



**STANDING COMMITTEE ON AGRICULTURE
(2004-2005)**

FOURTEENTH LOK SABHA

MINISTRY OF FOOD PROCESSING INDUSTRIES

**DEMANDS FOR GRANTS
(2004-2005)**

**{Action Taken by the Government on the Recommendations/
Observations contained in the Fourth Report of the
Standing Committee on Agriculture (2004-2005)}**

EIGHTH REPORT



LOK SABHA SECRETARIAT

February, 2005/ Phalguna, 1926 (Saka)

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STANDING COMMITTEE ON AGRICULTURE
(2004-2005)
(FOURTEENTH LOK SABHA)

MINISTRY OF FOOD PROCESSING INDUSTRIES

DEMANDS FOR GRANTS (2004-2005)

{Action taken by the Government on the Recommendations/Observations contained in the Fourth Report of the Standing Committee on Agriculture (2004-2005)}

Presented to Lok Sabha on 2.3.2005
Laid in Rajya Sabha on 3.3.2005



LOK SABHA SECRETARIAT
NEW DELHI

February, 2005/ Phalguna, 1926 (Saka)

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Composition of the Standing Committee on Agriculture (2004-2005)

Prof. Ram Gopal Yadav – Chairman

MEMBERS

LOK SABHA

2. Shri Hiten Barman
3. Shri Manoranjan Bhakta
4. Shri G.L. Bhargava
5. Shri Kuldeep Bishnoi
6. Shri Nihal Chand Chauhan
7. Shri Shivraj Singh Chouhan
8. Shri Lalchand Kol
9. Shri Khagen Das
10. Shri Dharmendra
11. Shri Sharanjit Singh Dhillon
12. Shri Raghunath Jha
13. Smt. Rupatai D. Patil Nilangekar
14. Shri Prakash V. Patil
15. Shri A. Ravichandran
16. Shri K.J.S.P. Reddy
17. Shri Y.S. Vivekananda Reddy
18. Shri Harihar Swain
19. Shri M.P. Veerendra Kumar
20. Shri Mahboob Zahedi
21. # Smt. Anuradha Choudhary

RAJYA SABHA

22. Smt. Mohsina Kidwai
23. Shri Harish Rawat
24. Shri Pyarelal Khandelwal
25. Shri Raj Nath Singh
26. Shri Sk. Khabir Uddin Ahmed
27. Shri Bhagwati Singh
28. Shri Datta Meghe
29. Shri Bashistha Narain Singh
30. Shri Sharad Anantrao Joshi
31. *Dr. M.S.Gill

Chaudhary Munawwar Hassan ceased to be the Member of this Committee owing to his nomination to the Standing Committee on Labour w.e.f.16.8.04 vide L.S. Bt.Pt.-II dt.16.8.04

Smt. Anuradha Choudhary has been nominated to this Committee w.e.f. 30.8.2004 vide L.S. Bt.Pt-II, dt. 30.8.2004

Shri Raashid Alvi ceased to be the Member of this Committee owing to his nomination to the Committee on Personnel, Public Grievances, Law & Justice w.e.f 31.8.2004 vide R.S. Bt Pt-II dt. 31.8.2004

*Dr. M.S. Gill has been nominated to this Committee w.e.f 31.8.2004 vide R. S. Bt Pt-II dt. 31.8.2004

SECRETARIAT

- | | | | |
|----|--------------------|---|----------------------------|
| 1. | Sh. N.K.Sapra | - | Joint Secretary |
| 2. | Sh. Devender Singh | - | Director |
| 3. | Sh. K.D.Muley | - | Under Secretary |
| 4. | Smt. P. Jyoti | - | Senior Executive Assistant |

INTRODUCTION

I, the Chairman of the Standing Committee on Agriculture (2004-2005) having been authorised by the Committee to submit the Report on their behalf, present this Eighth Report on Action Taken by Government on the recommendations/observations contained in the 4th Report of the Standing Committee on Agriculture (2004-2005) on Demands for Grants (2004-2005) of the Ministry of Food Processing Industries.

2. The Fourth Report of the Standing Committee on Agriculture (2005 on Demands for Grants (2004-2005) of the Ministry of Food Processing Industries was presented to Lok Sabha on 17.08.2004 and laid in Rajya Sabha on 17.08.2004. The Ministry of Food Processing Industries was requested to furnish action taken replies of the Government to recommendations contained in the Fourth Report. The replies of the Government to all the recommendations contained in the Report were received.

3. The Committee considered the action taken replies furnished by the Government, approved the draft comments and adopted the Eighth Report at their sitting held on 25.1.2004. Minutes of the sittings are placed in Appendix-I.

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

NEW DELHI
25 January, 2005
5 Magha, 1926(Saka)

PROF. RAM GOPAL YADAV
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 Fourth Report (Fourteenth Lok Sabha) of the Standing Committee on Agriculture (2004-2005) on Demands for Grants (2004-2005) of the Ministry of Food Processing Industries which was presented to the Lok Sabha and laid in Rajya Sabha on 17.08.2004.

1.2 The Action taken replies have been received from the Ministry of Food Processing Industries and categorised as under:

- (i) Recommendations/Observations that have been accepted by the Government (Chapter II of the Report) Sl. Nos. 1, 3, 6, 8, 11, 13, 14, 16, 17, 18, 19, 20, 22, 23 and 24 (Total – 15)
- (ii) Recommendations/Observations which the Committee do not desire to pursue in view of the Government's action taken reply (Chapter III of the Report) Sl. No. 2 and 4 (Total – 2)
- (iii) Recommendations/Observations in respect of which action taken replies of the Government have not been accepted by the Committee (Chapter IV of the Report) Sl. No. 21 (Total – 1)
- (iv) Recommendations/Observations in respect of which final replies of the Government are still awaited. (Chapter V) Sl. Nos. 5, 7, 9, 10, 12 and 15 (Total-6)

1.3 The Committee will now deal with the action taken by the Government on some of their recommendations.

SUPPLY OF FRUITS FOR MID-DAY MEAL

Recommendation Sl. No. 8

1.4 India loses 37% of its agricultural produce every year due to absence of infrastructure facilities. The Committee desire that the Ministry in coordination with State Nodal Agencies and Directorate of Fruit and Vegetable Processing should examine the feasibility of supply of fruits in consultation with the Ministry of Human Resource

Development for distribution to schools as part of Mid-Day Meal Scheme. This will certainly serve the multiple purpose like prevention of post harvest losses, supply of fruits and nutritious food to school children living below poverty line and provide remunerative prices to the farmers.

1.5 The Government in its Action Taken Reply stated that matters relating to schools fall within the purview of the Ministry of HRD / State Governments. Accordingly, the recommendations of the Committee have been forwarded to the Ministry of HRD with a request to advise State Governments to take necessary action in the matter as desired by the Committee.

COMMENTS OF THE COMMITTEE

1.6 The Committee hope that the Ministry would not rest contented by merely forwarding their recommendations to the Ministry of Human Resource Development to examine the feasibility of making available fruits to School Children as part of the mid-day meal provided to them but also pursue the matter conclusively for its speedy implementation.

COLD CHAINS

Recommendation Sl. No. 9

1.7 The Committee have observed that one of the greatest impediments in the overall development of Food Processing Industries is lack of integrated cold chains. The cold chain is a facility to keep the produce in a congenial atmosphere, right from farm to the market or from the farmers to the consumers. The Scheme was approved by the CCEA in August, 2003 only. The Committee feel that the integrated cold chain facilities are the lifeline of fresh food and require utmost attention to be paid. The Committee, therefore,

strongly recommend that the Scheme of cold chains be implemented as early as possible. The Ministry should also take all the essential measures in cooperation with the concerned Ministries for improving the roads leading from farm where perishable goods are produced to the Urban Market Areas. The Government may also consider providing of refrigerated Rail Wagons, Cargo and Vessels to transport the perishable food items from the remote locations to major markets and consumers centres so that growers get remunerative prices and the consumer get quality fresh food item.

1.8 The Committee desire that the Ministry may identify the district and regions having major fruit and vegetable clusters so that these could be made the nodal points for creation of Food Processing infrastructure facilities.

1.9 The Government in its Action Taken Reply stated that the scheme of cold chain facilities is intended to improve viability of existing cold storages and enhance cold storage capacity. Assistance @ 25% of the project cost in general areas and 33.33% in difficult areas subject to a maximum of Rs. 75.00 lakh is provided for establishment of cold chain facilities. At present the Scheme of MFPI is not applicable to horticultural produce as this is being provided by National Horticulture Board. The scheme also does not provide for grant of assistance for reefer van. Necessary proposal for amendment of the scheme is under consideration. Food processing infrastructure facilities like food parks are generally created in regions/areas having adequate agricultural produce clusters. As regards improvement of roads, provision of refrigerated rail wagons etc., the recommendation has been brought to the notice of the Ministries of Surface Transport and Railways for taking necessary action.

COMMENTS OF THE COMMITTEE

1.10 The Committee expect the Ministry to pursue the matter vigourously and conclusively regarding establishment of integrated cold chains and availability of refrigerated rail wagons, cargo and vessels with the concerned Ministries for transporting perishable food items from remote locations to the markets and consumer centres so that the farmers get much deserved remunerative prices and the consumers get farm fresh products at reasonable prices. Moreover, the perishable food items would not get wasted as well. The Committee feel that in the ultimate reckoning, this will benefit not only the farmer and the consumer but also the entire nation.

FISH PROCESSING

RECOMMENDATION NO. 20

1.11 The Committee note that India is the fourth largest producer of fish and second largest producer of fresh water fish in the world. India with its vast coastline of more than 8,100 kms. and huge territorial waters and Exclusive Economic Zones, rivers, lakes and ponds offer great scope for fish production of all kinds. Reportedly, countries like Thailand and Bangladesh have done much more in this field. The Committee in their earlier Reports have been recommending for reformulating the Scheme for strengthening of traditional Fish Processing Technologies including technologies to use solar energy. The Committee have been informed that solar dryers are being used in some parts of the country but its cost efficiency in fish drying on a commercial scale is yet to be proved. The Committee feel that with proper coordinated efforts with the State Governments,

State Nodal Agencies and Fishery Cooperatives, the Ministry should be able to popularize the existing mechanical dryers in drying fish by lowering operational cost and yet at the same time by utilizing the available applied research in tapping the solar energy, big perennial source of energy.

1.12 The Committee further desire the Ministry of Food Processing Industries to borrow the technologies adopted by countries like Japan, Thailand and Bangladesh to exploit the existing vast marine as well as inland fishery resources in India. Special attention also needs to be directed to promote cold water fisheries and the fisheries in perennially water logged areas.

1.13 The Government in its Action Taken Reply stated that keeping in view the recommendation of the Standing Committee, all States / UTs have been requested to take necessary steps for popularizing mechanical dryer in fish drying and also for utilizing available applied research in tapping solar energy for fish drying. Assistance of NCDC has also been sought to advise fisheries cooperatives in this regard. CFTRI Mysore and Central Institute of Fish Technology, have also been requested to initiate measures to intensify research on technology for cost-effective mechanical dryers.

COMMENTS OF THE COMMITTEE

1.14 The Committee are pleased to note that necessary steps have been taken by the Ministry for utilizing applied research in tapping solar energy for fish drying. The Ministry has, however, conspicuously refrained from commenting on the suggestion given by the Committee regarding the technologies adopted by countries like Japan, Thailand and Bangladesh for tapping their marine and inland fisheries. In their considered view, a study about the strategies being adopted by major fish

processing countries, and Japan, Thailand and Bangladesh in particular, would certainly go a long way in the development of fish processing in our country.

SUBMISSION OF UTILISATION CERTIFICATE

RECOMMENDATION NO. 21

1.15 The Committee are surprised to note that the Ministry have not been successful in getting utilization certificates from the grant receiving agencies. The Committee are unable to see as to how the Ministry is exercising vigil over the agencies receiving grant/financial assistance if unable even to obtain utilization certificates. In order to ensure effective monitoring and to safeguard the use of public money, it is essential that the Ministry institute a mechanism for receipt of Utilization Certificates within the stipulated time frame. In case of apparent failure, the Ministry can consider to stop the second installment and also take stringent action against the defaulters making them to refund the money, together with penal interest thereon. The Committee would also like to be furnished a statement of the grants sanctioned, State-wise and the utilization certificated received and awaited.

1.16 The Government in its Action Taken Reply stated that the requisite information is being collected and will be furnished to the Committee on receipt of the same from State Governments. The matter was also discussed with the State/UTs on 13.10.2004 and they were also requested to pursue submission of UCs.

COMMENTS OF THE COMMITTEE

1.17 The Committee are not impressed with the repetitive reply given by the Ministry of Food Processing Industries regarding Non-Submission of utilisation

certificates by the NGOs, cooperatives, private and Public Sector Undertaking for undertaking various activities relating to food processing. The Committee reiterate their earlier recommendation regarding receipt of Utilisation Certificates from the grant receiving agencies and hope that the statement of the grants sanctioned state-wise and utilisation certificate received will be furnished to them within the next three months with an appraisal note indicating the periodic monitoring done State-wise by the Ministry on the actual utilisation of grants.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

INADEQUATE ALLOCATIONS TO THE MINISTRY OF FOOD PROCESSING INDUSTRIES

RECOMMENDATION NO. 1

2.1 The Committee observe that despite the vast potential of the Food Processing Sector and the declared importance attached to the Food Processing Sector by Government, the Ministry has been given a paltry allocation of Rs. 110.00 crore for 2004-05 which constitutes just 0.7 percent of the total Central Plan Outlay. As against the projected requirement of Rs. 2800 crore for the 10th Plan, the Ministry has been allocated a meager amount of Rs. 650 crore. Surprisingly, during the year 2003-04, BE of Rs. 75.00 crore has been reduced to Rs. 65.00 crore. The Committee strongly recommend that curtailment of funds for this Ministry may be avoided at RE stage of the current year and BE of the remaining two years of 10th Plan Period may be substantially increased so that Food Processing Sector is able to play the envisaged catalytic role in transforming the national economy in a big way.

REPLY OF THE GOVERNMENT

2.2 The recommendation of the committee has been noted and the Ministry of Finance and Planning Commission both have been requested not to curtail funds of the Ministry at RE stage. Necessary action for provision of increased budget for 2005 – 06 has since been initiated.

PRIORITY SECTOR BANK LENDING

RECOMMENDATION NO. 3

2.3 While taking note of the fact that the Government consider the Food Processing Industries as priority sector, the Committee find that the leading lending institutions have not accorded any priority for providing loans to this sector, despite the widely acknowledged potential of the sector and its multiplier effect in the transformation of the economy. The Ministry of Finance have expressed their unwillingness to fix a percentage within the Priority Sector for lending to Food Processing Sector within the 18% minimum norms. The position is not acceptable to the Committee as this decision of the Ministry of Finance negates the decision of Government to give greater thrust to agricultural diversification through Food Processing. The Committee, strongly desire that the Ministry of Food Processing Industries take up the matter again with the Ministry of Finance and make out a stronger case for earmarking a certain percentage credit to the Food Processing Sector by the financial institutions.

REPLY OF THE GOVERNMENT

2.4 As desired by the Committee, the proposal to earmark a certain percentage of credit to the food processing sector under priority sector lending has been referred to the Department of Banking for consideration.

HIGHER ALLOCATION FOR INFRASTRUCTURE DEVELOPMENT/FOOD PARKS

RECOMMENDATION NO. 6

2.5 The Committee are concerned to find that due to absence of basic infrastructural facilities, 8 to 37 per cent of total agricultural produce goes waste resulting in estimated

loss of about Rs. 50,000 crore annually. The processing units are mainly concentrated in the states where better infrastructural facilities are available rather than at places where raw material is available and, as a result, most of the produce in the rural areas goes waste. In spite of India's leading position in dairy, meat and poultry sector, the percentage of processing units in organized sector is very negligible i.e. 15% in dairy and 10% in Meat. India processes 2% of the agricultural produce in comparison to 30% in Thailand, 80% in Brazil and 60-70% in countries like the UK & USA. To their utmost surprise, the Committee learnt that due to resource crunch, the corresponding allocations for the Scheme of infrastructure was fixed at Rs. 29 crores during 2002-03 and 2003-04, which has further drastically reduced to Rs. 10.00 crore at the RE of 2003-04. The main reasons for this as cited by the Ministry is that as a result of revised infrastructural Scheme, the financial assistance is restricted to 25% of the project cost in general areas and 33.33% in difficult areas but no viable proposals are forthcoming. Earlier there was no such restriction in terms of percentage of the project cost. The components of packaging Centre, modernized abattoirs, irradiation facilities and value added centers were incorporated in the Scheme for infrastructure development during the 10th Plan Period, but these were approved by the Cabinet Committee on Economic Affairs (CCEA) only in August, 2003.

2.6 The Committee further note that the Ministry have been pursuing proactively the task of setting up of Food Parks in different parts of the country depending upon the local needs. The representative of the Ministry conceded in his oral testimony that as against 45 Food Parks sanctioned, only 9 Food Parks are partly in operation but assured that vigorous monitoring and periodic review should expedite the operation of all the Parks.

2.7 The Committee, therefore, strongly recommend that the allocation for this Scheme should be enhanced positively at the RE Stage for 2004-05 and also in the coming years so that all the activities under the Schemes are fully operational in order to develop infrastructural facilities for Food Processing Sector. The Committee further desire the Ministry to liberalise the pattern of assistance and generate awareness about the Food Parks in order to attract more viable proposals and make concerted efforts to make all the sanctioned Food Parks fully operational as early as possible.

REPLY OF THE GOVERNMENT

2.8 Progress/functioning of food parks is being reviewed on regular basis. In order to discuss various issues including problems being faced by food parks, a Conference of State Nodal Agencies was held in New Delhi on 13th October 2004. A Conference of State Ministers of Food Processing was also held on 5th November 2004. State Governments have been requested to make vigorous efforts in coordination with implementing agencies so as to make food parks operational at the earliest. As decided in the Conference, a proposal to liberalize the pattern of assistance for food parks is under consideration.

SUPPLY OF FRUIT AND VEGETABLE PROCESSING FOR MID DAY MEAL

RECOMMENDATION NO. 8

2.9 India losses 37% of its agricultural produce every year due to absence of infrastructure facilities. The Committee desire that the Ministry in coordination with State Nodal Agencies and Directorate of Fruit and Vegetable Processing should examine the feasibility of supply of fruits in consultation with the Ministry of Human Resources

Development for distribution to schools as part of Mid Day Meal. This will certainly serve the multiple purpose like prevention of post harvest losses, supply of fruits and nutritious food to school children living below poverty line and provide remunerative prices to the farmers.

REPLY OF THE GOVERNMENT

2.10 Matters relating to schools fall within purview of the Ministry of HRD/State Governments. Accordingly, the recommendations of the Committee have been forward to the Ministry of HRD with a request to advise State Governments to take necessary action in the matter as desired by the Committee.

COMMENTS OF THE COMMITTEE

2.11 For Comments of the Committee, please refer to para 1.6 of Chapter-I of the report.

DEVELOPMENT OF PROCESSABLE VARIETIES OF FRUITS & VEGETABLES

RECOMMENDATION NO. 11

2.12 The Committee find that due to lack of awareness or for lack of accessibility the producers are not able to take advantage of the installed processing units and vice-versa. This is one of the reasons for low level of processing and losses incurred by the growers. The Committee, therefore, feel strongly that there is an urgent need for introducing processable varieties of fruits and vegetables and also of building awareness about the availabilities of the produce in consultation with Indian Council for Agricultural Research, Indian Horticultural Research Institute, National Horticulture Board and

Horticulture Department of States. A coordinated approach needs to be adopted for promoting cultivation of processable varieties and popularize the same among processors and farmers. The Committee expect the Ministry to prepare, compile and disseminate information on all processable varieties of Fruits and Vegetables to attract entrepreneurs in the field of Food Processing.

REPLY OF THE GOVERNMENT

2.13 A Scheme of backward linkages has been implemented by the Ministry providing inter-alia for cultivation of processable variety of farm produce. Ministry also extends financial assistance to research institutions like ICAR and other R&D institutes, which undertake programmes for research of processable variety of farm produce .We have also brought the recommendation of the committee to the notice of Department of Agriculture Research and Education.

FOOD FORTIFICATION

RECOMMENDATION NO. 13

2.14 The Committee note that in order to control malnutrition and to enrich common man's food, a scheme for fortification of wheat flour has been launched under which fifty per cent of the cost of capital equipment of dosing machine subject to a maximum of Rs. 3 lakh is provided. As the Scheme has been launched recently, proposals are still awaited from the entrepreneurs. The Committee also note that fortified flour is being sold by a few branded names, which are not affordable by the general public suffering from malnutrition.

2.15 The Committee would like the Ministry to extend the Scheme to all the flourmills and examine earnestly the feasibility of making the existing Scheme for fortification popular and institute measures accordingly to control malnutrition.

REPLY OF THE GOVERNMENT

2.16 The provisions of the scheme were discussed in the Conference of SNAs held on 13th October 2004 and they have been requested to take necessary steps for popularizing the scheme among the entrepreneurs.

NEED FOR WIDER PUBLICITY

RECOMMENDATION NO. 14

2.17 The Committee note that generic advertisement is the only way by which the Farmers Entrepreneurs, Self Help Groups, NGOs, Research Organisations and ultimately the consumers are made aware of the activities of the Ministry, its objectives and the advantages of processed food. The Committee are informed that many important schemes implemented by the Ministry, the response has been far from encouraging despite wider publicity given to various Schemes. Reportedly, there are no applicants for availing benefits under the forward linkages Scheme and not a single industry association has come forward to avail financial assistance, for collection, compilation and analysis of data. Many Schemes like, food fortification, modernization of abattoirs, all the component of infrastructure development scheme including cold chain have been approved by the Cabinet Committee on Economic Affairs (CCEA) on 23rd August 2003. The Ministry is yet to make the Scheme fully operational. The Committee further note

that out of 45 Food Parks sanctioned only 9 are partly in operation. Many R&D Projects have been taken up recently and they are yet to demonstrate their utility. During 10th Plan Period, all the schemes have been broadened and in some cases new activities have been added. The rapidly increasing urbanization, rising level of literacy and rising per capita income have changed the food habit of the people which is giving a great boost to ready made processed food. India has the largest expanding middle class set to switch over to the processed food in a big way. Further, the demand of Indian Vegetarian Food has been increasing in the global market. In this encouraging backdrop, the Committee strongly feel that the Ministry should mount an effective publicity campaign through print and electronic media including local news papers giving detailed information about benefits likely to accrue from its Schemes, procedure for availing the benefits, terms of investment, avenues for earning a handsome return etc. so as to attract more entrepreneurs. The Committee are optimistic more funds would be forthcoming in near future if viable projects are received and sanctioned by the Ministry.

REPLY OF THE GOVERNMENT

2.18 The recommendation of the Committee has been noted and necessary action is being taken to give publicity about benefits of the schemes of the Ministry

HIGHER ALLOCATION FOR STRENGTHENING OF INSTITUTIONS

RECOMMENDATION NO. 16

2.19 Under the umbrella of the Scheme for Strengthening of Institutions, financial assistance is being provided for the (i) Strengthening of Paddy Processing Research

Centre (PPRC), (ii) Strengthening of State Nodal Agencies (SNAs), (iii) Meeting the expenditure of Pay and Allowances for the Plan Posts, and (iv) Information Technology. The PPRC is one of the autonomous institutions financed by the Ministry of Food Processing Industries. The institute adheres to its established responsibility of development and dissemination of technologies to reduce the post harvest losses in food grains with special emphasis on Paddy Processing. During the year 2004-05, the Ministry decided to discontinue assistance to Rice Milling on the plea that they are giving priority to commodities of perishable nature like Fruit and Vegetable, Poultry and Dairy Processing. The Ministry decided that appropriate measures like technology support for redressal of problems of rice milling industry will be taken care by the PPRC. So far as SNAs are concerned, the Committee note that as Food Processing Industries are in the unorganized sector, SNAs have to play a very vital role between state and Central Government. Information Technology can play a very crucial role in this sector. The Plan Funds utilization during first two years is Rs. 7.50 crore including BE 2004-05 i.e. 10.00 crore. Percentage expenditure for these scheme, is only 28.40% of the total approved 10th Plan outlay for the Scheme. The Committee, therefore, strongly recommend that in order to strengthen the Food Processing Sector, the above-mentioned institutions should be strengthened further and enhanced allocations may made in the future years.

REPLY OF THE GOVERNMENT

2.20 A proposal has already been initiated for providing higher grant to SNAs. As regards PPRC, it has been decided to upgrade the Institute to include activities like

processing of millets, oilseeds and pulses within its ambit. Necessary fund is provided to the institute from the Budget of the Ministry.

HIGHER ALLOCATION FOR R&D AND QUALITY CONTROL MEASURES

RECOMMENDATION NO. 17

2.21 Undoubtedly, India is blessed with large quantity and varieties of natural resources and can cater substantially to meet the demand of National and international markets. However, in the era of globalisation where competitiveness is the key to success, India must meet the exacting international standards in order to get a reasonable position as processed food exporter. The Committee note that though qualitative measures are being implemented by the Ministry through its plan schemes, many important sectors such as Meat and Poultry and Dairy Processing, do not meet the international standard. About 90% processed food products are in the unorganized sector. There is an urgent need to do a lot of research work in these fields including the need for tapping solar energy in the vast coastal line for the benefit of food processing units. The Committee are surprised to note that the financial allocation for 2004-2005 is only Rs. 6.00 crore which is less than the BE of 2002-03 and 2003-04. During the first three years of 10th Plan, the total expenditure is only 23.70% of the total 10th Plan approved outlay. During 10th Plan few proposals were received for research and development from the institutions and universities engaged in research because of unattractive Schemes. Surprisingly, for undertaking research projects, the cost of raw material, salaries of research personnel employed on the project have been deleted for getting financial assistance.

2.22 The Committee, therefore, recommend that the Scheme for Quality Control and Research Development should get higher allocation and the Ministry should take the responsibility to use these allocations fully by formulating attractive schemes to develop all the segments of Food Processing. The Committee further recommend that provision should be made within the Scheme to provide attractive incentives to the research personnel employed in the projects.

REPLY OF THE GOVERNMENT

2.23 The recommendation of the Committee has been noted and necessary action is being initiated to modify the provision/pattern of assistance for R&D Scheme to include the cost of raw material, consumable, expenses on salary of research personnel etc. in the grant provided by the Ministry.

HIGHER ALLOCATION FOR TECHNOLOGY UPGRADATION/ESTABLISHMENT/MODERNISATION OF FOOD PROCESSING INDUSTRIES

RECOMMENDATION NO. 18

2.24 The Committee note that during 10th Plan, assistance in the form of grant-in-aid is proposed to be extended to all segments of the Food Processing Sector including fruits, vegetables, milk, fish, grain, meat poultry and other consumer products. However, the Committee find that on allocation of Rs. 35.00 crore has been made in the BE for 2004-05 due to resource-crunch. Apparently, the scheme, despite its wide ranging scope to accelerate the growth of food processing sector, has not been given its due importance.

The Committee therefore strongly recommend that this sector should be accorded due importance and accordingly made higher allocations.

REPLY OF THE GOVERNMENT

2.25 As recommended by the Standing Committee, the Government has initiated necessary action to seek additional funds for R.E. 2004-05 and B.E. 2005-06.

NATIONAL INSTITUTE OF FOOD TECHNOLOGY AND MANAGEMENT

RECOMMENDATION NO. 19

2.26 The Ministry has a proposal to set up a National Institute of Food Technology and Management as a National Centre of Excellence which will work synergistically with the industry and similar institutions with the objective to help, develop and adopt world class food technologists and entrepreneurs; provide business incubator services; undertake research for development of food standards; provide training and advisory support to companies with established/potential interest in the food industry; and become an apex information resource Centre. The Ministry has identified an agency preparing for the feasibility and detailed project report. The work for preparation of Feasibility Report and Detailed Project Report is likely to be completed during the year under review.

2.27 The Committee note that the project cost, as per the feasibility report, is Rs. 133 crore. The budgetary allocation for this institute will be made from Rs. 10.00 crore provision for the Scheme of Human Resource Development. The Committee appreciate the efforts being undertaken by the Ministry in this direction and expect early finalisation of the feasibility report so that the apex body for food developing, food technology and management is set up at the earliest.

REPLY OF THE GOVERNMENT

2.28 The recommendation of the Standing Committee has been noted for necessary action.

FISH PROCESSING

RECOMMENDATION NO. 20

2.29 The Committee note that India is the fourth largest producer of fish in the world and second largest producer of fresh water fish in the world. India with its vast coastline of more than 8,100 kms. and huge territorial waters and Exclusive Economic Zones, rivers, lakes and ponds offers great scope for fish production of all kinds. Reportedly, countries like Thailand and Bangladesh have done much more in this field. The Committee in their earlier Reports have been recommending for reformulating the Scheme for strengthening of traditional Fish Processing Technologies including technologies to use solar energy. The Committee have been informed that solar dryers are being used in some parts of the country but its cost efficiency in fish drying in commercial scale is yet to be proved. The Committee feel that with proper coordinated efforts with the State Governments, State Nodal Agencies and Fishery Cooperatives, the Ministry should be able to popularize the existing mechanical dryers in drying fish by lowering operational cost and yet at the same time by utilizing the available applied research in tapping the solar energy, big perennial source of energy.

2.30 The Committee further desire the Ministry of Food Processing Industries to borrow the technologies adopted by countries like Japan, Thailand and Bangladesh to exploit the existing vast marine as well as inland fishery resources in India. Special attention also needs to be directed to promote cold water fisheries and the fisheries in perennially water logged areas.

REPLY OF THE GOVERNMENT

2.31 Keeping in view the recommendation of the Standing Committee all States / UTs have been requested to take necessary steps for popularizing mechanical dryer in fish drying and also for utilizing available applied research in tapping solar energy for fish drying. Assistance of NCDC has also been sought to advise fisheries cooperatives in this regard. CFTRI Mysore and Central Institute of Fish Technology, have also been requested to initiate measures to intensify research on technology for cost effective mechanical dryers.

COMMENTS OF THE COMMITTEE

2.32 For Comments of the Committee, please refer to para 1.14 of Chapter-I of the report.

DAIRY PROCESSING

RECOMMENDATION NO. 22

2.33 The Committee observe that India being the largest milk producer in the world, is poised to assume an important position in the global dairy industry as well. Many international dairy companies are reportedly viewing India with an eye on its vast growing market for dairy products. Milk production in India was estimated at 88 million tonnes during 2002-03 as against 84.60 million tonnes during 2001-02. However,

organized dairying industry accounts for less than 15% of the milk produced in India. The rest of the milk is either consumed at Farm level, or is sold as fresh, non-pasteurized milk through unorganized channels. Despite implementing the Plan Scheme for setting up expansion/modernization of food processing units for manufacturing milk products, the position has hardly improved so far and our milk processing is still barely 14 per cent.

2.34 The Committee are perturbed to note that no applications were received seeking financial assistance from dairy sector during 2000-2001. During the years 2001-02 to 2003-04, 35 applications were received. Only one application was sanctioned each in year 2001-02 and 2002-03 and 9 in 2003-04. One application was closed/rejected in 2001-02, three in 2002-03 and two in 2003-04. Undoubtedly, there is something basically wrong with the way the scheme for financial scheme has been launched given the little response that the scheme has elicited. With such a tardy progress, the Committee are afraid whether Ministry will be able to do justice to dairy processing sector by ensuring availability of quality and hygienic milk and milk products for the domestic market as well as for the exports.

2.35 The Committee, therefore strongly recommend that the Ministry should reexamine the scheme to make it encouraging and popular so that more viable proposals come forward to the Ministry for availing of assistance with a view to attaining the objective of standard quality and hygienic milk and milk products in the country.

REPLY OF THE GOVERNMENT

2.36 The procedure regarding processing of applications for grant to FPI units including dairy units has been simplified. PAC meetings are now held twice in a month

to sanction grant to FPI units. The cases complete in all respects are required to be approved within a period of 30 days. As a result of these initiatives, several cases for assistance to dairy units have been approved.

PATENTING OF INDIAN PROCESSED FOOD

RECOMMENDATION NO. 23

2.37 The Committee observe that the global health establishment, particularly the European countries, have become aware of the benefits of vegetarianism because of rising fears about mad cow disease and reservation on red meat consumption. They look forward to India as their destination because no civilization uses vegetables and cereals in such a varied splendour as in India. India is now uniquely well placed to help the West to reduce their consumption of risky and not so healthy red meat by offering varied and sumptuous vegetarian food. Taking due note of the changing trend towards vegetarianism, the Committee strongly recommend that the Ministry explore and tap this unique emerging market, so that processed vegetarian food earns valuable foreign exchange. Besides, it is the quality food through which India's friendly relation with the external world will be further strengthened and become enduring. The Committee further desire that the Ministry should take all the necessary steps in coordination with the concerned Ministries to patent the Indian Vegetarian Food items in right earnest.

REPLY OF THE GOVERNMENT

2.38 The recommendation has been referred to the Departments of Commerce and Industrial Policy & Promotion for taking necessary action.

SEPARATE DEPARTMENT OF FOOD PROCESSING INDUSTRIES IN EACH STATE/UTs

RECOMMENDATION NO. 24

2.39 Food Processing is a state subject and it is spread over in organized and unorganized sector all over the country. The subject is handed by separate departments in most of the States where there is no specific Food Processing Department. Pursuant to the recommendations of the Standing Committee on Agriculture, a separate Ministry of Food Processing Industries was created in the year 2002 at the union level. When asked about the need for having s separate Department in all the States/UTs, the Secretary replied in the affirmative and felt that such a course would be immensely beneficial and accelerate the growth of food processing sector.

2.40 The Committee, therefore, recommend that the Ministry of Food Processing Industries being the nodal Ministry to develop Food Processing Industries in the country, should persuade the State Governments for creation of a separate Ministry/Department exclusively to deal with Food Processing Industries, where they do not exist for the speedy Development of Food Processing Industries.

REPLY OF THE GOVERNMENT

2.41 A Conference of State Ministers of Food Processing was held on 5th November 2004. It was impressed on the states /UTs that separate Ministry / Department should be created for speedy development of food processing industries in all State / UTs where

such Ministry / Department does not exist. A letter has also been addressed to Chief Secretaries of the State Governments in this regard.

CHAPTER III

RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENTS REPLIES

CENT PERCENT FINANCIAL ASSISTANCE FOR NORTH EASTERN STATES AND OTHER HILLY AREAS

RECOMMENDATION NO. 2

3.1 The Committee appreciate the efforts being made by the Ministry with regard to the development of North Eastern region. The special incentives for North Eastern Region include:

- (i) 10% of the plan allocation for North Eastern States for treating North Eastern States as difficult areas;
- (ii) Financial assistance @ 33.33% of the project cost subject to a maximum of Rs. 75.00;
- (iii) 50% of the capital cost subject to a maximum of 4 crore provided under Mini Mission IV Programme; and
- (iv) Deduction of 100% of Profit for five years and 25% of profit for next five years in case of new agro-processing set up under Income Tax Act.

3.2 The Committee, however, note the inability expressed by the Ministry to provide cent per cent central fund for the projects in the North Eastern region which holds the promise of becoming an excellent source for high value horticultural produce and value added products unique to these region for onward marketing both within the country and abroad. The Committee, therefore, recommend that the Ministry should reconsider the matter and launch the 100 per cent centrally funded Scheme for tapping the tremendous and unique potential of Horticulture Produce of the North Eastern Region also hilly States for rejuvenation of the entire economy of the region.

REPLY OF THE GOVERNMENT

3.3 North Eastern States are being treated as difficult areas. Accordingly, financial assistance @ 33.33% of the project cost subject to a maximum of Rs. 75 lakh is being granted for project in North East as against 25% of the project cost subject to a maximum of Rs. 50 lakh in general areas. For setting up of units / facilities for processing horticulture produce, 50% of the capital cost subject to a maximum of Rs. 4.00 crore is provided under Mini Mission IV programme. As financial assistance is in nature of grant and a stake is required from the promoter, it is not possible to provide cent per cent central fund for the projects in North East. However, recommendation of the Committee in this regard has been referred to the Ministry of Finance for consideration .Ministry also intends to propose a higher percentage of grant for infrastructure facilities in these areas

PROCESSED FOOD DEVELOPMENT FUND

RECOMMENDATION NO. 4

3.4 The Committee note that Food Processing Sector, though termed as a sunrise sector, has been entirely left at the mercy of commercial Banks/Institutions. Obviously, these Institutions cannot provide easy and cheap finances to cover the risk faced by the units in this upcoming sector unless so stipulated by the Reserve Bank of India. In the opinion of the Committee, it is the Ministry, which alone can make out a stronger case for setting up a separate fund for Food Processing Sector as mooted in 1999-2000. The Committee reiterate that the Ministry should seriously take up the matter of creation of a “Food Development Fund” with the Planning Commission again in order to make institutional finance available to new entrepreneurs on soft terms so as to give a fillip and stimulus to the all round development of the Food Processing Sector.

REPLY OF THE GOVERNMENT

3.5 Several plan schemes like infrastructure development scheme, technology upgradation / establishment of FPI units, HRD, quality assurance & R&D, backward & forward linkages, generic promotion etc., have been implemented for promotion of food processing industries. An amount of Rs. 110.00 crore has been provided for expenditure under these schemes in BE 2004 – 05. An enhanced amount is likely to be allocated for these schemes in the subsequent years. According to available information bank credit is hardly a problem for genuine entrepreneurs. As such, creation of food development fund may not be viable proposition. The Ministry already undertakes EDP programmes with a view to enhance entrepreneurial skills of the intending persons

CHAPTER IV

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

SUBMISSION OF UTILISATION CERTIFICATE

RECOMMENDATION NO. 21

4.1 The Committee are surprised to note that the Ministry have not been successful in getting utilization certificate from the grant receiving agencies. The Committee are unable to see as to how the Ministry is exercising vigil over the agencies receiving grant/financial assistance if unable even to obtain utilization certificates. In order to ensure effective monitoring and to safeguard the use of public money, it is essential that the Ministry institute a mechanism for receipt of Utilization Certificates within the stipulated time frame. In case of apparent failure, the Ministry can consider to stop the second installment and also take stringent action against the defaulters making them to refund the money, together with penal interest thereon. The Committee would also like to furnish a statement of the grants sanctioned, state-wise and the utilization certificated received and awaited.

REPLY OF THE GOVERNMENT

4.2 The requisite information is being collected and will be furnished to the Committee on receipt of the same from State Governments. The matter was also discussed with the State/UTs on 13.10.2004 and they were also requested to pursue submission of UCs.

COMMENTS OF THE COMMITTEE

4.3 For Comments of the Committee, please refer to para 1.17 of Chapter-I of the report.

CHAPTER V

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

INTEGRATION OF FOOD LAWS

RECOMMENDATION NO. 5

5.1 The Committee are constrained to note that considerable delay has already been made, for one reason or the other, in finalizing the draft Food Laws which envisage integration of the existing multifarious laws regulating Food Processing Industries. The Committee desire the Ministry of Food Processing Industries to expedite the matter without any further delay and present the integrated draft Food Laws to the Parliament at the earliest so that the Food Processing Sectors move from regulatory regime to the promotional and developmental regime. Needless to say, such a step will facilitate the growth of Food Processing Sector by providing a single window system to the entrepreneurs for setting up Food Processing Units in various fields and regions of the country.

REPLY OF THE GOVERNMENT

5.2 Consequent to change of Government in May 2004, a new Group of Ministers (GoM) has been set up for examinations and finalization of modern integrated food law. First meeting of GoM was held on 1st November 2004 and the next meeting is scheduled for 24th November 2004. Further action to finalize the food law will be taken as per directions of GoM.

STRENGTHENING OF THE MINISTRY OF FOOD PROCESSING INDUSTRIES

RECOMMENDATION NO. 7

5.3 The Committee observe that the proposal for strengthening the Ministry of Food Processing Industries by merging various promotional organizations like APEDA, MPEDA, National Horticulture Board, National Cooperative Development Corporation etc. of the Ministry of Agriculture, Department of Agriculture & Cooperation has not been found acceptable by the Committee of Secretaries. In the considered opinion of the Committee, the Ministry should take up the matter again so that all promotional organisations working in the field of food processing, preservation and storage are brought under single administrative control. To begin with, at least the top experts of all relevant premier research organizations should form a joint pool of human resource, which can act as Standing Advisory Council to the Ministry of Food Processing Industries.

REPLY OF THE GOVERNMENT

5.4 The matter regarding merger of APEDA, NHB etc., with MFPI has been considered by the Committee of Secretaries and found not acceptable. A proposal in this regard has been submitted afresh to the Cabinet Secretary.

COLD CHAINS

RECOMMENDATION NO. 9

5.5 The Committee have observe that one of the greatest impediment in the overall development of Food Processing Industries is lack of integrated cold chains. The cold chain is a facility to keep the produce in a congenial atmosphere, right from farm to the market or from the farmers to the consumers. The Scheme was approved by the CCEA in August, 2003 only. The Committee feel that the integrated cold chain facilities are the lifeline of fresh food and require utmost attention to be paid. The Committee, therefore, strongly recommend that the Scheme of cold chain be implemented as early as possible. The Ministry should also take all the essential measure in cooperation with the concerned Ministries for improving the roads leading from farm where perishable goods are produced to the Urban Market Areas. The Government may also consider providing of refrigerated Rail Wagons, cargo and Vessels to transport the perishable food items from the remote locations to major markets and consumers centres so that growers get remunerative prices and the consumers get quality fresh food item.

5.6 The Committee desire that the Ministry may identify the district and regions having major fruit and vegetable clusters so that these could be made the nodal points for creation of Food Processing infrastructure facilities.

REPLY OF THE GOVERNMENT

5.7 The scheme of cold chain facilities is intended to improve viability of existing cold storages and enhance cold storage capacity. Assistance @ 25% of the project cost in general areas and

33.33% in difficult areas subject to a maximum of Rs. 75.00 lakh is provided for establishment of cold chain facilities. At present the Scheme of MFPI is not applicable to horticultural produce as this is being provided by National Horticulture Board. The scheme also does not provide for grant of assistance for reefer van. Necessary proposal for amendment of the scheme is under consideration. Food processing infrastructure facilities like food parks are generally created in regions / areas having adequate agricultural produce clusters. As regards improvement of roads, provision of refrigerated rail wagons etc., the recommendation has been brought to the notice of the Ministries of Surface Transport and Railways for taking necessary action.

HUMAN RESOURCE DEVELOPMENT

RECOMMENDATION NO. 10

5.8 The Committee observe that Food Processing Industries are expected to grow rapidly in the years to come and consequently the demand for trained manpower at all the level (including entrepreneurs, managers, technologist, skilled workers etc.) to man the growing needs of the Food Processing Industries will also surge. This is more so because the existing Food Industry will also require continuous technology upgration and diversification and new ways to manage and market in the face of global competition. Management of quality control systems will again require specially trained manpower. Developing entrepreneurs with variety of skill will be the key to rapid growth of Food Processing Industries with a view to extending the spread of Food Processing Units in the remote areas closer to the raw material sources. There will be need for developing entrepreneurship in such areas for production packaging and marketing of processed food products. Furthermore, building international grade manpower to manage, innovate and

build is one of the primary functions of the Government. To meet these objectives, the Ministry of Food Processing Industries have been implementing the Scheme for Human Resources Development. The Committee are distressed to note that due to limited resources available for plan purposes, RE for HRD in respect of 2002-03 and 2003-04 were restricted to Rs. 2.70 crore and Rs. 3.00 crore respectively. The Committee are apprehensive whether the Ministry would be anywhere near achieving the goal with such reduced allocations. The Committee, therefore, desire that the Ministry of Finance and the Planning Commission be pursued to realize the importance of Human Resource Development in the Food Processing Sector and increase the allocation in future stages.

REPLY OF THE GOVERNMENT

5.9 The MFPI is taking necessary steps for development of human resources for FPI sector within the available resources. However, as recommended by the Committee, the Ministry of Finance and Planning Commission requested to provide enhanced allocation of fund to the Ministry in BE 2005 – 06.

PROMOTING ETHNIC AND ORGANIC FOOD

RECOMMENDATION NO. 12

5.10 The Committee take note of the growing consciousness among the consumers and the increasing demand for ethnic foods of organic origin in the context of reports of adulterated food items and use of harmful chemicals in processing and preservation of food produces. The market for ethnic foods and the products of organic origin, which are eco-friendly and health-friendly, are growing tremendously. The Committee, therefore, feel that the Ministry should direct their attention to this aspect as well and coordinate

with Indian Council of Agricultural Research, (ICAR) Agricultural and Processed Export Development Authority (APEDA), National Horticultural Board (NHB) and the State Department to popularise the development of organic food processing and its marketing.

REPLY OF THE GOVERNMENT

5.11 The recommendation has been noted for appropriate action in consultation with the Ministry of Agriculture and other agencies.

COMPILATION OF DATA AND FORMULATION OF NATIONAL FOOD PROCESSING POLICY

RECOMMENDATION NO. 15

5.12 The Committee are informed that as the Food Processing Industries are both in the organized and unorganized sector, precise information relating to employment generated in the Food Processing Sector yearwise and state wise; amount of loan availed by the Food Processing Units under priority sector and reasons relating to decline in respect of export of Meat Products are not available with the Ministry. The Committee in their 43rd Report on Demands for Grants (2003-04) had recommended that the Ministry should compile data at the earliest for better planning and development of the Food Processing Sector and analyse their problems. The Committee are surprised to note that under the Scheme of Backward and Forward Integration and other Promotional Activities, a provision has been made to grant financial assistance upto Rs. 2 lakh to industry associations to enable them to collect, compile, analyse and publish data about Food Processing Industries' Units at regular interval. However, till now not a single industry association has come forward to avail the assistance. The Committee are afraid

as to how the Government would prepare and finalise the draft National Food Processing Policy without such basic data. The Committee feel strongly that collection and compilation of relevant data is an essential sine-qua-non for the formulation of National Policy for Food Processing sector and therefore expect the Ministry to make concerted endeavours in this direction.

REPLY OF THE GOVERNMENT

5.13 A comprehensive study has been commissioned with a view to generate adequate data and prepare a concrete action plan / vision document for development of food processing sector in the country.

NEW DELHI
25 January, 2005
5 Magha, 1926(Saka)

PROF. RAM GOPAL YADAV
Chairman
Standing Committee on Agriculture

APPENDIX – I

MINUTES OF THE ELEVENTH SITTING OF THE STANDING COMMITTEE ON AGRICULTURE HELD ON TUESDAY, THE 25TH JANUARY, 2005 AT 1100 HRS. IN COMMITTEE ROOM 'C', GROUND FLOOR, PARLIAMENT HOUSE ANNEXE, NEW DELHI

The Committee sat from 1100 hrs. to 1240 hrs.

PRESENT

Prof. Ram Gopal Yadav – Chairman

MEMBERS

Lok Sabha

2. Shri Hiten Barman
3. Shri Manoranjan Bhakta
4. Shri G.L. Bhargava
5. Shri Khagen Das
6. Shri Dharmendra
7. Smt. Rupatai D. Patil Nilangekar
8. Shri A. Ravichandran
9. Shri K.J.S.P. Reddy
10. Shri Y.S. Vivekananda Reddy
11. Shri M.P. Veerendra Kumar
12. Shri Mahboob Zahedi

Rajya Sabha

- 13 Smt. Mohsina Kidwai
- 14 Shri Harish Rawat
- 15 Shri Pyarelal Khandelwal
- 16 Shri Sk. Khabir Uddin Ahmed
- 17 Shri Bhagwati Singh
- 18 Shri Bashistha Narain Singh
- 19 Shri Sharad Anantrao Joshi

SECRETARIAT

- | | | |
|------------------------|---|--------------------|
| 1. Shri Devender Singh | - | Director |
| 2. Shri K.D. Muley | - | Under Secretary |
| 3. Smt. Ratna Bhagwani | - | Assistant Director |

At the outset, the Hon'ble Chairman, welcomed the Members to the sitting of the Committee and requested them to take up memoranda Nos. 2, 3 & 4 containing draft Action Taken Reports on 2nd, 3rd and 4th Reports on Demands for Grants (2004-05) of the Ministry of Agriculture (Department of Agricultural Research and Education); Ministry of Agriculture (Department of Animal Husbandry & Dairying) and Ministry of Food Processing Industries, respectively for consideration and adoption.

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

3. The Committee thereafter authorized the Chairman to present the above-mentioned Report to the House on a date and time convenient to him.

The Committee then adjourned.

APPENDIX – II

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

(i)	Total number of Recommendations	24
(ii)	Recommendations/Observations which have been Accepted by the Government	
	Serial Nos. 1,3,6,8,11,13,14,16,17,18,19,20,22,23 & 24	
	Total	15
	Percentage	62.55%
(iii)	Recommendations/Observations which the Committee Do not desire to pursue in view of the Government's replies	
	Sl. Nos. 2 & 4	
	Total	2
	Percentage	8.33%
(iv)	Recommendations/Observations in respect of which replies Of the Government have not been accepted by the Committee	
	Serial Nos. 21	
	Total	1
	Percentage	4.16%
(v)	Recommendations/Observations in respect of which Final replies of the Government are still awaited	
	Serial No. 5,7,9,10,12 & 15	
	Total	6
	Percentage	25%