects. The Committee also insist the Ministry to regularly interact with the stakeholders to address the impediments in progress of the project implementation. The Committee emphasize that appropriate penalties be imposed on erring parties in completion of the project, as scheduled. In the event of SPV withdrawing from executing the projects or unable to meet the guidelines, the proper penalty prescribed by the Ministry including return of amount of grant-in-aid and accrued interest should be imposed to make up for the loss of time.

### **Reply of the Government**

One more Mega Food Park *i.e.* NE Mega Food Park at Nalbari, Assam has become operational on 28.05.2015. Now, out of 21 (twenty one) finally approved projects, 5 (five) projects are operational. 3 (three) more projects are in advance stages of implementation, which are likely to become operational during 2015-16. 2 (two) more projects are expected to become operational in the year 2015-16.

To fill up the vacancies caused due to seventeen (17) cancelled Mega Food Parks, the Ministry had issued the Expression of Interest (EoI) notice on 10.02.2014. In response, the Ministry received seventy two (72) proposals fit to be appraised. Out of these, 17 projects have been selected against the existing 17 vacancies of Mega Food Parks based on merit through a three-tier scrutiny of proposals by Program Management Agency (PMA), Technical Committee (TC) and Inter-Ministerial Approval Committee (IMAC). A total 21 projects have been found eligible and remaining 51 were considered ineligible in IMAC meeting held on 16.03.2015. The successful 17 projects have been announced in a Press Conference by the Hon'ble Minister on 24.03.2015. The Ministry has issued "In-principle Approval" letters to 15 Mega Food Park projects on 31.03.2015. The remaining 2 Mega Food Park projects were also under consideration for according "In-principle Approval." However, in the meantime, the Hon'ble High Court of Delhi has restrained the Ministry on 30.04.2015 to issue In-principle approval to these two projects.

The Ministry is monitoring the progress of implementation of each of the Mega Food Park individually and adherence to the prescribed time schedules for completion of the projects.

Release of installments has been linked with specific milestones in the revised Scheme Guidelines issued on 10.02.2014.

The Ministry is impressing upon the State Governments to implement the single window clearance system for Mega Food Park projects to expedite the implementation of the projects.

To address the impediments in progress of the project implementation and to make the incentives and fiscal benefits available to the implementing agencies and the food processing units in the Park so as to accelerate the pace of implementation, the Ministry is regularly interacting with the promoters of the SPVs and other stakeholders e.g. concerned officials of State Governments as well as Central Government. Imposition of appropriate penalties on erring parties for delays in completion of the project is under active consideration of the Ministry. Necessary steps are being taken by the Ministry for recovery of the prescribed penalty including grant-in-aid with interest in the event of SPV withdrawing from executing the projects or unable to meet the Scheme Guidelines. The security money of Rs. 10.00 Lakh is also forfeited in case of cancellation of the project or withdrawal from the project by SPV.

[Ministry of Food Processing Industries (Letter No.6-02/2015-  
Parl. dated 16.06.2015)]

### **Comments of the Committee**

For comments of the Committee please refer to Para No. 1.13 of Chapter I of this Report.

#### **I. Delay in Mega Food Parks**

##### **Recommendation (Serial No. 10)**

The Committee have noted that the allocations during 2015-16 (BE) has been made on a much higher side as compared to 2012-13 (BE), 2013-14 (BE), 2014-15 (BE). The Committee find that allocation is based on likely requirement of funds, basically for releasing installment of grant-in-aid to the Mega Food Parks and payment to the (four) Project

Management Agencies. Presently 25 Mega Food Park projects are under implementation. They were appraised that out of these, 21 projects have been accorded final approval. Out of these 21 projects, 6 projects have been accorded final approval during the current financial year and are likely to come up for release of 1st and 2nd installment in the financial year 2015-16. Further Ministry is sanctioning 17 more projects and is in the process of according Final approval to the remaining 4 projects. Demand for release of Grant will be therefore, higher in the financial year 2015-16 and that is why higher allocation has been projected. This also includes requirement of funds for advertisement, conferences/seminars/workshops and miscellaneous expenditure etc.

The Committee have also noted that 15 projects have been cancelled due to non-compliance of the procedures. The Committee feel that the in-principle approvals, final approvals and approval for release of funds consumes a lot of time and involves, many a times, delay in sanction. This not only leads to cost and time escalation but also leads to non-consideration of other viable proposals. The Committee are of the opinion that a prompt and proper assessment and single window clearance would positively contribute to expediting in commissioning and commencement of the project. The Committee, therefore recommend that the Ministry should work towards developing such procedures which would not delay the progress of the projects. Further, they also desire that for maintaining transparency in case of disbanding the projects due to non-compliance of procedures, the same should be clearly specified, so that the proposers are clear about the violations in future also.

### **Reply of the Government**

Smooth and timely implementation of Mega Food Parks is being ensured by the Ministry by providing all possible support to these projects including interaction with various concerned Departments/Agencies of the State Governments at all levels to remove the bottlenecks in implementation of projects, making suitable amendments in the scheme and its guidelines and pursuing with concerned State Governments and other Central Government Ministries/Departments to extend special fiscal and other benefits to these projects to attract investment as well as by strict monitoring of progress of the existing and newly approved projects. Ministry will also taking suitable strict action against the SPVs including, imposition of penalty and cancellation of the projects which are not able to show the required pace of implementation.

Apart from handholding, Ministry is carefully monitoring the implementation of each MFP project individually and is making prompt and proper assessment at every stage of implementation right from the proposals stage to the stage of completion. To expedite the implementation of the projects, the Ministry is impressing upon the State Governments to implement the single window clearance system for Mega Food Park projects.

To make the promoters of the Mega Food Park projects aware of consequence of non-compliance of the prescribed procedures and for maintaining transparency, these consequences are made known to the applicants by holding Pre-bid meetings. Although some of such consequences/provisions have been made part of the Memorandum of Agreement (MoA) entered into by the SPV and the Ministry, other are contained in Para 5.6.3, 9.3 (revised on 10.09.2014 *vide* O.M. no.21-MFPI/11-Mega FP, copy at Annexure-III) and 10.2 of the Scheme Guidelines, the Scheme Guidelines have been made part of Expression of Interest (EoI) notice so that the proposers are clear about the violations and consequences thereof.

[Ministry of Food Processing Industries (Letter No.6-02/2015-Parl. dated 16.06.2015)]

## **J. Special Fund**

### **Recommendation (Serial No. 11)**

The Committee appreciate that a Special Fund of Rs. 2000 crore has been set up in NABARD to provide credit at affordable rates to boost food processing sector. This will address the inadequate infrastructure facilities in Food Processing Sector and allow easy access to credit. Under this fund, loan is extended to individual entrepreneurs, cooperatives, farmers producers organizations, corporates joint venture, SPV and entities promoted by the Government for setting up, modernization, expansion of food processing units and development of infrastructure in designated food parks.

The Committee hope that this Special Fund will provide the much needed boost to this sector. The Committee desire that the Ministry properly prioritise the projects under Mega Food Parks and scrupulously monitor the utilisation of this Fund. In case the funds remain unutilised, it may be extended to fund projects under Cold Chain and Abattoir Schemes as these projects are also lagging due to resource-crunch.

## **Reply of the Government**

Special Fund of Rs. 2000 crore has been setup by the Central Government in NABARD to make available affordable credit to Designated Mega Food Parks/Food Parks/Industrial areas as well as agro-processing units in such Parks. Any Entrepreneur, Cooperative, SPV, Joint Venture, State Government etc. may avail loan at concessional rate of interest from this fund for establishing Mega Food Parks/Food Parks/Industrial areas notified by the Ministry as Designated Food Parks as well as food processing units in such Designated Food Parks. Food Processing Fund 2015-16 – Operational Guidelines have also recently been notified. A list of Designated Mega Food Parks/Food Parks/Industrial areas has already been notified by this Ministry on 20.11.2014 and steps are being taken to notify the second list of Designated Mega Food Parks/Food Parks/Industrial areas based on the information made available to the Ministry by the State Governments which is likely to be issued very soon. The Ministry has noted the suggestion of the Hon'ble Committee and would monitor the utilization of the Fund scrupulously. Prioritization of the projects for credit/loan would however be made by NABARD, the Nodal Agency.

Ministry has notified a list of 99 designated food parks. These designated food parks and units in these designated food parks can access loan from the Special Fund. Ministry of Finance has agreed to continue this fund during 2015-16 and RBI has been requested to issue necessary instructions in this regard.

[Ministry of Food Processing Industries (Letter No.6-02/2015-  
Parl. dated 16.06.2015)]

### **K. Evaluation Study of Mega Food Parks**

#### **Recommendation (Serial No. 12)**

The Committee understand that Mega Food Parks Scheme was launched with a lot of fanfare and a hype was created publicizing that each MFP will cater to 30-35 Food Parks units, generate 5000 direct and 30,000 indirect employment when fully functional besides bringing about an investment to Rs. 75-100 Crore in common facilities and another Rs. 225-250 Crore in processing and ancillary units. The Committee find that the Ministry has assigned a study to M/s. Indian Council for Research on International Economic Relations (ICRIER) in August, 2014 for mid-term evaluation of impact of the scheme. The Committee find that even



after 8 months of the constitution of this study, the Report is yet to be submitted. The Committee emphasize that this evaluation study should assess the impact/benefits, coverage, farmers who have invested in these projects and reach of the scheme on socio-economic parameters. The Committee recommend that a mechanism should be developed for obtaining the feedback from the beneficiaries/stakeholders involved in operationalisation of MFPs. Such feedback and the findings of the aforesaid study should be incorporated in guidelines for future projects. The Committee also desire that further efforts should be made by the Ministry to publicise widely the available facilities, the incentives and the benefits to the farmers and various other stakeholders through this scheme.

### **Reply of the Government**

The timeline for completion of the study was 4 months. The timeline has expired on 12.12.2014. The draft study report could be submitted by ICRIER on 15.04.2014. The study report has been examined by the Ministry and its comments have been forwarded to ICRIER for necessary incorporations in the report on 08.05.2015. The report is being expedited on priority.

Suitable steps would be taken by the Ministry for further streamlining the process of implementation on the basis of the feedbacks, findings and suggestions/recommendations of the study awarded to M/s. Indian Council for Research on International Economic Relations (ICRIER), New Delhi (ICRIER).

In addition to the initial Terms of Reference of the Study, the ICRIER has been asked to incorporate the following information also in the study report:—

- i. Mechanism for obtaining feedback from the beneficiaries especially farmers.
- ii. Assessment of impact/benefits, coverage and reach of the scheme on socio-economic parameters.
- iii. Determination of the numbers of farmers who have invested in Mega Food Park projects and the extent to which it has brought about prosperity to local farmers.
- iv. Creation of employment to local youth in agro based avenues.

To widely publicize the benefits, incentives and facilities available to the farmers and other stakeholders under the Scheme as well as to attract investment, Conferences/Investment Summits are being organized by the Ministry in different parts of the Country associating the National level Industry Associations/Chambers of Commerce.

[Ministry of Food Processing Industries (Letter No.6-02/2015-Parl. dated 16.06.2015)]

### **Comments of the Committee**

For comments of the Committee please refer to Para No. 1.16 of Chapter I of this Report.

## **L. Increasing the Capacity of Cold Chains**

### **Recommendation (Serial No. 13)**

The Committee observe that to encourage setting up of cold chain facilities in the country, Ministry is operating a Plan Scheme to provide financial assistance to project proposals received for integrated cold chain infrastructure development from public/private organisations. The scheme envisages financial assistance in the form of grant-in-aid @ 50% of the total cost of plant and machinery and technical civil works in general areas and 75% for North Eastern Region and difficult areas subject to a maximum of Rs. 10.00 crore. The initiatives are aimed at filling the gaps in the long and fragmented supply chain, strengthening of cold chain infrastructure with infrastructural facilities like sorting, grading, packaging and processing of horticultural produce including organic produce, marine, dairy, poultry, etc.

The Committee observe that the Committee constituted by the Planning Commission under the Chairmanship of Dr. Saumitra Chaudhuri, Member Planning Commission in the year 2012 on encouraging investments in supply chains including provision for Cold Chain for more efficient distribution of farm produce citing the study conducted by National Spot Exchange Limited (NSEL) in 2010, has indicated requirement of 61 million metric tonnes of cold storage capacity against the available capacity of 24 million tonnes. Thus, there was a gap of about 37 million tonnes of cold storage capacity in 2010. The Committee note that a capacity of about 8 million tonnes has been added thereafter through

different programmes of the Government. The present cold storage capacity is estimated at around 32 million tonnes and therefore the present gap is estimated at about 29 million tonnes. The Committee are of the view that with increasing agricultural production in the country and with the increasing need to arrest post harvest losses, there is an urgent need to fill in the yawning gap between actual and required capacity of Cold storage in the country which is increasing by the day. The Committee are aware that the Cold Storage facilities now available are mainly for single commodity like Potato, Grapes, Pomegranate, Orange, Apples etc. leading to under-utilisation of the capacity. The Committee, therefore, recommend that the Ministry make all out efforts to facilitate and provide integrated, complete cold chain and enhance preservation infrastructure facilities to maintain continuity from the farm gate to the end consumers/retail outlets. They also recommend that efforts should be made to enhance small sized cold storage facilities not only to increase the capacity but also to promote more participation from small and medium level farmers. They further desire that the Cold Storage Projects could cater for multiple products so as to operate on optimum capacity.

The Committee find that the Government had approved 138 Cold Chain Projects in 4 phases during 11th and 12th plan period of which the Ministry had sanctioned 121 projects. Out of these 9 Cold Storage projects were cancelled due to unwillingness and non-commitment evinced by the promoters in timely implementing the projects. Out of the remaining 112 projects, 50 projects have become commercially operational, 28 projects have achieved 25% progress, 25 projects have achieved 75% progress and remaining are under various stages of implementation. Besides, upscaling of the schemes has been approved during the 12th plan by taking up 75 new Cold Chain Projects as per financial assistance pattern of 11th plan. The Committee feel that the completion status of the projects is not satisfactory and have incurred time overrun. The Committee note with some satisfaction that during the 12th plan period some initiatives have been taken by the Ministry to expedite and simplify the implementation of the Cold Chain Scheme *viz.* setting up of integrated Cold Chains by individuals/groups of entrepreneur interested in supply chain management, organisation/Government/PSUs/ Joint Ventures/NGOs/Co-operatives/SHGs/Private Companies and corporations, merging non-horticulture projects with the component of National Mission on Food Processing, while horticulture projects would be implemented through National Horticulture Board, increasing timeline

of project implementation and reconstituting the Technical Committee and Inter Ministerial Approval Committee (IMAC) which is chaired by Hon'ble Minister (FPI). The Committee however opine that much is still required to be done at the implementation stage of the projects. They also recommend the Ministry to pursue the State Governments/Agencies to have a single window clearance for the projects after getting due clearance from reconstituted high-powered Program Management Agency, Technical Committee and Inter-Ministerial approval Committee so as to expedite the implementation. The Committee may be kept abreast of the mechanism developed for coordination between the Centre-State agencies for expeditious clearance of the projects and also about the status of implementation of the projects. The Committee would also like to be apprised of the status of additional allocation sought by the Ministry for the scheme to meet the requirement of projects under implementation. Last but not the least, the Committee emphasise the Ministry to be vigilant and strengthen the monitoring mechanism to avoid delay in execution of the projects.

The Committee note that there is a lacuna in backward-forward linkage for the Cold Chains Projects. Also, there is a huge requirement of infrastructure for linking up the farms with the retail markets. They desire the Ministry to assess the option of contract farming to overcome the long and fragmented supply chain, whereby the companies be incentivised to create direct farm linkages to source appropriate quality, quantity and varieties of inputs. The Committee therefore recommend that in order to assure the backward-forward linkage, private players must be promoted by facilitating fiscal and financial concessions and easing the requirements to do business.

### **Reply of the Government**

So far, the Government has approved 138 cold chain projects in four phases during the 11th and 12th Plan Period. Against 138 approved slots for cold chain projects the Ministry had sanctioned 121 projects. Subsequently the Ministry cancelled 13 cold chain projects due to unwillingness and non-commitment evinced by the promoters in timely implementing the projects, leaving 108 cold chain projects assisted by the Ministry. Of these 52 have already achieved completion and commenced commercial operation. Remaining 56 projects are in various stages of implementation. Most of the projects are displaying satisfactory progress. However, due to non-availability of funds the Ministry has not been able

to release grant-in-aid in time to some of the projects which has resulted in delay in the progress of the projects. Ministry had sought an additional allocation of Rs. 100 crore during 2014-15 to meet the committed liabilities. However, the same was not acceded to by the Government.

Further, to fill up the vacant slots created by cancellation/non-sanction of the cold chain projects, the Ministry had floated an Expression of Interest on 02.12.2013. After following due procedure of appraisal and scrutiny 30 cold chain projects have been approved by the Ministry. Thus at present the Ministry is assisting total 138 cold chain projects [108 already under implementation/achieved completion and 30 newly approved].

To accelerate the availability of cold storage and to improve the efficiency of Cold Chain Management, Prime Minister's Office had set up a Task Force under the Chairmanship of Secretary, Ministry of Food Processing Industries. The Task Force *inter alia*, has recommended that (i) Government should aim at creating additional capacity of 7.5 million tonnes over next five years. Out of this, Department of Agriculture and Cooperation can take up 5 million tonnes under MIDH (2.5 million tonnes each by NHM and NHB) and Ministry of Food Processing Industries can take up 2.5 million tonnes, (ii) evolving an effective system of single window clearance to ensure timely completion of cold chain projects, and (iii) exempting certain processes undertaken on agriculture commodities from the purview of service tax for services such as pre-conditioning (e.g. washing, waxing, de-sapping), pre-cooling, ripening, waxing, retail packaging and labelling, climate controlled storage and transportation which do not alter the essential characteristics of agricultural produce.

In pursuance of recommendations of Task Force the Ministry has submitted an EFC memorandum to Department of Expenditure for upscaling the scheme of Cold Chain, Value Addition and Preservation Infrastructure for taking up additional 500 cold chain projects with financial outlay of Rs. 4000 crore and making the scheme open ended. Department of Expenditure has returned the EFC memo with the remarks that in view of restructuring of the budget line for CSS, the proposal may be reviewed. Accordingly, the EFC proposal would be re-submitted after taking into account delinking of Centrally Sponsored Scheme of National Mission on Food Processing of the Ministry.

The Government has also announced many fiscal incentives to promote food processing and cold chain services. Excise Duty on food

processing and packaging machinery has been reduced from 10% to 6% in Budget 2014-15. Refrigeration machinery and parts used for installation of cold storage, cold room or refrigerated vehicle are exempt from excise duty. Services related to Cold Chain like pre-conditioning, pre-cooling, ripening, waxing, retail packing, labelling of fruits and vegetables which do not change or alter the essential characteristics of the said fruits and vegetables have been exempted from service tax in Budget 2015-16. In the latest guidelines issued by Reserve Bank of India on 23rd April 2015, agro-processing and cold chain have been classified under Agriculture activities for priority sector lending by banks.

The scheme of Cold Chain, Value Addition and Preservation Infrastructure of the Ministry does not place any restriction on the promoters/private investors to build to create cold storage and preservation infrastructure facilities of any particular capacity and they are free to decide the capacity of cold chain infrastructure to be created by them keeping in view the techno economic viability of the project. Further, the cold chain and preservation infrastructure facilities being created under the cold chain scheme of the Ministry cater to multiple products. In majority of the cold chain projects assisted by the Ministry the promoters are resorting to direct linkage with the farmers which benefits the farmers and also ensures quality product to the consumers.

[Ministry of Food Processing Industries (Letter No.6-02/2015-  
Parl. dated 16.06.2015)]

### **Comments of the Committee**

For comments of the Committee please refer to Para No. 1.19 of Chapter I of this Report.

### **M. NIFTEM and Village Adoption Programme**

#### **Recommendation (Serial No. 14)**

NIFTEM is envisaged as an international centre of excellence which is offering high quality education research and management programmes specific to disseminating knowledge to the food sector, providing referral advice on food standards and business incubation facility. Village Adoption is a unique programme conceptualised by NIFTEM for its students, with a view to sensitise and educate them on the problems and practices of the farmers at the grass root level while training and demonstrating simple

processing techniques to farmers/villages making it two way learning process. They were apprised that seven rounds of Village Adoption Programme has been completed by NIFTEM students covering 39 villages in 19 States, 100 programmes including training and expert lectures, awareness camps have been organised, 120 interested entrepreneurs have been identified. Further, students along with their mentor have taken Product Development Training Programmes demonstrating preparation of jams, jellies, pickles, mango panna, fruit based beverages besides cataloguing of traditional knowledge including preparation booklets on 130 traditional food recipes and booklets on traditional food preservation practices. The Committee while being satisfied about the programme are of the opinion that this exchange will help in retaining the age old good and effective prevalent practices, while modernising the not so useful ways of value additions. It would lead to developing innovative and new methods of preservation processing and value addition to the crop/produce. The Committee recommend that during this mutual interaction the traditional know how should be so upgraded/modified by NIFTEM so as to develop technology or methods of Food Processing which are in accordance with the economic and intellectual capacity of the farmers. The students *vide* this programme should make deliberate efforts to simplify the specialised know how for generalised use by small and marginal farmers and NIFTEM should hold brainstorming workshop session in their Institute and incorporate in their curriculum. Such programmes should be advertised and propagated by the Institute so that the SAUs/ ICAR also emulate and pursue such exercises in the courses within their ambit.

The Committee note that out of 110 posts which have been sanctioned for creation (55 faculty posts and 55 non-faculty posts) only 72 posts (41 faculty posts and 31 non-faculty posts) have been filled till date. So, there exist vacancies of 38 posts (14 in faculty and 24 in non-faculty). The Committee further recommend the Institution to fill up the vacancies at the earliest so that the desired goals may well be achieved. The Committee recommend that NIFTEM should publicise these posts, along with the perks and pay packages for these faculty post widely in print and visual media so as to get highly educated and expert faculty for this Institution of global standard, as a centre of excellence. The Committee also recommend that the Institution must also emphasize on training more and more farmers with an idea that these trained farmers may be utilised as 'Kisan Prashikshakas' for training the other farmers on a large scale so that it may be helpful in dealing

with technical issues relating to agriculture in a more efficient manner.

### **Reply of the Government**

Village adoption is a unique program conceptualized and being implemented by NIFTEM for its students since 2012, with a view to sensitize and educate them of the problems and practices of the farmers at the grass root level.

Under this programme, B. Tech (Food Technology and Management) and M. Tech students are divided into groups of 10 to 12 students and each group adopts a village anywhere in India and nurses it during the entire programme of study.

The Groups stay for 10 to 12 days each time in every the village in semester. It is a symbiotic process leading to exchange of knowledge. While villagers gain scientific and technical knowledge through students who promote future possibilities of food processing among them, students obtain first hand experience of Indian rural scenario and understand traditional processing technologies adopted by the villagers.

As per recommendations of the committee, NIFTEM is exploring the traditional know how of the recipes, under its Make In India initiative. The objective is to discover the science of these traditional Indian foods, characterise them and develop machinery for manufacturing these traditional foods.

NIFTEM also undertakes brainstorming workshops/seminars/symposia/conferences on the various issues pertaining to food industry time to time.

NIFTEM would be approaching various SAUs/ICAR institutes and KVKs for undertaking programmes similar to VAP for greater outreach of the in-house technologies and inclusive development.

NIFTEM has also organised skill development training for the farmers/prospective entrepreneurs for promoting food processing, value addition, and entrepreneurship development in food processing sector. NIFTEM will continue to carry out the skill development programmes.



With regard to the filling of the vacant posts in the Institute, NIFTEM has informed that concerted efforts are being made to fill up the remaining vacant posts by giving *vide* publicity in print and visual media. The updated status of 110 posts sanctioned by Government is as under:

Number of post created in NIFTEM is 110, out of which NIFTEM has filled 71 posts and 39 posts are vacant. NIFTEM is continuously giving advertisements in Employment News/leading Newspapers to fill-up the vacant 39 posts.

### **Comments of the Committee**

For comments of the Committee please refer to Para No. 1.22 of Chapter I of his Report.

[Ministry of Food Processing Industries (Letter No.6-02/2015-Parl. dated 16.06.2015)]

## **N. Training and Skill Gap**

### **Recommendation (Serial No. 15)**

The Committee find that budgetary allocation for strengthening of the Institutions in Food Processing Industry for the year 2015-16 is Rs. 75 crore. The Committee feel that the initiatives are being taken through Institutes like NIFTEM, IICPT, IGPB and NMPPB, yet much remains to be done for enhancing and upgrading the skills and implementation of schemes for Skill Development. They are of the opinion that this sector is demand oriented, vibrant and depends on the changing nature of Indian consumer, who is now more informed in terms of food hygiene, taste and nutritive value. The consumer are now ready to try newer and processed foods. It creates a lot of scope wherein the youth could be well trained *w.r.t.* these areas professionally. The Committee desire that within the given premises Ministry should probe the possibility for immediate adoption of ITIs by FPI in various clusters of the country to upgrade the lower end skills and the youth could be directly employed with attractive pay packages. Further, they also emphasize that FPI Sector should partner with few food technology/processing Institutes and certain courses could be added in (B.Tech in Food Technology) in IITs also on pilot basis for upgradation of higher end skills.

## **Reply of the Government**

NIFTEM has been running B.Tech (Food Technology and Management) Course since 2012-13 with student strength of 180 students per batch.

Total 90 students are admitted in M.Tech programme of NIFTEM every year. NIFTEM is offering five streams of Post Graduate Programmes with two years regular M.Tech degree which are as under:—

1. M.Tech. in Food Technology and Management (FTM).
2. M.Tech. in Food Process Engineering and Management (FPEM).
3. M.Tech. in Food Plant Operations and Management (FPOM).
4. M.Tech. in Food Safety and Quality Management (FSQM).
5. M.Tech. in Food Supply Chain Management (FSCM).

Total 20 students are admitted in Ph.D. programme of NIFTEM. NIFTEM is offering Ph.D programme in all the above Post Graduate streams. The status of sanctioned posts in NIFTEM is at Annexure-IV.

The Indian Institute of Crop Processing Technology began offering formal degree courses at Bachelor's/Master's Level and Doctoral levels in Food Process Engineering (FPE) from 2009-10 academic year. In B.Tech Program, 40 students are admitted every year, 20 students are admitted in M.Tech. and 5 are admitted in Ph.D program.

For involvement of ITIs in various clusters for promoting food processing and value addition the matter is being taken up with the Ministry of Skill Development and Entrepreneurship.

As regard adding B.Tech course in Food Technology in IITs, the matter is being taken up with the Ministry of HRD. Already, IIT, Kharagpur has a programme on Agriculture and Food Engineering.

National Meat and Poultry Processing Board (NMPPB) is in the process of winding up and is not undertaking any new activity. There is no continuation of Indian Grape Processing Board (IGPB) in 12th Plan as on date.

[Ministry of Food Processing Industries (Letter No.6-02/2015-  
Parl. dated 16.06.2015)]

### **Comments of the Committee**

For comments of the Committee please refer to Para No. 1.25 of Chapter I of his Report.

### CHAPTER III

#### OBSERVATIONS/RECOMMENDATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLY

##### A. National Meat and Poultry Processing Board

###### Recommendation (Serial No. 16)

NMPPB was constituted and registered in 2009 under Societies Registration Act, 1860 with an objective to foster the sustainable development of Meat and Poultry Board Processing Sector. The Committee note that the Board was to be an industry driven body, with provision of funding by the Government for first three years *i.e.* upto 2012-13. After this, the Board was supposed to generate its own revenue for sustainability. However, despite numerous efforts the Board could not attain self-reliance through its own earnings and continued to require financial assistance from the Government. The Committee are apprised that Government is unwilling of greater intervention due to its policies and have decided to wind up the Board. Keeping in view the importance of hygiene in this industry and that the industry is largely in unorganized sector, the Committee recommend that Government must focus on organizing this sector by continuing the function of the Board with its own support. The Committee also recommends the Government that private players should be encouraged to invest in this sector on a larger scale by enticing them through various concessionary means until proper support is generated from the private sector. They recommend the Government to withhold the winding up of the Board and grant hand holding attempt for atleast 5 years once again so that the required hygienic conditions of the meat products available in market may be established on the lines of Food Safety and Standard Act, which in turn would assure good health of non-vegetarian population. The Committee emphasize that the need to create awareness about maintaining and modernisation of abattoirs and production of safe and hygienic meat and meat products including poultry products should be undertaken on war-footing by the Ministry including training the butchers through outreach programmes.

## Reply of the Government

NMPPB was set up as an autonomous body under Ministry of Food Processing Industries (MoFPI) to address the issues related to production of hygienic, safe and wholesome meat/meat products. CCEA had approved the proposal for establishment of NMPPB in its meeting held on 26.12.2008. The establishment of NMPPB was notified in the Gazette of India through Notification No. 127 and S.O. 208 (E) dated 20th January, 2009. The Board was registered as a society under the Societies Registration Act, 1860 on 26.03.2009.

A draft Cabinet Note on continuation of National Meat and Poultry Processing Board (NMPPB) during 12th Plan was circulated to the concerned Ministries on 07.03.2014. Department of Expenditure, Ministry of Finance informed that it is unable to support the proposal mainly for the reason that Government of India can not go on funding such organisation indefinitely especially when the mandate is to attain self-sufficiency within 3-4 years.

A meeting of stakeholders was held on 24.07.2014 and it was observed that the Board can not do much more than creating awareness and educating the consumer and the other stakeholders. In such a situation, it is quite clear that the Board cannot achieve self-sufficiency within 3 to 4 years. Thereafter the draft Cabinet Note issued on 07.03.2014 was withdrawn on 07.08.2014.

Subsequently, an Order dated 25.11.2014 was issued communicating the decision of the Government to wind up NMPPB and NMPPB was directed to initiate the winding up process immediately. The 21st Managing Committee meeting of NMPPB was held on 26.11.2014 and the Managing Committee resolved to wind up NMPPB besides making a reference to the competent authority of Government of National Capital Territory of Delhi to obtain the consent of the State Government to dissolve/wind up the Board/Society. GNCT Delhi have, *vide* their letter 16.04.2015 accorded their consent for dissolution of the society "National Meat and Poultry Processing Board" under Section 13 of the Societies Registration Act, 1860. Further action is being taken by NMPPB to hold another meeting of the Managing Committee to proceed further in the matter.

It is submitted that one of the main reasons for winding up NMPPB is the fact that it has not been possible to interest the private players to

contribute to the functioning of the Board. If the private sector had been involved actively in the affairs of the Board, the issue of continuing Government support to the Board would not have arisen. The Ministry is not in a position to entice the private players through any concessionary means to generate proper support from the private sector. As regards creating awareness about maintaining and modernisation of abattoirs and production of safe and hygienic meat and meat products including poultry product be undertaken by the Ministry including training the butchers through outreach programmes, it is submitted that as already pointed out, efforts will be made to address the objectives of the Board through the other plan schemes of the Ministry.

[Ministry of Food Processing Industries (Letter No.6-02/2015-Parl. dated 16.06.2015)]

## **B. National Mission on Food Processing**

### **Recommendation (Serial No. 17)**

The Committee observe that the Ministry had launched National Mission on Food Processing as Centrally Sponsored Scheme during 2012-13 for implementation through States/UTs. The basic objective of NMFP was decentralization of implementation of Ministry's scheme with substantial participation of State/UT Governments. Government had approved continuation of NMFP during the remainder of 12th Plan (2013-17). Accordingly new guidelines were issued on 23.07.2013 for implementation of the Scheme by State/UT Governments, also Rs. 1250 were allocated for the plan period.

The Schemes implemented under NMFP incorporated Scheme for Technology Up-gradation/Establishment/Modernisation of Food Processing Industries; Scheme for Cold Chain, Value Addition and Preservation Infrastructure for Non-Horticultural Products; Scheme for setting up/modernisation/expansion of abattoirs (implemented w.e.f. 2014-15); Scheme for Human Resource Development (HRD) [Creation of Infrastructure facilities for running Degree/Diploma/Certificate Courses in Food Processing Technology, Entrepreneurship Development Program (EDP), Food Processing Training Centre (FPTC), Training at recognized Institutes and sensitization cum awareness programme]; Scheme for Promotional Activities [Organizing Seminar/Workshops, Conducting Studies/Surveys, Support to Exhibitions/Fairs, Advertisement and Publicity]; Scheme for Creating Primary Processing Centers/Collection Centers in Rural Areas; Modernisation of Meat Shops; Reefer Vehicles; Old Food Parks.

However, the Committee find that the Government in the Union Budget (2015-16) have now delinked the scheme of NMFP for support from Central Government. Further, the State Governments may (or may not) decide to continue the scheme out of their increased resources resulting from recommendations of the 14th Finance Commission. Since the States have been given freedom to continue NMFP, they will also formulate the monitoring mechanism at their level.

The Committee notes that NMFP was started by the Ministry on a mission mode. The Committee further note that on one hand, the Government underlines the slow response and non-provision of utility certificates by the States as a major cause behind the slow progress of these schemes, whereas on the other hand, the Government transfers one of its major schemes (NMFP) entirely to the State Governments.

The Committee are apprehensive with the current situation where all the responsibility with regard to implementation of NMFP has been assigned to the States. Considering the fact that in many States separate departments for food processing does not even exist, the fate of NMFP is doubtful. Also, while explaining the impediments in implementation of various schemes, the Ministry has cited lack of interest of State Governments resulting in delay in getting various approvals and clearances. In such a scenario, the Committee are not happy that NMFP has been delinked and transferred to the States. The Committee would desire to be apprised about the consultations made by the Ministry with the State Governments and their comments thereon regarding delinking of NMFP and its further implementation by the latter.

The Committee express deep concern over the frequent changes made in the scheme of the Government covering very vital areas of the Food Processing Sector, which has not only economic but also social, food security and employment implications. The Committee opines that sudden changes in structure of the schemes leads to lack of clarity add to chaos and thwarts the development process. These schemes already have long gestation period and whenever States or other implementing agencies come to a platform where from these schemes may be launched in the perceived manner, these sudden changes causes a standstill to the programs. The Committee desire that any change in the ongoing schemes should be made steadily and not abruptly and frequently altered. The Committee desire that the anguish of Committee in this may also be conveyed to Ministry of Finance. The Committee would like to be apprised of the impact of this change (in structure of the scheme) and the extent

to which the objectives for which these schemes would be fulfilled. The Committee recommends that there should be a consolidated policy on Food Processing, there shall also be a coherency and Coordination between the Centre and State in formulating and implementing the schemes.

The Committee find that Food Processing Sector is governed by Statutes rather than a single comprehensive policy on Food Processing. They are of the opinion that National Food Processing Policy incorporating tax breaks, legislative, administrative and promotional measures. The Committee also recommend that there shall be pre-hand discussions with Niti Aayog so that proper funds are allocated to run the schemes efficiently and effectively towards the objective for which they were initially conceived.

The Committee therefore recommend that Government should develop an appropriate, cohesive, uniform and congenial long term policy wherein the scheme once floated should continue for atleast 5 years so that the objectives of the scheme are achieved and the stakeholders have the clarity to operate.

The Committee desire that a stable and comprehensive policy be brought out as this will ensure private sector investment in infrastructure development, increased farm productivity and upgradation of quality leading to further impetus to food processing sector. Besides, such a policy would ensure institutional strengthening, capacity building across value chains and promote innovation in general and technological innovation in particular.

### **Reply of the Government**

Ministry of Food Processing Industries (MoFPI) had made no consultations with the State Governments before de-linking of NMFP from central government support. However, MoFPI *vide* letter dated 27.03.2015 had informed the State Governments that no GoI funds would be released for implementation of NMFP from FY 2015-16 and onwards in view of the de-linking of NMFP from financial support from Government of India (GoI). The State Governments may decide to continue (or not) NMFP scheme out of their increased resources resulting from recommendations of the 14th Finance Commission. State Governments had also been requested to ensure release of funds to all the ongoing projects approved by SLEC including the committed liabilities from increased resources.



With regard to consolidated food policy on food processing, it is mentioned that at present there is no National Food Processing Policy framed by MoFPI. However, few States have their separate food processing policy incorporating tax breaks, legislative, administrative and promotional measures. In some states, food processing policy is the part of Industrial Policy.

[Ministry of Food Processing Industries (Letter No.6-02/2015-  
Parl. dated 16.06.2015)]

## CHAPTER IV

### OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

#### **Gender Budgeting**

##### **Recommendation (Serial No. 6)**

The Committee are aware that the origin of food processing lies in the culinary tradition of our Nation and carried forward by the women folk since ages. Women are traditionally engaged in food processing activities like making pickles, papad, nuggat, aam papad etc. The Committee note that a Gender Budget Cell under the Chairmanship of a Joint Secretary is in place in the Ministry for inducting and effecting a change in the Ministry's policies and programs in a way that could tackle gender imbalances, promote gender equality and development and could ensure that public resources through the Ministry's budget are allocated and managed accordingly. However, they are not satisfied with the progress of the Cell as well as the attitude of the Government towards this issue. The Committee are apprised that there is no specific allocation of funds for gender related expenditure in the plan schemes of the Ministry. The benefit accruing from the schemes of the Ministry has not been quantified. The Committee, considering the importance of encouragement of Women entrepreneurs/stakeholders, strongly recommend to release specific funds for gender related expenditure in these schemes. The Committee also recommend the Gender Budget Cell to participate more actively in raising the gender specific issues and needs and also to sensitize the Ministry on a greater level so that the purpose for which they have been created is resolved in a satisfactory manner. The Ministry should also assess the benefits accruing to women through these schemes, quantify and assemble related data. The Committee emphasize that the Ministry should utilize the traditional technology and knowledge and the acumen of the women folk for processing the food products through various means of processing.

The Committee are also apprised that a survey-cum-study has been conducted by Centre for Market Research and Social Development, New Delhi for suggesting an Integrated Gender Action Plan pertaining to Food Processing Sector including the required standards and parameters on the basis of which units can be certified as compliant with these requirements as also process of certification and accreditation of the units which comply with these standards. The study report makes suggestions on various relevant issues such as policy of the Ministry, monitoring system to assess gender mainstreaming efforts, Gender Audit of the policies of the Government, steps to encourage the women Self Help Groups to start their food processing units, points of convergence with the existing schemes of other Ministries/Departments and Gender Budgeting etc. The Committee find Ministry has offered a very cold response to the recommendations put-forth by the Study-Report. The Committee recommend that there are some burning issues which should be taken up by the Ministry more seriously than by passing the buck to other Ministries/Departments. The recommendations like working environment, Gender-Audit, demand for specific funds, encouraging women entrepreneurs by incentivizing them financially as well as socially (like award presentations) are very important issues and may be taken up more seriously by the Ministry and also better collaborations should be catered with other Ministries/Departments to work on these issues in a more positive manner. The Committee also recommend the implementing agencies to ensure that private players must abide by the guidelines regarding gender specific issues and implement them in true manner so that interest of women workers/entrepreneurs/stakeholders must be secured.

### **Reply of the Government**

The Ministry has taken a note of the concern of the Committee. In this context, it is submitted that though the schemes of the Ministry are project- oriented and not specific to State/Area/Community/Caste and Gender, there is substantial women participation in manufacturing of food products and beverages. As per the latest Annual Survey of Industries 2012-13, a total of 2.59 lakh women workers were directly employed in registered food processing units in the country. As regards women employment in unregistered food processing units, it was estimated that a total of 11.86 lakh women workers were engaged in the year 2010-11 as per the information released in the National Sample Survey Office (NSSO) 67th Round (July, 2010-June, 2011).

The overall scenario of women employment in food processing sector is as under:—

Women employment in Food Processing Sector*: Registered and Unregistered units			
Sector	Number of Women	Total Employment— Food Processing Sector	(%) Share of Women
Registered (2012-13)	2.59 lakh	9.14 lakh	28.3
Unregistered (2010-11)	11.86 lakh	47.9 lakh	24.8

\*Includes manufacturing of food products and beverages.

As regards the plan schemes of the Ministry *i.e.* Mega Food Parks Scheme and Cold Chain Scheme, the Ministry has approved 40 Mega Food Park projects (Final Approval-21 projects and In-principle Approval-19 projects), out of which there are 10 female promoters in 6 projects. The details of the female promoters in the 6 projects are as under:—

Sl. No.	Name of Food Park	No. of Female Promoters	Name of Female Promoters
Accorded Final Approval			
1.	M/s Satara Mega Food Park Pvt. Ltd.	1	Smt. Vaishali Hanmant Rao Gaikwad
2.	M/s Godavari Mega Aqua Park Pvt. Ltd.	2	(1) Smt. Ch. Vyjayanthi (2) Smt. T. Subrahmanyamma
3.	M/s Sikaria Mega Food Park Pvt. Ltd.	3	(1) Surabhi Agriculture SHG (2) Swapna Agriculture SHG (3) Rashmi SHG
Accorded In-principle Approval			
4.	M/s Zoram Mega Food Park Pvt. Ltd.	2	(1) Smt. Zonunsiami (2) Smt. Doris Zothansanji Chhangte
5.	M/s Jain Agro Trading Pvt. Ltd.	1	Ms. Sara H Shafiq
6.	M/s Raaga Mayuri Agrovet Pvt. Ltd.	1	Mrs. V. Mani Reddy
	Total	10	

In the cold chain scheme, 138 cold chain projects are under implementation, out of which there are 60 women promoters in 39 Cold Chain projects.

The number of the female Project Investigators in the R&D programmes sanctioned by the Ministry are as under:—

	Female Project Investigators		Total Project Investigators		Percentage (%)	
	No. of PI	Amount of GIA sanctioned (Rs. in lakh)	No. of PI	Amount of GIA sanctioned (Rs. in lakh)	No. of PI	Amount of GIA sanctioned
Ongoing Projects	18	972.03	120	4010.31	15.0%	24.24%
Completed Projects	16	538.41	70	2441.57	22.86%	22.05%
	34 *	1510.44	190 *	6451.88	17.89%	23.41%

\*Some of the Project Investigators have more than one project and they have been counted separately for each project.

As regards the two academic-cum-research institutes namely, National Institute of Food Technology and Entrepreneurship Management (NIFTEM) and Indian Institute of Crop Processing Technology (IICPT) under the administrative control of Ministry of Food Processing Industries, the details regarding the number of students passed out and studying in various courses; number of female trainees participated in the training programmes; number of female beneficiaries covered under the Village Adoption Programme being conducted by NIFTEM and number of female project investigations in R&D programmes of IICPT by the Ministry are as under:—

NIFTEM	
Number of the female students passed out and studying in various courses being conducted by the NIFTEM.	Passed Out: M.Tech. (2012-14) – 33 Studying: B.Tech. 2012-16 Batch – 50 B.Tech. 2013-17 Batch – 55 B.Tech. 2014-18 Batch – 24 M.Tech. 2013-15 Batch – 33 M.Tech. 2014-16 Batch – 37 Ph.D. 2013 – 00 Ph.D. 2014 – 05
Number of the female trainees who have participated in the training programme conducted by NIFTEM.	1192
Number of female beneficiaries covered under the Village Adoption Programme being conducted by NIFTEM.	615

## IICPT

Number of female students passed out and studying in various courses being conducted by IICPT

- Presently studying: 26 (in M.Tech. + Ph.D. Programmes) and 71 (in B.Tech. Programme)
- Passed out: 65

	B.Tech.	M.Tech. (FPE)	M.Tech. (FST)	Ph.D.
PASSED OUT				
2009-10	13	5		
2010-11	14	6		2
2011-12	13	4		2
2012-13		6		
PRESENT				
2012-13	23			3
2013-14	25	4	6	1
2014-15	25	3	6	3

Number of female trainees who have participated in the training programmes conducted by IICPT

- 1518 (during the year 2014-15)
- 799 (2012-13), 760 (2013-14) and 1148 (2014-15)

Number of female project investigators in the R&D programmes of IICPT sanctioned by the Ministry:—

- 3 Project Investigators and 2 Co-Project Investigators (during the period from 2011-12 till date)

The Human Resource Development (HRD) component of the Centrally Sponsored Scheme National Mission on Food Processing (NMFP) which was being implemented through the State/UT Governments, aimed at skill up-gradation in the food processing sector by imparting training under the Entrepreneurship Development Programme and Food Processing Training Centre components having not less than 35% of the trainees from SC/ST/women candidates. However, the Centrally Sponsored Scheme of NMFP has been delinked from Central

Government support from the financial year 2015-16. State Governments may decide to continue with the Mission out of their increased resources resulting from the recommendations of the 14th Finance Commission.

[Ministry of Food Processing Industries (Letter No.6-02/2015-Parl. dated 16.06.2015)]

### **Comments of the Committee**

For comments of the Committee please refer to Para No. 1.10 of Chapter I of this Report.

## CHAPTER V

OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH  
FINAL REPLIES OF THE GOVERNMENT ARE STILL AWAITED

-Nil-

NEW DELHI;  
14 December, 2015  
23 Agraphayana, 1937 (Saka)

HUKM DEO NARAYAN YADAV,  
*Chairperson,*  
*Standing Committee on Agriculture.*





Government of India  
Ministry of Food Processing Industries  
Panchsheel Bhawan, August Kranti Marg  
New Delhi-110049

DO No. P-11013/01/2015-PC

June 8, 2015

Dear Shri Watal,

The Hon'ble Parliamentary Committee on Agriculture in the Eighth Report on Demands for Grants (2015-16) have expressed their concerns over reduced budgetary allocations to this Ministry and strongly recommended that potential of Food Processing sector in terms of economic growth, employment capacity and food security be duly considered while allocating the BE/RE to this Ministry.

2. The food processing sector is playing a vital role not only in reducing wastage, ensuring better returns to the farmers and promoting employment but also addressing critical issues of food security and food inflation. This sector has recorded an average annual growth rate (AAGR) of around 8.4% during the five years ending 2012-13. Employment in registered food processing units has been growing at AAGR of 2.41% during 2008-09 to 2012-13.

3. The planning Commission had allocated a plan outlay of Rs. 5990 crore for 12th Five Year Plan but year wise status of actual budget allocation is as under:—

(Rs. in crore)

Year	BE	RE	Utilisation	% of utilisation
2012-13	660.00	660.00	655.88	99.38
2013-14	708.00	550.00	527.64	95.93
2014-15	770.00	600.00	579.49	96.63
2015-16	487.00			

This allocation is grossly inadequate for the ongoing Schemes of the Ministry.

4. In view of the recommendations made by Hon'ble Parliamentary Committee on Agriculture, I would request you to substantially augment the provision in the budget for the ongoing schemes of the Ministry at RE stage.

Yours sincerely,  
(Ranglal Jamuda)

Shri R.P. Watal  
Secretary,  
Ministry of Finance,  
Department of Expenditure,  
North Block, New Delhi

## ANNEXURE II

Status of the financial progress of the 21 Mega Food Parks accorded Final Approval (as on 26.05.2015)

(Rs. in Crore)

Sl. No.	Project Name	State	Project Cost	Date of In-principle Approval	Date of Final Approval	Amount of grant approved	Amount of grant released	Actual expenditure
1	2	3	4	5	6	7	8	9
1.	Srini Food Park Pvt. Ltd., Chittoor	Andhra Pradesh	121.10	16.12.2008	27.03.2009	50.00	45.00	122.68
2.	Godavari Mega Aqua Park Pvt. Ltd., West Godavari	Andhra Pradesh	122.60	21.09.2012	16.12.2013	50.00	0.00	7.73
3.	North East Mega Food Park Ltd., Nalbari	Assam	75.98	16.12.2008	27.03.2009	50.00	40.00	49.95
4.	Pristine Logistics and Infraprojects Pvt. Ltd., Khagaria	Bihar	127.60	21.09.2012	06.08.2014	50.00	5.00	8.43
5.	Indus Best Mega Food Park Pvt. Ltd., Raipur	Chhattisgarh	124.50	06.09.2012	04.06.2014	50.00	0.00	2.88
6.	Raipur Mega Food Park Ltd., Bemetara	Chhattisgarh	126.12	21.09.2012	04.06.2014	50.00	0.00	7.51
7.	Gujarat Agro Infrastructure Mega Food Park Pvt. Ltd., Surat	Gujarat	117.87	21.09.2012	22.05.2014	50.00	05.00	16.64

1	2	3	4	5	6	7	8	9
8.	Cre mica Food Park Pvt. Ltd. (earlier known as Poliyan Mega Food Park Pvt. Ltd.), Una	Himachal Pradesh	99.70	21.09.2012	06.08.2014	50.00	5.00	10.49
9.	RFK Greens Food Park Pvt. Ltd., Pulwama	Jammu and Kashmir	79.43	21.09.2012	19.02.2014	50.00	0.00	7.28
10.	Jharkhand Mega Food Park Pvt. Ltd., Ranchi	Jharkhand	114.74	16.12.2008	27.03.2009	50.00	30.00	74.80
11.	Integrated Food Park Pvt. Ltd., Tumkur	Karnataka	144.33	03.08.2010	27.03.2011	50.00	45.00	156.34
12.	Indus Mega Food Park Pvt. Ltd., Khargoan	Madhya Pradesh	127.70	10.10.2011	27.08.2012	50.00	45.00	97.17
13.	Paithan Mega Food Park Ltd., Aurangabad	Maharashtra	124.56	01.04.2011	08.03.2013	50.00	5.00	26.01
14.	Satara Mega Food Park Pvt. Ltd., Satara	Maharashtra	139.33	21.09.2012	06.08.2014	50.00	0.00	32.70
15.	MIT S Mega Food Park Ltd., Rayagada	Odisha	80.17	29.04.2011	16.04.2012	50.00	15.00	19.14
16.	International Mega Food Park Ltd., Fazilka	Punjab	130.38	03.08.2010	25.05.2011	50.00	45.00	120.19
17.	Greentech Mega Food Park Pvt. Ltd., Ajmer	Rajasthan	113.57	21.09.2012	19.02.2014	50.00	5.00	9.75
18.	Sikaria Mega Food Park Pvt. Ltd., West Tripura	Tripura	87.45	29.04.2011	30.11.2011	50.00	20.79	29.27

1	2	3	4	5	6	7	8	9
19.	Patanjali Food and Herbal Park Pvt. Ltd., Haridwar	Uttarakhand	95.08	16.12.2008	27.03.2009	50.00	45.00	95.33
20.	Himalayan Food Park Pvt. Ltd., Udam Singh Nagar	Uttarakhand	99.96	21.09.2012	23.01.2014	50.00	5.00	19.76
21.	Jangipur Bengal Mega Food Park Ltd., Murshidabad	West Bengal	132.71	16.12.2008	16.03.2010	50.00	45.00	125.68



F. No. 21-MFPI/11-Mega Food Park  
Government of India  
Ministry of Food Processing Industries  
Panchsheel Bhawan, August Kranti Marg,  
New Delhi-110019

Dated: 10.09.2014

OFFICE MEMORANDUM

I am directed to inform that the para 9.3 of Consolidated Scheme Guidelines *w.e.f.* 01.10.2012 and Revised Scheme Guidelines *w.e.f.* 10.02.2014 has been modified as under:—

**Existing Para 9.3 of Consolidated Scheme Guidelines *w.e.f.* 01.10.2012 and Revised Scheme Guidelines *w.e.f.* 10.02.2014:—**

“In the event of an SPV withdrawing from executing a project before utilizing the Government assistance, the SPV should immediately return the Government assistance together with the interest accrued thereon, in accordance with provision laid under GFR 19 of Government of India.”

This provision will be applicable for Mega Food Park projects finally approved by the Ministry in Phase 1 and 2.

**Modified Para 9.3 of Consolidated Scheme Guidelines *w.e.f.* 01.10.2012 and Revised Scheme Guidelines *w.e.f.* 10.02.2014:—**

“In the event of SPV withdrawing from executing the Project, SPV shall return the amount of grants-in-aid released by MoFPI together with the interest accrued thereon, within a period of not more than 60 days of acceptance of its withdrawal by MoFPI. The accrued interest shall be

calculated at the SBI Benchmark Prime Lending Rate prevalent at the time or 10% per annum (as per general terms and conditions of grants-in-aid laid down in General Financial Rules-2009, Government of India), whichever is higher. In the event of failure of the SPV in refunding the grant amount along with interest within period specified, a penalty may be imposed by the Ministry.”

This provision will be applicable for Mega Food Park projects finally approved by the Ministry in Phase 3 and onwards.

Sanjay Kumar Singh,  
Under Secretary,  
Government of India.

## ANNEXURE IV

## STATUS OF 110 SANCTIONED POSTS IN NIFTEM

Details of Posts created, filled and to be filled (03.06.2015)

Sl. No.	Post Name	Pay Scale	Post Created	Incumbents in Position	Posts to be filled
1	2	3	4	5	6
1.	Director	75000/- (Fixed) + 5000 Spl. Allowance	1	1	0
2.	Professor	37400-67400+AGP 10000	6	5	1
3.	Associate Professor	37400-67000+AGP 9000	17	8	9
4.	Assistant Professor	15600-39100+AGP 6000	32	28	4
5.	Registrar*	37400-67000+GP 10000	1	1	0
6.	Private Secretary	9300-34800+Grade Pay of Rs. 4600	1	0	1
7.	Personal Assistant	9300-34800+Grade Pay of Rs. 4200	2	0	2
8.	Executive Assistant	9300-34800+Grade Pay of Rs. 4200	2	2	0
9.	Assistant**	9300-34800+Grade Pay of Rs. 4200	9	4	5
10.	Peon	PB 1+1800	2	0	2
11.	Lab Incharge	9300-34800+Grade Pay of Rs. 4200	8	4	4
12.	Lab Technician	PB 1+2800	9	4	5
13.	Deputy Librarian	15600-39100+7600 (A.G.P.)	1	1	0
14.	Assistant Librarian	15600-39100+GP of Rs. 5400	2	2	0
15.	Sr. Library Information Asstt.	9300-34800+Grade Pay of Rs. 4200	2	2	0
16.	Assistant Registrar	15600-39100+Grade Pay of Rs. 5400	3	3	0



1	2	3	4	5	6
17.	Network Administrator	9300-34800+Grade Pay of Rs. 4200	1	1	0
18.	System Administrator	9300-34800+Grade Pay of Rs. 4200	1	1	0
19.	Deputy Controller (Finance and accounts)	15600-39100+Grade Pay of Rs. 7600	1	1	0
20.	Accounts Officer	9300-34800+AGP 4800	1	1	0
21.	Accountant	9300-34800+Grade Pay of Rs. 4200	2	2	0
22.	Cashier	PB 2+4200	1	1	0
23.	Junior Engineer	9300-34800+Grade Pay of Rs. 4200	2	2	0
24.	Deputy General Manager	PB 3+7600	1	1	0
25.	Assistant General Manager	PB 3+5400	1	0	1
26.	Controller of Examination	37400-67000+AGP of 10000	1	0	1
	Total		110	75	35

Note: \* 01 Registrar is likely to join.

\*\* 05 Assistants are likely to join.

Above details also include following contractual appointments: Professor-02, Assistant Professor-04 and Dy. General Manager-01.

For Teaching posts: Rolling vacancy notice for faculty positions advertised and interviews will be conducted by the end of June, 2015.

For Non-teaching posts: Vacancy notice advertised for the posts of CoE, Lab Incharge, Lab Technician, PS and PA. Screening is under process and interview will be conducted by the end of July, 2015.

Eligibility criteria for the posts of DGM and AGM are to be reviewed and thereafter vacancy notice will be advertised.

STANDING COMMITTEE ON AGRICULTURE  
(2015-16)

MINUTES OF THE ELEVENTH SITTING OF THE COMMITTEE

The Committee sat on Thursday, the 10th December, 2015 from 1000 hrs. to 1050 hrs. in Chamber of the Chairperson, Committee on Agriculture, Room No. 138 (Third Floor), Parliament House, New Delhi.

PRESENT

Shri Hukm Deo Narayan Yadav — *Chairperson*

MEMBERS

*Lok Sabha*

2. Prof. Richard Hay
3. Shri Sanganna Karadi
4. Shri Nalin Kumar Kateel
5. Md. Badaruddoza Khan
6. Shri C. Mahendran
7. Dr. Tapas Mandal
8. Shri Janardan Mishra
9. Shri Ajay Nishad
10. Shri Mukesh Rajput
11. Shri Satyapal Singh (Sambhal)
12. Shri B.S. Yeddyurappa

*Rajya Sabha*

13. Shri Mohd. Ali Khan
14. Shri Rajpal Singh Saini
15. Shri Ram Nath Thakur

SECRETARIAT

1. Shri U.B.S. Negi — *Joint Secretary*
2. Shri Arun K. Kaushik — *Director*
3. Shri C. Vanlalruata — *Deputy Secretary*
4. Shri Sumesh Kumar — *Under Secretary*

2. At the outset, Chairperson welcomed the Members to the Sitting of the Committee. Thereafter, the Committee took up for consideration the following draft Reports:—

\*(i) \*\*\*                      \*\*\*                      \*\*\*                      \*\*\*                      \*\*\*

(ii) Draft Report on the Action Taken by the Government on the Observations/Recommendations contained in the 8th Report (16th Lok Sabha) of the Committee on Agriculture (2014-15) on 'Demands for Grants (2015-16)' of the Ministry of Food Processing Industries.

\*(iii) \*\*\*                      \*\*\*                      \*\*\*                      \*\*\*                      \*\*\*

\*(iv) \*\*\*                      \*\*\*                      \*\*\*                      \*\*\*                      \*\*\*

\*(v) \*\*\*                      \*\*\*                      \*\*\*                      \*\*\*                      \*\*\*

3. After some deliberations, the Committee adopted the draft Reports without any modification. They authorized the Chairperson to finalize and present these Reports to Parliament after getting them factually verified from the concerned Departments/Ministry.

\* 4. \*\*\*                      \*\*\*                      \*\*\*                      \*\*\*                      \*\*\*

---

\* Matter not related to this Report.

## APPENDIX

(Vide Para 4 of Introduction of the Report)

### ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON THE EIGHTH REPORT OF COMMITTEE ON AGRICULTURE (16TH LOK SABHA)

- (i) Total number of Recommendations: 17
- (ii) Observations/Recommendations which have been Accepted by the Government:
- Recommendation Nos. 1, 2, 3, 4 5, 7, 8, 9, 10, 11, 12, 13, 14 and 15
- Total : 14  
Percentage : 82.35%
- (iii) Observations/Recommendations which the Committee do not desire to pursue in view of the Government's reply:
- Recommendation Nos. 16 and 17
- Total : 2  
Percentage : 11.76%
- (iv) Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee:
- Recommendation No. 6
- Total : 1  
Percentage : 5.88%
- (v) Observations/Recommendations in respect of which final replies of the Government are still awaited:
- Recommendation No. -Nil-
- Total : 0  
Percentage : 0%



---

---

“All Parliamentary Publications including DRSC Reports are available on sale at the Sales Counter, Reception, Parliament House (Tel. Nos. 23034726, 23034495, 23034496), Agents appointed by Lok Sabha Secretariat and Publications Division, Ministry of Information and Broadcasting, CGO Complex, Lodhi Road, New Delhi (Tel. Nos. 24367260, 24365610) and their outlets. The said information is available on website ‘[www.parliamentofindia.nic.in](http://www.parliamentofindia.nic.in)’.

The Souvenir Items with logo of Parliament are also available at Sales Counter, Reception, Parliament House, New Delhi. The Souvenir items with Parliament Museum logo are available for sale at Souvenir Shop (Tel. No. 23035323), Parliament Museum, Parliament Library Building, New Delhi. List of these items are available on the website mentioned above.”

---

---