

STANDING COMMITTEE ON AGRICULTURE

(2008-09)

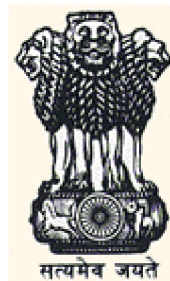
FOURTEENTH LOK SABHA

MINISTRY OF FOOD PROCESSING INDUSTRIES

DEMANDS FOR GRANTS (2008-2009)

**{Action Taken by the Government on the
Observations/Recommendations contained in the Fortieth Report of the
Standing Committee on Agriculture (2007-2008)}**

FORTY FIFTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

DECEMBER, 2008/AGRAHAYANA, 1930 (Saka)

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COMPOSITION OF THE STANDING COMMITTEE ON AGRICULTURE (2008-2009)

@ Shri Mohan Singh – Chairman

MEMBERS

LOK SABHA

2. Shri Ranen Barman
3. Shri Anil Basu
4. Shri Manoranjan Bhakta
5. Shri Girdhari Lal Bhargava
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15. Shri K.J.S.P.Reddy
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17. Shri Chandra Bhushan Singh
18. Shri M.P.Veerendra kumar
19. Shri Baleshwar Yadav
- *20. Vacant
- #21. Vacant

RAJYA SABHA

22. Shri Ishwar Singh
23. Smt. Mohsina Kidwai
24. Shri Vikram Verma
25. Shri Vinay Katiyar
26. Dr. Janardhan Waghmare
27. Shri Sharad Anantrao Joshi
28. Prof. M.S.Swaminathan
29. Shri M.Rajasekara Murthy
- \$30. Shri Kore Prabhakara
- %31. Vacant

@ Shri Mohan Singh has been appointed Chairman of the Committee by Hon'ble Speaker, w.e.f. 5 December, 2008 vice Prof. Ram Gopal Yadav elected to the Rajya Sabha, w.e.f. 14.11.2008.

* Sh. Kuldeep Bishnoi ceased to be the Member of this Committee owing to disqualification under 10th Schedule by Hon'ble Speaker w.e.f. 10th September, 2008.

Sh. Hari Rama Jogaiah ceased to be the Member of the Committee owing to his Resignation from Lok Sabha w.e.f. 6 November, 2008.

\$ Sh. Kore Prabhakara was nominated by the Chairman, Rajya Sabha, to be the Member of the Committee w.e.f. 1st September, 2008.

% Shri Harish Rawat ceased to be the Member of the Committee due to retirement from Rajya Sabha w.e.f. 25.11.2008.

SECRETARIAT

- | | | | |
|----|-------------------|---|-------------------|
| 1. | Shri S.K. Sharma | - | Secretary |
| 2. | Shri A.K.Singh | - | Joint Secretary |
| 3. | Smt. Veena Sharma | - | Director |
| 4. | Shri Raj Kumar | - | Deputy Secretary |
| 5. | Ms. Amita Walia | - | Under Secretary |
| 6. | Shri M.D. Tuteja | - | Committee Officer |

INTRODUCTION

I, the Chairman, Standing Committee on Agriculture, having been authorized by the Committee to submit the Report on their behalf, present this Forty Fifth Report on Action Taken by the Government on the Observations/Recommendations contained in the Fortieth Report of the Standing Committee on Agriculture (2007-2008) (Fourteenth Lok Sabha) on Demands for Grants of the Ministry of Food Processing Industries for the year 2008-2009.

2. *The Fortieth Report of the Standing Committee on Agriculture (2007-2008) on Demands for Grants (2008-2009) of the Ministry of Food Processing Industries was presented to Lok Sabha on 16.04.2008 and laid in Rajya Sabha on the same day. The Ministry of Food Processing Industries was requested to furnish action taken replies of the Government to the recommendations contained in the Fortieth Report. The replies of the Government to all the recommendations contained in the Report have been received.*

3. The Committee considered the action taken replies furnished by the Government at their sitting held on 16th December, 2008, approved the draft comments and adopted the Forty Fifth Report. Minutes of the sitting are placed at Appendix I.

4. An analysis of the Action Taken by the Government on the observations/recommendations contained in the Fortieth Report (14th Lok Sabha) of the Committee is given in Appendix-II.

NEW DELHI;
16 December, 2008
25 Agrahayana, 1930 (Saka)

MOHAN SINGH
Chairman,
Standing Committee on Agriculture

CHAPTER I

REPORT

This Report of the Committee on Agriculture deals with the action taken by the Government on the recommendations contained in the Fortieth Report (Fourteenth Lok Sabha) of the Standing Committee on Agriculture (2007-08) on Demands for Grants (2008-09) of the Ministry of Food Processing Industries which was presented to the Lok Sabha and laid in the Rajya Sabha on 16.4.2008.

1.2 The Action Taken Replies in connection with the 40th Report of the Committee relating to Demands for Grants (2008-09) of the Ministry of Food Processing Industries have been examined and classified as under: -

- (i) Observations/Recommendations that have been accepted by the Government (Chapter II of the Report) Recommendation Sl. Nos. 3,5,7 and 8 (Total –04)
- (ii) Observations/Recommendations which the Committee do not desire to pursue in view of the Government's action taken reply (Chapter III of the Report) (Total –Nil)
- (iii) Observations/Recommendations in respect of which action taken replies of the Government have not been accepted by the Committee (Chapter IV of the Report) Sl. No. 4 (Total-01)
- (iv) Observations/Recommendations in respect of which final replies of the Government are still awaited. (Chapter V) Recommendation Sl.Nos.1, 2,6,9 and 10 (Total –05)

1.3 The Committee desire that the final replies in respect of recommendations for which only interim replies have been given by the Government should be furnished to the Committee expeditiously.

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

(Recommendation No. 4)

MEGA FOOD PARKS

1.5 Regarding setting up of mega food parks, the Committee had recommended as under: -

“The Committee find that the Ministry had started a scheme of ‘Food Parks’ during 10th Plan. A total of 56 food parks had been approved, out of which, 29 are stated to be operational. Now, the Ministry has come up with a new scheme of ‘Mega Food Parks’. The Committee feel that announcement of the new ‘Mega Food Parks, scheme is just an eyewash to conceal the total failure of Food Parks Scheme. Even out of so called 29 operational Food Parks, none appears to be actually functioning and achieving the objectives for which these were set up. The Committee have been informed that with some modifications/improvements with the help of Project Management Agency, 30 Mega Food Parks are to be set up and sites for 5 such parks have also been identified.

The Committee desire that Government should find out the ways to make those 29 food parks viable, for which assistance has already been given, by removing the drawbacks/bottlenecks. The Committee now expect the Ministry to set up Mega Food Parks only after full and detailed examination weighing all the pros and cons of the situation and overcoming all the deficiencies of Food Parks Scheme. All the infrastructural facilities should be provided in time and forward and backward linkages should be established before hand so that the commercial viability of the project is not hampered.

The Committee also suggest that every Mega Food Parks should have section on organic health foods. With the help of medical people, various varieties of healthy food like navara rice from Kerala, Kilian or Kalinga Kala Zeera from Koraput can be introduced in this section which will attract the local and foreign consumers by giving them health benefits. Moreover, some other food items like millets, oilseeds, pulses which are slowly vanishing, can be brought and grown in the mega food parks, as special items. Further, steps should be taken to process coarse cereals like bajra, whole series of minor millets and traditional grains like paspalam, panickam and kodo etc. so as to ensure their consumption and enlarge the food basket.”

1.6 The Government, in their Action Taken reply have stated as under:

PRESENT STATUS OF THE FOOD PARKS:

The Scheme of the Food Park was started during the 8th Plan continued up the 10th Plan. A total of 56 Food Parks have been approved by the Ministry out of which 32 are operational. Existing Food Parks being infrastructure project, which are capital intensive with long gestation period and with low assistance levels under the 8th to 10th Plans, could attract very little private investment. Keeping in view the shortcomings noticed in the implementation of the food park project, viz. lack of backward and forward linkages, financial closures, poor management, the same have been proposed to be rectified in the proposed Mega Food Park scheme being launched during the XI Plan.

SHORTCOMINGS AND REASONS THEREOF:

The Ministry of Food Processing Industries had engaged reputed external agencies to carry out evaluation of the scheme. As most of the Food Parks have been promoted by State Industrial Development Agencies, they were conceptualized in traditional industrial estate mode with no forward and backward linkages. This has resulted in valuable real estate having been acquired but utilized at low levels of efficiency.

Major reasons as identified for the poor functioning of the parks are mentioned below:

- Poor site selection.

- Delay in providing basic infrastructure facilities like power, water, road etc.

- Absence of strong backward linkages.

- Weak linkages with the market.

- Delay in release of financial assistance.

- Poor management and implementation capabilities.

- Lack of funding for components such as internal roads, drainage, environment control facilities and solid waste management facilities etc, which are essential infrastructures needed for the food parks.

EFFORTS TO MAKE THE FOOD PARKS FUNCTIONAL:

The Ministry is conducting a project wise review of all the Food Parks and taking all possible steps to make the parks functional in close coordination with the State Nodal Agencies/ Implementing Agencies. The Ministry is proposing a diagnostic study for these food parks to prepare the action plan for revival of food parks wherever required in consultation with the State Government and the Implementing Agencies.

EFFORTS FOR REMOVAL OF THE SHORTCOMINGS NOTICED EARLIER IN THE PROPOSED MEGA FOOD PARK SCHEME:

The present proposal of Mega Food Park scheme envisages a totally integrated approach, to provide a mechanism to bring the farmers, processors and retailers together and link agricultural production to the market so as to ensure maximization of the value addition, minimize wastages and improve farmer's income. The scheme of Mega Food Park has been formulated based on detailed and wide consultations with the industry and also the learning experience from the previous scheme. The projects are proposed to be implemented by the Special Purpose Vehicle (SPV) in which the stakeholders will be the investors (producers' agencies, retailers, service providers, State Government Agencies, Financial Institutions etc.). An SPV will involve stakeholders, including farmers' organization/ associations, financial institutions, processors, retailers and exporters etc. The SPV will also establish a professional management structure to perform various functions. The Scheme will seek substantial investment in the farm proximate infrastructure including primary processing centers and cold chain logistics.

ENGAGEMENT OF PROJECT MANAGEMENT AGENCY TO STUDY THE VIABILITY OF SETTING UP OF MEGA FOOD PARKS:

Keeping in view the complexities of the agribusiness sector and the need for management intensive hand holding project, the Ministry proposes engagement of independent agency to assist the investment in preparation of detailed feasibility study and Detailed Project Report, structuring and formation of SPV to facilitate obtaining approval of the Ministry for the proposed projects. The presence of PMA at the apex level with the experience in implementing large infrastructure projects, especially cluster infrastructure projects will help in ensuring successful implementation of the project.

PROVISION OF SECTION ON ORGANIC FOODS IN THE FOOD PARKS:

The scheme of Mega Food Park is a demand driven scheme, which can be established for any sector on need, and viability basis such as fruit and vegetables, dairy, meat and poultry etc or it can have a combination of these products. This will be decided by the Special Purpose Vehicle (SPV) or the implementing agencies. Thus, this scheme will have the flexibility to include the organic food also.

Comments of the Committee

1.7 The Committee are perturbed to note that no serious efforts are being made by the Government to revive the food parks. The Committee have been informed that out of 56 approved food parks, 32 are operational. As informed by the Ministry, ones the park's infrastructural facilities gets completed it is considered to be operational. So, the Committee wonder how many out of these 32 are actually functioning as a full fledged food park and are not merely a piece of land or some meak structure. The

Committee further note that the main reasons for the poor functioning of these parks have been identified by the Government. They, however, fail to understand why the Government cannot rectify the problems and make them really functional. The Committee feel that by not making these parks functional, huge lands are being wasted, investments made till date thereon totally unreturnable, the work done by the people gone futile and also the hopes of the small and medium entrepreneurs are washed away.

The Committee are not averse to the idea of establishing mega food parks rather they welcome it but at the same time they desire that all out concerted efforts should be made to revive the existing food parks first so that the targets enumerated in the “Vision Documents 2015” could be achieved. The Committee opine that land allotted for food parks could be used to establish mega food park so that valuable land is not reduced to just a pasture land and the Ministry of Food Processing Industries would not have to come up with a new scheme in every five years due to failure of the previous ones. The Committee therefore, reiterate their earlier recommendation and desire the Government to come up with a fool proof action plan to revive the existing food parks by plugging all the loopholes and also establish the mega food parks without leaving any stone unturned giving way to failures. All the infrastructural facilities should be provided with forward and backward linkages before hand so that the commercial viability of the project is not hampered.

(Recommendation No. 6)

INFRASTRUCTURE FOR FOOD PROCESSING

1.8 Regarding infrastructure for food processing, the Committee had recommended as under:-

“The Committee note that the country produce annually 90 million tonnes of milk (highest in the world), 150 million tonnes of fruits and vegetables (second largest), 485 million livestock (largest), 204 million tonnes food-grain (third largest), 6.3 million tonnes of fish (third largest), 489 million Poultry and 45, 200 million eggs.

The Committee find that India’s agricultural base is strong but at the same time wastage of agricultural produce is massive. The infrastructural facilities for food processing sector in India are extremely poor as we are able to process only around 2.2% for fruits and vegetables compared to countries like USA (65%) Philippines (78%) and China (23%); 26% for marine, 6% for poultry and 20% for buffalo meat, as against 60-70% in developed countries.

According to an estimate, for want of post-harvest technologies/non-availability of food processing facilities, the country incurs a whopping annual wastage of food worth over Rs 58000 crore. The Committee are of the view that only cold storages and chilling are not efficient techniques to preserve the perishable produce. The Ministry should encourage and invest in research to find out the new technologies for preservation of various produce. Further, the efforts should be made to provide logistic support and facilities for easy transportation so as to have better raw material for processing.

The Committee also note that the Ministry has been providing financial assistance in the form of grant-in-aid up to 25 per cent of the cost of plant and machinery and technical civil works in general areas and 33.33 per cent in difficult areas with a common ceiling of Rs 75.00 lakhs for the cold chain scheme.

The Committee recommend that in difficult areas cost of cement, steel, land development and transport etc., every thing is much more expensive, therefore, the grant component should be 40 per cent of the cost without any ceiling of Rs 75.00 lakh in these areas.

The Committee further recommend that under the scheme for infrastructure development the Ministry should be provided Rs 450.00 crore as demanded by them against BE of Rs 100.00 crore for 2008-09 at RE stage, and in turn Ministry should come up with schemes/projects to avoid the losses in perishable commodities.

The Committee also desire that research for making wine or any other beverage from apple, sugarcane, potato, grapes, coconut etc. should be made. For popularization and encouragement of these beverages some relaxation in excise duty may also be given to increase the domestic consumption, thus giving boost to production and processing of these fruits and vegetables.”

1.9 The Government, in their Action Taken reply have stated as under:

“The proposal of Mega Food Park scheme during 11th Plan envisages an integrated approach. Mega Food Park scheme envisages to provide a mechanism to bring farmers, processors and retailers together and link agricultural production to the market so as to ensure maximization of value addition, minimize wastages and improve farmers’ income. The projects are proposed to be implemented by SPV in which the stakeholders will be the investors in the park (producers’ agencies, retailers, service providers, processors, State Government Agencies, financial institutions etc.).

One of the most critical elements in the Food Processing sector is an efficient supply chain. Since Mega Food Parks are being envisaged at some limited locations only, the distinct components under 10th Plan viz. pack houses, value added centre, Packaging Centre, Irradiation Centre, has been integrated to one single component “ Cold chain, value addition and preservation infrastructure” to cater to the varied project demands throughout the country. This will bring in flexibility in the scheme to undertake varied/integrated projects resulting in value addition /processing/preservation of horticulture including organic dairy, marine sector, etc. This component will enable to assist cold chain, preservation, value addition, infrastructure including multi-line fruit and vegetable processing, IQF, etc. Cold Chain infrastructure will enable smaller groups of producers particularly in horticulture, organic, dairy, marine etc. to be linked (sustainability) mostly through a cold chain mechanism.

The Mega Food Park scheme is under finalization and upon approval & notification of the scheme, formal proposals would be invited and investors identified. Approval for the entire outlay for the 11th Five Year Plan has been accorded. Total Plan outlay approved is Rs. 4031 crore, which includes the outlay proposed for Mega Food Park, Integrated Cold Chain and Abattoirs. For Annual Plan 2008 – 09 the outlay of Rs. 290 Crores has already been approved which included Rs. 100 Crores for infrastructure scheme.

Production of Wine and other beverages from various fruits has been identified as one of the focused areas for R&D in the Food Processing Sector. Ministry of Food processing industries is encouraging various institutions to submit proposals related to wine or any other beverages from apple, sugarcane,

potato, grapes, coconut etc. The Ministry would support proposals on these issues on merit basis during 11th Five Year Plan.

Excise duty on such items is administered by respective State Governments and each State has its own rate. However, MFPI is constantly pursuing for greater tax incentive for food processing sector.”

Comments of the Committee

1.10 The Committee desire that schemes to encourage research to find out new technologies for preservation of various agricultural produce including wine/ beverage from apple, potato, grapes, coconut etc. should be formulated at the earliest. Moreover, the State Governments should be directed to provide tax incentives on such items.

(Recommendation No. 9)

MODERNIZATION OF ABATTOIRS

1.11 Regarding modernization of abattoirs, the Committee had recommended as under:-

“The Committee note the scheme for modernization of abattoirs has been taken up by the Ministry with the target of 50 abattoirs to be modernized/ set up during 11th Plan period with an outlay of Rs. 628 crore.

The Committee desire that Project Management Agency (PMA), which is proposed to be assisting M/o FPI in appraisal and implementation of the project, should be given a time bound programme so that the implementation is not unnecessary delayed on the pretext of evaluation of reports. The agency should

ensure that wherever abattoirs are being developed in rural areas, Gram Sabha or Panchayati Raj institutions are involved.

The Committee have noticed that in some places the residuals lying near the slaughter houses are badly affecting the area and ground water. Therefore, they desire that proper and adequate infrastructure should be made available to hygienically dispose off the waste and residuals.

The Committee further recommend that in view of increasing demand for quality leather special care for animal skin should be taken in the abattoirs. Farmers and workers should be educated to save the skin so as to have better quality of leather. The Committee recommend that a small group consisting representatives from Central Leather Research Institute, State Level Research Institutes, ICAR, Department of AHD&F and Ministry of Food Processing Industries should be formed to lay down guidelines to take care of livestock and its by-products, as modern slaughter houses are important for safe hygienic slaughtering of animals and proper use of animal by-products.”

1.12 The Government, in their Action Taken reply have stated as under:

“In respect of the role of PMA for evaluating and appraising of the project reports and time involved therein, while signing the MOU with PMA, the time bound schedule will be fixed for the each activity to be performed by the PMA in prescribed time limit.

While submitting the proposal from rural areas, project promoter has to obtain all the required clearances including clearance and no objection certificate from the Local authority and also involvement of Panchayati Raj institutions may

be considered by the project promoter on Public Private Partnership (PPP) mode of project.

In the proposed scheme of Modernization of Abattoir, the project must have rendering facilities for disposal of slaughter waste and Effluent Treatment Plant will also be an essential component of the project for treatment of the wastewater of the project. These two essential components of Modern Abattoir will take care of hygienic disposal of slaughter waste residues and wastewater.

With regard to maintaining the quality of leather, the modern slaughter facilities envisage the mechanical dehiding operation and separate hide rooms where the trimming, flattening and salting of the skin will be carried out for further production of quality leather in the leather industry.

The MFPI has already proposed the National Meat and Poultry Processing Board to formulate and implement comprehensive Action Plan with regard to various problems and crucial issues of the meat processing sector (e.g. training, capacity building, quality Control labs, GMP, HACCP etc.). The board will take up the required work and activities for overall and sustainable development of the meat and poultry meat-processing sector and its by-products in India. “

Comments of the Committee

1.13 The Committee desire the Government to expedite the process of setting up of National Meat and Poultry Processing Board and also give them specific mandate to take care of livestock by products and conforming to the high hygienic and safety standards in this regard.

CHAPTER II

OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

(Recommendation No. 3)

NATIONAL INSTITUTE OF FOOD TECHNOLOGY

2.1 The Committee are happy to note that a National Institute of Food Technology, Entrepreneurship and Management (NIFTEM) is being set up at Kundli, Haryana as a knowledge institution for the food processing sector with the approved cost of Rs.244.6 crore. The Institute is likely to be fully operational from the year 2010-11. The Committee are of the opinion that apart from offering B.tech, M.tech & Ph.D courses in Food Technology and in Management, there is a need to have more courses involving research on social marketing for the processed food. The Committee recommend that the research courses in social marketing should also be added in the mandate of NIFTEM so as to increase the processing rate and consumption thereof. The Committee further desire that the availability of funds required for setting up of this institute should not be a hindrance at any stage so that it should start functioning fully from 2010-11.

REPLY OF THE GOVERNMENT

2.2 National Institute of Food Technology, Entrepreneurship and Management (NIFTEM) has been incorporated as a section 25 Company under Companies Act 1956. The Ministry has already taken possession 100 acres of land from Haryana State Industrial Infrastructure Development Corporation (HSIIDC).

Foundation Stone of NIFTEM was laid down by Smt. Sonia Gandhi, Chairperson, United Progressive Alliance (UPA) on 7th October, 2007. Memorandum of Understanding (MOU) has been signed with National Buildings Construction Corporation (NBCC) on 31.10.2007 for Design Architecture and Construction of NIFTEM. NIFTEM has signed MOU with M/s RITES Limited on 15.01.2008, as third party inspection agency to oversee the quality and standard of the raw material and building as per norms. NIFTEM has also signed an agreement with Cornell University, United States of America (USA) through Cornell-Sathguru Foundation for Development on 08.01.2008 for design of Course curriculum, Laboratories facilities design, faculty exchange etc. Haryana State Pollution Control Board has given 'No Objection Certificate' to NIFTEM from pollution angle. The design of NIFTEM campus has been approved and construction work has also commenced.

The recommendation of Committee regarding inclusion of research courses on social marketing of processed food will be duly taken care while finalizing the course curriculum. Further, as desired by the Committee, it would be ensured that availability of funds should not be a hindrance in setting up of this institute.

(Recommendation No. 05)

UPGRADATION OF QUALITY OF STREET FOOD

2.3 The Committee note that a new scheme for 'Up-gradation of Quality of Street Food' with the allocation of Rs. 5 crore for 2008-09 is to be implemented during 11th Plan period. The Committee are of the view that food safety

standards are very important to be followed under the scheme. The Committee desire that strict quality control, safety and environmental hygiene measures should be ensured so that in future the Government can link it up with the Ministry of Tourism and have the food streets like in Singapore and other countries which attract tourists also.

The Committee further feel that raw material is the beginning product and food is only the end product. Therefore, the Committee recommend that concrete steps should be taken to ensure that raw material is free of pesticides, residues and other contamination. This scheme needs to be implemented by working in the area of food safety from quality literacy movement at village level, from where raw material comes. Even the codex standards, which are only known to experts today, should be known to common farmers, farm women and vendors so that they could provide the quality raw material which would make the quality end product to be sold in Food Streets.

REPLY OF THE GOVERNMENT

2.4 When the Food Safety and Standards Bill (now Food Safety and Standards Act, 2006) was being discussed in the Parliament, the itinerant hawkers and street food vendors were deliberately kept outside the licensing provisions of the said Act as it was deemed to be premature to impose such standards without adequate capacity-building of the existing vendors. Accordingly, this Scheme has been formulated to provide the street food vendors with an identity and introduce various capacity-building measures so as to enable them to voluntarily adopt safe and hygienic practices of food handling,

preparation, storage and presentation. On the other hand, it was also necessary to sensitize the various stakeholders to the problems faced by these food vendors and on the part of the consumers to demand safe and hygienic food.

Focusing on the above issues, the Scheme has been formulated to be implemented directly by the urban local bodies or through their Town Vending Committees. The local urban bodies would play the pivotal role for the successful implementation of the Scheme also in terms of provision of other civic amenities like drinking water facilities, public utilities, waste management systems, lighting, parking facilities, etc.

The Scheme has two components: -

Safe Food Towns

Food-Streets

The component of Safe Food Towns aims at various capacity-building measures for the street food vendors to enable them to voluntarily adopt safe and hygienic food vending practices, whereas the Food-Streets would be located at places of tourist attraction where ethnic cuisines would be served in a hygienic manner in a delightful ambience.

Strict quality control, safety and environmental hygiene measures are very much desirable to be ensured and is in fact our ultimate objective. As a first step, it would be essential to enable the poor street food vendors capable of voluntarily adopting the hygienic practices. Once the vendors are brought to this level, it will be easy and feasible to bring them under the food safety regulations..

For taking steps to ensure that raw material is free of pesticides residues and other contaminants, Ministry of Agriculture has been requested to promote safe agri-practices with the assistance of the extension services to disseminate

information to common farmers, farm women, etc. so that quality raw materials are produced.

(Recommendation No. 07)

PROCESSING OF MEAT, POULTRY AND FISH

2.5 The Committee note that during 10th Five Year Plan, only 21 meat and poultry units, 53 dairy units and 59 deep sea fishing and fish processing units could avail the assistance. The Committee are of the view that consumption of meat, poultry and fish in the country is low which leaves a great scope for processed products in the field. The Committee recommend that attention should be given for value addition and quality rather than capacity building. The funds should be utilized on R&D in this field to have value added/ quality products, which could be exported, as the domestic consumption of processed non-vegetarian food is low.

Further, the Committee have been given to understand that the Ministry is not able to do much in this direction because MPEDA, which is the agency for marine processing, is not under their jurisdiction. The Committee, therefore, recommend that the Ministry of FPI should approach Ministry of Commerce to launch the schemes in this field jointly so that schemes are neither overlapped nor under performed for want of adequate controls.

REPLY OF THE GOVERNMENT

2.6 The proposals of R&D projects from Universities and Central Food Technology Research Institute, Mysore, for development of value added Dairy

and Meat products having appeal in the domestic and international market and for up gradation of their processing technologies are being considered by the Ministry and financial assistance are being provided under R&D scheme of the Ministry.

Further, to attain convergence of related schemes of MPEDA & MFPI, a meeting on this issue was held under the Chairmanship of Secretary (FPI) with the Chairman, MPEDA was held on 30.11.2007 and it was decided to draw up an action plan where MFPI & MPEDA can synergize their efforts in the area of processing of fish products towards establishment of cold storages, capacity building through EDP/Training & Laboratory/HACCP facilities and also drawing up cluster development approach, including all promotional activities in the Marine & Fish Processing sector.

(Recommendation No. 08)

RESEARCH IN BIOMASS

2.7 The Committee note with satisfaction that the one time small Paddy Processing Research Centre at Thanjavur, Tamil Nadu is being upgraded and developed as Indian Institute of Crop Processing Technology (IICPT). The Committee feel that in Paddy Processing many things can be made from the straw, bran and husk. From rice alone there are 29 different kinds for commercially viable products for which even banks are willing to provide money. Moreover, if our country is producing about 220 million tonnes of food grains, the plants are producing another 400 million tonnes of biomass. The Committee,

therefore, recommend that the Ministry should include the entire process of biomass of plant in the mandate of the Indian Institute of Crop Processing Technology.

The Committee further observe that the proper research on biomass, the Ministry will be in a position to set up biomass parks by the end of this Plan. It is hoped that this will prove out to be a commercially viable project from which energy can also be generated.

REPLY OF THE GOVERNMENT

2.8 The Indian Institute of Crop Processing Technology (IICPT) is already working with development of new commercially viable food products from rice in addition to the already existing numerous products.. IICPT will also include in its mandate the research and development of technologies for economic utilization of straw, bran and husk from rice and the by- products of other grains, pulses, millets and oil seeds.

The quantity of biomass produced in India is one of the largest around the world. Huge potential exists for utilizing this biomass for energy, organic manure of other economically valuable products of national and international importance. The IICPT proposes research projects to use these biomass resources for economic benefits of stakeholders and the country as a whole.

CHAPTER III

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

-NIL-

CHAPTER IV

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

(Recommendation No. 4)

MEGA FOOD PARKS

4.1 The Committee find that the Ministry had started a scheme of ' Food Parks' during 10th Plan. A total of 56 food parks had been approved, out of which, 29 are stated to be operational. Now, the Ministry has come up with a new scheme of 'Mega Food Parks'. The Committee feel that announcement of the new 'Mega Food Parks, scheme is just an eyewash to conceal the total failure of Food Parks Scheme. Even out of so called 29 operational Food Parks, none appears to be actually functioning and achieving the objectives for which these were set up. The Committee have been informed that with some modifications/improvements with the help of Project Management Agency, 30 Mega Food Parks are to be set up and sites for 5 such parks have also been identified.

The Committee desire that Government should find out the ways to make those 29 food parks viable, for which assistance has already been given, by removing the drawbacks/bottlenecks. The Committee now expect the Ministry to set up Mega Food Parks only after full and detailed examination weighing all the pros and cons of the situation and overcoming all the deficiencies of Food Parks Scheme. All the infrastructural facilities should be provided in time and forward

and backward linkages should be established before hand so that the commercial viability of the project is not hampered.

The Committee also suggest that every Mega Food Parks should have section on organic health foods. With the help of medical people, various varieties of healthy food like navara rice from Kerala, Kilian or Kalinga Kala Zeera from Koraput can be introduced in this section which will attract the local and foreign consumers by giving them health benefits. Moreover, some other food items like millets, oilseeds, pulses which are slowly vanishing, can be brought and grown in the mega food parks, as special items. Further, steps should be taken to process coarse cereals like bajra, whole series of minor millets and traditional grains like paspalam, panickam and kodo etc. so as to ensure their consumption and enlarge the food basket.

REPLY OF THE GOVERNMENT

PRESENT STATUS OF THE FOOD PARKS:

4.2 The Scheme of the Food Park was started during the 8th Plan continued up the 10th Plan. A total of 56 Food Parks have been approved by the Ministry out of which 32 are operational. Existing Food Parks being infrastructure project, which are capital intensive with long gestation period and with low assistance levels under the 8th to 10th Plans, could attract very little private investment. Keeping in view the shortcomings noticed in the implementation of the food park project, viz. lack of backward and forward linkages, financial closures, poor management, the same have been proposed to be rectified in the proposed Mega Food Park scheme being launched during the XI Plan.

SHORTCOMINGS AND REASONS THEREOF:

The Ministry of Food Processing Industries had engaged reputed external agencies to carry out evaluation of the scheme. As most of the Food Parks have been promoted by State Industrial Development Agencies, they were conceptualized in traditional industrial estate mode with no forward and backward linkages. This has resulted in valuable real estate having been acquired but utilized at low levels of efficiency.

Major reasons as identified for the poor functioning of the parks are mentioned below:

- Poor site selection.

- Delay in providing basic infrastructure facilities like power, water, road etc.

- Absence of strong backward linkages.

- Weak linkages with the market.

- Delay in release of financial assistance.

- Poor management and implementation capabilities.

- Lack of funding for components such as internal roads, drainage, environment control facilities and solid waste management facilities etc, which are essential infrastructures needed for the food parks.

EFFORTS TO MAKE THE FOOD PARKS FUNCTIONAL:

The Ministry is conducting a project wise review of all the Food Parks and taking all possible steps to make the parks functional in close coordination with the State Nodal Agencies/ Implementing Agencies. The Ministry is proposing a diagnostic study for these food parks to prepare the action plan for revival of food

parks wherever required in consultation with the State Government and the Implementing Agencies.

EFFORTS FOR REMOVAL OF THE SHORTCOMINGS NOTICED EARLIER IN THE PROPOSED MEGA FOOD PARK SCHEME:

The present proposal of Mega Food Park scheme envisages a totally integrated approach, to provide a mechanism to bring the farmers, processors and retailers together and link agricultural production to the market so as to ensure maximization of the value addition, minimize wastages and improve farmer's income. The scheme of Mega Food Park has been formulated based on detailed and wide consultations with the industry and also the learning experience from the previous scheme. The projects are proposed to be implemented by the Special Purpose Vehicle (SPV) in which the stakeholders will be the investors (producers' agencies, retailers, service providers, State Government Agencies, Financial Institutions etc.). An SPV will involve stakeholders, including farmers' organization/ associations, financial institutions, processors, retailers and exporters etc. The SPV will also establish a professional management structure to perform various functions. The Scheme will seek substantial investment in the farm proximate infrastructure including primary processing centers and cold chain logistics.

ENGAGEMENT OF PROJECT MANAGEMENT AGENCY TO STUDY THE VIABILITY OF SETTING UP OF MEGA FOOD PARKS:

Keeping in view the complexities of the agribusiness sector and the need for management intensive hand holding project, the Ministry proposes engagement of independent agency to assist the investment in preparation of detailed feasibility study and Detailed Project Report, structuring and formation of SPV to facilitate obtaining approval of the Ministry for the proposed projects. The presence of PMA at the apex level with the experience in implementing large infrastructure projects, especially cluster infrastructure projects will help in ensuring successful implementation of the project.

PROVISION OF SECTION ON ORGANIC FOODS IN THE FOOD PARKS:

The scheme of Mega Food Park is a demand driven scheme, which can be established for any sector on need, and viability basis such as fruit and vegetables, dairy, meat and poultry etc or it can have a combination of these products. This will be decided by the Special Purpose Vehicle (SPV) or the implementing agencies. Thus, this scheme will have the flexibility to include the organic food also.

Comments of the Committee

4.3 For Comments of the Committee please refer to para No. 1.7 of Chapter I of this Report.

CHAPTER V

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

(Recommendation No. 01)

BUDGETARY ALLOCATION

5.1 The Committee note that in 1988 when the Ministry of Food Processing Industries came into existence, the food processing sector was being hailed as the sun-rise sector. But for the Indian Food Processing sector with a miniscule contribution of just 1.5% to the global trade in the sector, the sun is yet to shine. The Committee is perturbed to find that against the demands of Rs. 870.65 crore for 2008-09 by the Ministry of Food Processing Industries, the Planning Commission has allocated Rs.299 crore (Rs. 290 crore Plan and Rs. 9 crore Non-Plan) only. The representatives of Ministry informed that though the tentative Plan allocation for 11th plan was Rs.4031 crore but due to low expenditure during 2007-08, only Rs.290 crore have been allocated this year.

The Committee further note with dissatisfaction that budgetary support to the Ministry of Food processing Industries is only 0.0772% of the total central Government outlay, which speaks volumes of non-attention being paid by the Government towards this industry. Whereas Vision document 2015 on food processing targets to triple the size of processed food sector i.e. increase the processing of perishable from 6% to 20%, value addition from 20% to 30% and doubling the share in global food trade from 1.5% to 3%.

Taking note of the fact that the Ministry of Food Processing Industries has completed 20 years, the Committee recommend that a high level Committee/Group should be set up under the Chairmanship of an eminent food technologist to review the success and failures and suggest short term and long - term strategies to increase the domestic consumption of processed food.

The Committee recommend that the Planning Commission should allocate Rs.1000 crore at Revised Estimates stage if the Government is really concerned about growth of food processing sector and serious to achieve the Vision 2015. The Committee hope that this year the Ministry should be able to utilize the whole amount, since the schemes which could not be approved last year, are to be implemented this year with full force and vigour. Adequate allocations from Planning Commission and concerted efforts from the Ministry can take the food processing industry to a greater height and make the sun actually shine.

REPLY OF THE GOVERNMENT

5.2 A strong and dynamic food processing sector plays a significant role in making agricultural economically viable as well as in diversification of agricultural activities, improving value addition opportunities and creating surplus for export of agro-food products. India with its strong base in agriculture provides a large and varied raw material base for food processing. The total food consumption in India is estimated at Rs.8,60,000 crores of which consumption of processed food accounts for Rs.4,60,000 crores. Further, with liberalization of global trade regime, India has the opportunity to export more processed food items to international markets.

With a view to create awareness among the general public about the various aspects of processed foods, the MFPI, under its Plan scheme of promotional activities regularly carries out various public awareness activities. The Ministry also organizes/participates in workshops/seminars/exhibitions/fairs and provides financial support to eligible organizations to organize such events which are very useful platform to spread awareness, exchange and share new ideas, new development in the food processing sector as well as attract domestic and foreign direct investment. The Ministry had spent Rs.6.92 crores in 2007-08 under the Scheme of Promotional Activities. With increasing awareness, food processing sector has shown significant growth during the recent past. This sector has grown @ 13.14% in 2006-07 against @7% in 2002-03. The numbers of Micro, Small & Medium food processing units have gone up from 16.5 lakhs (2003-04) to 18 lakhs (2005-06) and 20 lakhs in 2006-07. It is expected to go upto 34 lakhs by the end of 11th Five Year Plan.

Due to the Ministry's efforts and as per the recommendation of the Committee, an amount of Rs. 4031 crores has been allocated in the 11th Five Year Plan as against Rs. 650 crores in the 10th Five Year Plan. This year approvals of all the Schemes have been received, the latest being the Cabinet Committee on Economic Affairs (CCEA) approval for Scheme for Mega Food Parks in its meeting held on 11.09.2008.

Regarding setting up of a High Level Committee/Group under the Chairmanship of an eminent food technologist to review the success and failures and suggest short term and long term strategies to increase the domestic consumption of processed food, it is stated that an integrated strategy for the promotion of agri-business based on the vision has been considered by Group of

Ministers (GOMs) under the Chairmanship of Shri Sharad Pawar, Hon'ble Minister for Agriculture. On the basis of GOM's recommendations, the Cabinet considered and approved the strategy and action plan for food processing industries in India for the development of food processing sectors for giving boost to growth of food processing sector. The objectives is to increase level of processing of perishable food from 6% to 20%, value addition from 20% to 35% and share in global food trade from 1.6% to 3%. The level of processing for fruits and vegetables is visioned to increase to 10% and 15% in 2010 and 2015 respectively.

Based on the above, action plan, considerable expansion in Ministry's efforts will be seen in the last quarter of the current year and the remaining years of the 11th five year plan.

(Recommendation No. 02)

NEW SCHEMES

5.3 The Committee are constrained to note that there are inordinate delays in conceptualization and final implementation of the various schemes. The Committee are dismayed to note that the Ministry had proposed to implement six main schemes during the 11th Plan and during last year i.e. 2007-08 practically they did nothing except implementing one old scheme of providing assistance for modernization of Food Processing Units. During the evidence Secretary admitted that they could not move any new programme, since the Planning Commission's approval for 11th Plan itself came in December 2007 and all the schemes are still pending at various stages of approval. The Department further clarified that all the schemes but one involved changes in the parameters of the schemes or required additional subsidy. The schemes would then be required

to seek first the approval of the Planning Commission, then Expenditure Finance Committee and then the Cabinet Committee on Economic Affairs (CCEA). The Committee feel that this present system of obtaining approval, clearance from EFC and CCEA leads to inordinate delays in implementation of schemes and needs to be reviewed.

The Committee, therefore, while conveying their displeasure towards Planning Commission for delays in sanctioning approvals, desire that Planning Commission, Finance Ministry and Ministry of Food Processing Industries should have joint meetings in future and clear all the schemes in a time bound manner so that the Ministry could start working for the development of this sector.

The Committee further desire that the Ministry should also concentrate more on the proper formulation of the schemes at conceptualizing stage before sending the scheme to the Planning Commission. The Committee urge upon the Planning Commission to have a detailed scrutiny and send any suggestion/clarification for modification or otherwise can be incorporated while granting 'in principle' approval so as to avoid wastage of time in redrafting the schemes again and again which result in inordinate delays in implementing the schemes.

REPLY OF THE GOVERNMENT

5.4 The Ministry has prepared five EFC Memorandum in respect of five schemes, other than scheme for Setting Up of Technology Up-gradation /

Modernization of Food Processing Industries which have now been approved by the competent authority. Pre feasibility studies at five locations for setting up /establishment of Mega Food Parks have been prepared by M/s IL&FS Ltd., New Delhi. The Scheme is designed to be demand driven and projects are expected to emerge out of detailed techno-feasibility studies on the basis of viability and surplus available in the cluster. As an advance action, Ministry had got conducted a study to identify five viable clusters which are i) Chittoor (AP), ii) Satara (Maharashtra), iii) Jalandhar (Punjab) iv) Ranchi (Jharkhand) and v) Sonapur (Assam). In respect of modernization of Abattoir, Pre-feasibility Report and Detailed Project Report (DPR) for twelve locations across the country are ready for implementation.

Financial assistance upto 50% of the project cost excluding land cost (75% in difficult areas) subject to a ceiling of Rs, 50.00 crores will be provided for setting up of Mega Food parks. It will be implemented through Special Purpose Vehicle (SPV) mode.

(Recommendation No. 6)

INFRASTRUCTURE FOR FOOD PROCESSING

5.5 The Committee note that the country produce annually 90 million tonnes of milk (highest in the world), 150 million tonnes of fruits and vegetables (second largest), 485 million livestock (largest), 204 million tonnes food-grain (third largest), 6.3 million tonnes of fish (third largest), 489 million Poultry and 45, 200 million eggs.

The Committee find that India's agricultural base is strong but at the same time wastage of agricultural produce is massive. The infrastructural facilities for food processing sector in India are extremely poor as we are able to process only around 2.2% for fruits and vegetables compared to countries like USA (65%) Philippines (78%) and China (23%); 26% for marine, 6% for poultry and 20% for buffalo meat, as against 60-70% in developed countries.

According to an estimate, for want of post-harvest technologies/non-availability of food processing facilities, the country incurs a whopping annual wastage of food worth over Rs 58000 crore. The Committee are of the view that only cold storages and chilling are not efficient techniques to preserve the perishable produce. The Ministry should encourage and invest in research to find out the new technologies for preservation of various produce. Further, the efforts should be made to provide logistic support and facilities for easy transportation so as to have better raw material for processing.

The Committee also note that the Ministry has been providing financial assistance in the form of grant-in-aid up to 25 per cent of the cost of plant and machinery and technical civil works in general areas and 33.33 per cent in difficult areas with a common ceiling of Rs 75.00 lakhs for the cold chain scheme. The Committee recommend that in difficult areas cost of cement, steel, land development and transport etc., every thing is much more expensive, therefore, the grant component should be 40 per cent of the cost without any ceiling of Rs 75.00 lakh in these areas.

The Committee further recommend that under the scheme for infrastructure development the Ministry should be provided Rs 450.00 crore as demanded by them against BE of Rs 100.00 crore for 2008-09 at RE stage, and

in turn Ministry should come up with schemes/projects to avoid the losses in perishable commodities.

The Committee also desire that research for making wine or any other beverage from apple, sugarcane, potato, grapes, coconut etc. should be made. For popularization and encouragement of these beverages some relaxation in excise duty may also be given to increase the domestic consumption, thus giving boost to production and processing of these fruits and vegetables.

REPLY OF THE GOVERNMENT

5.6 The proposal of Mega Food Park scheme during 11th Plan envisages an integrated approach. Mega Food Park scheme envisages to provide a mechanism to bring farmers, processors and retailers together and link agricultural production to the market so as to ensure maximization of value addition, minimize wastages and improve farmers' income. The projects are proposed to be implemented by SPV in which the stakeholders will be the investors in the park (producers' agencies, retailers, service providers, processors, State Government Agencies, financial institutions etc.).

One of the most critical elements in the Food Processing sector is an efficient supply chain. Since Mega Food Parks are being envisaged at some limited locations only, the distinct components under 10th Plan viz. pack houses, value added centre, Packaging Centre, Irradiation Centre, has been integrated to one single component " Cold chain, value addition and preservation infrastructure" to cater to the varied project demands throughout the country. This will bring in flexibility in the scheme to undertake varied/integrated projects resulting in value addition /processing/preservation of horticulture including

organic dairy, marine sector, etc. This component will enable to assist cold chain, preservation, value addition, infrastructure including multi-line fruit and vegetable processing, IQF, etc. Cold Chain infrastructure will enable smaller groups of producers particularly in horticulture, organic, dairy, marine etc. to be linked (sustainability) mostly through a cold chain mechanism.

The Mega Food Park scheme is under finalization and upon approval & notification of the scheme, formal proposals would be invited and investors identified. Approval for the entire outlay for the 11th Five Year Plan has been accorded. Total Plan outlay approved is Rs. 4031 crore, which includes the outlay proposed for Mega Food Park, Integrated Cold Chain and Abattoirs. For Annual Plan 2008 – 09 the outlay of Rs. 290 Crores has already been approved which included Rs. 100 Crores for infrastructure scheme.

Production of Wine and other beverages from various fruits has been identified as one of the focused areas for R&D in the Food Processing Sector. Ministry of Food processing industries is encouraging various institutions to submit proposals related to wine or any other beverages from apple, sugarcane, potato, grapes, coconut etc. The Ministry would support proposals on these issues on merit basis during 11th Five Year Plan.

Excise duty on such items is administered by respective State Governments and each State has its own rate. However, MFPI is constantly pursuing for greater tax incentive for food processing sector.

Comments of the Committee

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

(Recommendation No. 09)

MODERNIZATION OF ABATTOIRS

5.8 The Committee note the scheme for modernization of abattoirs has been taken up by the Ministry with the target of 50 abattoirs to be modernized/ set up during 11th Plan period with an outlay of Rs. 628 crore.

The Committee desire that Project Management Agency (PMA), which is proposed to be assisting M/o FPI in appraisal and implementation of the project, should be given a time bound programme so that the implementation is not unnecessary delayed on the pretext of evaluation of reports. The agency should ensure that wherever abattoirs are being developed in rural areas, Gram Sabha or Panchayati Raj institutions are involved.

The Committee have noticed that in some places the residuals lying near the slaughter houses are badly affecting the area and ground water. Therefore, they desire that proper and adequate infrastructure should be made available to hygienically dispose off the waste and residuals.

The Committee further recommend that in view of increasing demand for quality leather special care for animal skin should be taken in the abattoirs. Farmers and workers should be educated to save the skin so as to have better quality of leather. The Committee recommend that a small group consisting representatives from Central Leather Research Institute, State Level Research Institutes, ICAR, Department of AHD&F and Ministry of Food Processing Industries should be formed to lay down guidelines to take care of livestock and

its by-products, as modern slaughter houses are important for safe hygienic slaughtering of animals and proper use of animal by-products.

REPLY OF THE GOVERNMENT

5.9 In respect of the role of PMA for evaluating and appraising of the project reports and time involved therein, while signing the MOU with PMA, the time bound schedule will be fixed for the each activity to be performed by the PMA in prescribed time limit.

While submitting the proposal from rural areas, project promoter has to obtain all the required clearances including clearance and no objection certificate from the Local authority and also involvement of Panchayati Raj institutions may be considered by the project promoter on Public Private Partnership (PPP) mode of project.

In the proposed scheme of Modernization of Abattoir, the project must have rendering facilities for disposal of slaughter waste and Effluent Treatment Plant will also be an essential component of the project for treatment of the wastewater of the project. These two essential components of Modern Abattoir will take care of hygienic disposal of slaughter waste residues and wastewater.

With regard to maintaining the quality of leather, the modern slaughter facilities envisage the mechanical dehiding operation and separate hide rooms where the trimming, flattening and salting of the skin will be carried out for further production of quality leather in the leather industry.

The MFPI has already proposed the National Meat and Poultry Processing Board to formulate and implement comprehensive Action Plan with regard to

various problems and crucial issues of the meat processing sector (e.g. training, capacity building, quality Control labs, GMP, HACCP etc.). The board will take up the required work and activities for overall and sustainable development of the meat and poultry meat-processing sector and its by-products in India.

Comments of the Committee

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

(Recommendation No. 10)

FOOD/NUTRITION CLINICS

The Committee have noted that every year a large number of students are coming out who are trained in home science, food nutrition and food processing etc. The Committee are of the opinion that such home science graduate should be given the self-employment opportunities. The Committee recommend that the Ministry should chalk out a scheme / programme for establishment of food/ nutrition clinics with the help of NABARD, CII, and FICCI, on the lines of agri-clinics on the agriculture side, for these nutrition / home science graduates.

The Committee are confident that these food/ nutrition clinics would overcome the problem of micro-nutrient deficiency in the county and at the same time provide employment to the home science / nutrition graduates.

REPLY OF THE GOVERNMENT

5.11 Ministry has taken up with NABARD, CII and FICCI to study the feasibility of these nutrition clinics and draw up suitable programme in the matter.

New Delhi;
16 December, 2008
25 Agrahayana, 1930 (Saka)

MOHAN SINGH,
Chairman,
Standing Committee on Agriculture

APPENDIX-I

MINUTES OF THE SIXTH SITTING OF THE STANDING COMMITTEE ON AGRICULTURE HELD ON TUESDAY, THE 16TH DECEMBER, 2008 AT 1000 HRS. IN COMMITTEE ROOM NO. '139', FIRST FLOOR, PARLIAMENT HOUSE ANNEXE, NEW DELHI

The Committee sat from 1000 HRS TO 1100 HRS

PRESENT

Shri Mohan Singh - Chairman

MEMBERS

LOK SABHA

2. Shri Girdhari Lal Bhargava
3. Shri Khagen Das
4. Shri Deepender Singh Hooda
5. Smt. Kalpana Ramesh Narhire
6. Shri Prabodh Panda
7. Smt. Rupatai D.Patil Nilangekar
8. Shri K.J.S.P. Reddy

RAJYA SABHA

9. Smt. Mohsina Kidwai
10. Dr. Janardhan Waghmare
11. Shri Sharad Anantrao Joshi
12. Prof. M.S. Swaminathan

SECRETARIAT

- | | | | |
|----|-------------------|---|------------------|
| 1. | Shri A. K. Singh | - | Joint Secretary |
| 2. | Smt. Veena Sharma | - | Director |
| 3. | Shri Raj Kumar | - | Deputy Secretary |
| 4. | Shri N. S. Hooda | - | Deputy Secretary |
| 5. | Ms. Amita Walia | - | Under Secretary |

At the outset, the members welcomed Shri Mohan Singh, the new Chairman of the Standing Committee on Agriculture appointed in place of Prof. Ram Gopal Yadav who has been elected to the Rajya Sabha. The Hon'ble Chairman then welcomed the Members to the sitting of the Committee and requested them to take up the following draft Action Taken Reports on Demands for Grants (2008-09) of the Ministry of Agriculture and Ministry of Food Processing Industries for consideration and adoption:

45th Action Taken Report on recommendations contained in the 40th Report on Demands for Grants (2008-09) in respect of Ministry of Food Processing Industries.

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2 The Committee then considered and adopted the draft Action Taken Reports with minor additions/modifications as suggested by members of the Committee.

3. The Committee, thereafter, authorized the Chairman to finalise and present the above-mentioned Reports to the Parliament.

The Committee then adjourned.

APPENDIX II

(Vide Para 4 of Introduction of the Report)

ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON THE FORTIETH REPORT OF STANDING COMMITTEE ON AGRICULTURE (14TH LOK SABHA)

(i)	Total number of Recommendations	10
(ii)	Observations/Recommendations which have been Accepted by the Government	
	Serial Nos. 3,5,7 and 8	
	Total	4
	Percentage	40.00%
(iii)	Observations/Recommendations which the Committee Do not desire to pursue in view of the Government's replies	
	NIL	
	Percentage	
(iv)	Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee	
	Serial No. 4	
	Total	1
	Percentage	10.00%
(v)	Observations/Recommendations in respect of which Final replies of the Government are still awaited	
	Serial Nos. 1,2, 6, 9 and 10	
	Total	5
	Percentage	50%