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**STANDING COMMITTEE ON AGRICULTURE,  
ANIMAL HUSBANDRY AND FOOD PROCESSING  
(2022-2023)**

**SEVENTEENTH LOK SABHA**

**MINISTRY OF FOOD PROCESSING INDUSTRIES**

**'DEMANDS FOR GRANTS (2022-23)'**

**{Action Taken by the Government on the Observations/  
Recommendations contained in the Forty-first Report (Seventeenth Lok Sabha) of  
the Standing Committee on Agriculture, Animal Husbandry and Food Processing  
(2021-22)}**

**FORTY FOURTH REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

**December, 2022 / Agrahayana, 1944 (Saka)**

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Presented to Lok Sabha on 20.12.2022

Laid on the Table of Rajya Sabha on 20.12.2022



**LOK SABHA SECRETARIAT  
NEW DELHI**

....December, 2022/.... Agrahayana, 1944 (Saka)

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**COMPOSITION OF THE STANDING COMMITTEE ON AGRICULTURE, ANIMAL HUSBANDRY  
AND FOOD PROCESSING\* (2021-22)**

**Shri P.C. Gaddigoudar- Chairperson**

**MEMBERS**

**LOK SABHA**

2. Shri Afzal Ansari
3. Shri Horen Sing Bey
4. Shri Devendra Singh 'Bhole'
5. Shri A. Ganeshamurthi
6. Shri Kanakmal Katara
7. Shri Abu Taher Khan
8. Shri Mohan Mandavi
9. Shri Kinjarapu Ram Mohan Naidu
10. Shri Devji Mansingram Patel
11. Smt. Shardaben Anilbhai Patel
12. Shri Bheemrao Baswanthrao Patil
13. Shri Shriniwaas Dadasaheb Patil
14. Shri Vinayak Bhaurao Raut
15. Shri Pocha Brahmananda Reddy
16. Shri Rajiv Pratap Rudy
17. Shri Mohammad Sadique
18. Shri Virendra Singh
19. Shri V.K. Sreekandan
20. Shri Mulayam Singh Yadav
21. Shri Ram Kripal Yadav

**RAJYA SABHA**

22. Smt. Ramilaben Becharbhai Bara
23. Shri Kailash Soni
24. Shri Ram Nath Thakur
25. Shri Vaiko
26. Shri Harnath Singh Yadav
- #27. VACANT
- #28. VACANT
- #29. VACANT
30. VACANT
31. VACANT

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\* Standing Committee on Agriculture renamed as Standing Committee on Agriculture, Animal Husbandry and Food Processing vide Para No. 3293, Bulletin Part-II, dated 23.11.2021.

# Shri Partap Singh Bajwa, MP Rajya Sabha ceased to be a Member of the Committee w.e.f. 21.03.2022 due to resignation from the Membership of Rajya Sabha w.e.f. 21.03.2022, Sardar Sukhdev Singh Dhindsa ceased to be a Member of the Committee w.e.f. 09.04.2022 due to his retirement from Rajya Sabha w.e.f. 09.04.2022 and Shri Surendra Singh Nagar ceased to be a Member of the Committee w.e.f. 04.07.2022 due to his retirement from Rajya Sabha w.e.f. 04.07.2022.

## SECRETARIAT

- |                           |   |                      |
|---------------------------|---|----------------------|
| 1. Shri Shiv Kumar        | - | Additional Secretary |
| 2. Shri Sundar Prasad Das | - | Director             |
| 3. Shri Anil Kumar        | - | Deputy Secretary     |
| 4. Shri S. Vijayaraghavan | - | Executive Officer    |

**COMPOSITION OF THE STANDING COMMITTEE ON AGRICULTURE, ANIMAL  
HUSBANDRY AND FOOD PROCESSING (2022-23)**

**Shri P.C. Gaddigoudar- Chairperson**

**MEMBERS**

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8. Shri Mohan Mandavi
9. Shri Devji Mansingram Patel
10. Smt. Sharda Anilkumar Patel
11. Shri Bheemrao Baswanthrao Patil
12. Shri Shrinivas Dadasaheb Patil
13. Shri Vinayak Bhaurao Raut
14. Shri Pocha Brahmananda Reddy
15. Shri Rajiv Pratap Rudy
16. Mohammad Sadique
17. Shri Devendra Singh *alias* Bhole Singh
18. Shri Virendra Singh
19. Shri V.K. Sreekandan
20. Shri Ram Kripal Yadav
21. VACANT\*

**RAJYA SABHA**

22. Smt. Ramilaben Becharbhai Bara
23. Shri Masthan Rao Beeda
24. Dr. Anil Sukhdeorao Bonde
25. Shri S. Kalyanasundaram
26. Shri Surendra Singh Nagar
27. Shri Kailash Soni
28. Shri Randeep Singh Surjewala
29. Shri Ram Nath Thakur
30. Shri Vaiko
31. Shri Harnath Singh Yadav

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\* Vacant w.e.f. 10.10.2022 due to demise of Shri Mulayam Singh Yadav on 10.10.2022 vide Bulletin-  
Part II, Para No. 5316 dated 14.10.2022.

## INTRODUCTION

I, the Chairperson, Standing Committee on Agriculture, Animal Husbandry and Food Processing (2021-22), having been authorized by the Committee to submit the Report on their behalf, present this Forty-fourth Report on Action Taken by the Government on the Observations/Recommendations contained in the Forty-first Report (Seventeenth Lok Sabha) of the Standing Committee on Agriculture, Animal Husbandry and Food Processing (2021-22) on 'Demands for Grants (2022-23)' pertaining to the Ministry of Food Processing Industries.

2. The Forty-first Report (Seventeenth Lok Sabha) of the Standing Committee on Agriculture, Animal Husbandry and Food Processing (2021-22) on 'Demands for Grants (2022-23)' pertaining to the Ministry of Food Processing Industries was presented to Lok Sabha and laid on the Table of Rajya Sabha on 24 March, 2022. The Action Taken Notes on the Report were received on 16 June, 2022.

3. The Report was considered and adopted by the Committee at their Sitting held on 8<sup>th</sup> August, 2022.

4. An analysis of the action taken by the Government on the Observations/Recommendations contained in the Forty-first Report (Seventeenth Lok Sabha) of the Committee is given in **Appendix**.

08 August, 2022  
17 Sravana, 1944 (Saka)

*Chairperson,  
Standing Committee on Agriculture,  
Animal Husbandry and Food Processing*



## CHAPTER I

### REPORT

This Report of the Standing Committee on Agriculture, Animal Husbandry and Food Processing deals with the Action Taken by the Government on the Observations/Recommendations contained in the Forty-First Report (Seventeenth Lok Sabha) of the Standing Committee on Agriculture, Animal Husbandry and Food Processing (2021-22) on 'Demands for Grants (2022-23)' pertaining to the Ministry of Food Processing Industries which was presented on 24.03.2022 to the Lok Sabha and Laid on the Table of Rajya Sabha on 24.03.2022.

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

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

Recommendation Nos. 1, 2, 3, 5, 7, 8, 9, 10, 11, 12, 13, 14 and 16

Chapter - II

Total - 13

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

Recommendation No. 6

Chapter - III

Total - 1

- Observations/Recommendations in respect of which Action Taken Replies of the Government have not been accepted by the Committee:

Recommendation No. 15

Chapter - IV

Total - 1

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

Recommendation No. 4 and 17

Chapter - V

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

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

**A. Analysis of Demands for Grants (2022-23) of the Ministry  
Recommendation No. 1**

1.5 "The Committee note that during the last five years ending 2019-20, Food Processing Industry Sector has reportedly been growing at an average Annual Growth Rate of 11.18%. The Food Processing Industry is perhaps one of the major Employment Intensive Sector having a share of 12.38% in all Registered Factory in the country. The Committee observe that several appreciable developmental initiatives have been taken by the Ministry last year, to promote growth of Food Processing Industry Sector in the Country.

The Committee while appreciating the initiatives, also note that for the last three years, i.e., 2019-20, 2020-21 and 2021-22, the Ministry had proposed an amount of Rs. 2,200 Crore (against the spending of Rs. 845.54 Crore), Rs. 1,232.94 Crore (against the spending of Rs. 1,152.68 Crore) and Rs. 3,490.07 Crore (against the spending of Rs. 862.60 Crore), respectively but only an amount of Rs. 1,042.79 Crore, Rs. 1,247.42 Crore and Rs. 1,304.12 Crore were allocated for the years 2019-20, 2020-21 and 2021-22, respectively. The Committee also note that for the year 2022-23 Rs. 3,564.92 Crore has been proposed whereas only Rs. 2,941.99 Crore has been allocated by the Ministry of Finance for BE 2022-23.

The Committee desire that the Ministry of Food Processing Industries should impress upon the Ministry of Finance to allocate Rs. 3,564.92 Crore in RE (2022-23) as demanded by the Ministry.

The Committee are of the considered view that since 2019-20, the Ministry has been unable to utilize cent percent of the allocated funds. The Committee, therefore, recommend that the Ministry should chalk out its Plan of Action in advance for cent percent utilization of scarce resources allocated and look into the issues/challenges being faced by them for overcoming the problems tenaciously. The Committee hope that the Ministry will further improve its performance during 2022-23."

**1.6 In its Action taken reply, the Ministry has stated:-**

"The recommendation of the Hon'ble committee has been noted for taking up with the Ministry of Finance at appropriate time.

The Ministry is closely monitoring implementation and expenditure for improving level of utilization of allocated budget under various schemes of the Ministry viz. Pradhan Mantri Kisan Sampada Yojana (PMKSY), Prime Minister formalization of Micro Food Processing Enterprises (PMFME) and Production-Linked Incentive Scheme for Food Processing Industry (PLIS).

The Ministry also launched a new Central Sector Scheme viz. Production-Linked Incentive Scheme for Food Processing Industry (PLIS) in May, 2021, for which Ministry received Rs.10.00cr. in RE 2021-22 and projected a demand of Rs.1022.00cr. for BE 2022-23 before the Ministry of Finance and desired funds received.

A Statement showing funds allocated and utilization thereof under PMKSY, PMFME, PLIS and Non-Scheme during the year 2021-22 and allocation for 2022-23 is given below :

₹ in Crore					
Scheme	BE 2021-22	RE 2021-22	Actual Expenditure on 31.03.2022	%with reference to RE	BE2022-23
PMKSY	700.00	791.00	713.49	90.20	900.00
PMFME	500.00	399.00	326.46	81.82	900.00
PLIS	0.00	10.00	9.27	92.70	1022.00

Non-Scheme	108.66	104.12	98.17	94.29	119.99
Total	1308.66	1304.12	1147.39	87.98	2941.99

"

**1.7 Taking note of under-utilization of allocated funds consistently by the Ministry since last three years, i.e. 2019-20, 2020-21 and 2021-22, the Committee had recommended that the Ministry to chalk out its Plan of Action in advance for cent percent utilisation of resources allocated and look into the issues/challenges being faced by them for overcoming the problems tenaciously. The Committee had also desired that the Ministry to impress upon the Finance Ministry to allocate Rs.3564.92 crore in RE (2022-23). The Ministry in its Action Taken Replies has submitted that they are closely monitoring implementation and expenditure for improving level of utilization of allocated budget and has also provided details of funds allocated and utilization thereof under Pradhan Mantri Kisan Sampada Yojana (PMKSY), Prime Minister formalization of Micro Food Processing Enterprises (PMFME), Production Linked Incentives Scheme and Non-Scheme Head during 2021-22 (as on 31.03.2022) and the allocation for BE 2022-23. The Ministry has further submitted that they are closely monitoring implementation and expenditure for improving level of utilisation of allocated budget under the said schemes. Further, the recommendation of the Committee has been noted by them for taking up with the Ministry of Finance at appropriate time.**

**While appreciating the efforts made by the Ministry, which perhaps resulted in the improvement in the utilization of funds in RE 2021-22, the Committee reiterate their earlier recommendation and desire that the Ministry**

**may look into the issues/challenges being faced by them for cent percent utilisation of allocated funds.**

**B. Finding solutions to inadequate receipt of proposal problems as cited by the Ministry  
Recommendation No.2**

**1.8 The Committee had observed/recommended as follows:—**

"The Committee note that with regard to all the plan Schemes, especially the Food storage and Warehousing and North-Eastern Areas, there has been consistently negative variation for the years 2019-20, 2020-21 and 2021-22, respectively, as compared to the previous years. The Committee also note the reply of the Ministry, that the reasons for negative variation was mainly perhaps, due to receipt of inadequate proposals under mandatory allocations like North-Eastern Region (NER), Schedule Cast Sub Plan (SCSP) and Tribal Sub Plan (TSP). They find the plea of the Ministry for receipt of inadequate proposals is unacceptable because the Ministry should have taken corrective steps to overcome the problem at the planning stage. The receipt of inadequate proposals is a recurring problem appearing year after year and the Ministry of Food Processing Industries is remaining only as a mute spectator. They, therefore, recommend that the Ministry to take tangible steps to solve this problem during 2022-23 and apprise them accordingly."

**1.9 In its Action Taken Reply, the Ministry has stated:-**

"Ministry of Food Processing Industries has been making conscious efforts to increase the number of projects from North Eastern Region as well as under mandatory allocations of Schedule Cast Sub Plan (SCSP) and Tribal Sub Plan (TSP) so as to fully utilize the budgetary provisions under these heads. The guidelines of the schemes provide various concessions to the projects located in North Eastern Region as well as those approved for SC and ST promoters. Further, Ministry is regularly conducting virtual meetings with promoters/investors of NER to monitor the implementation of sanctioned projects and to find out issues/problems being faced by them. Ministry also writes letters to State governments, if found necessary, to help promoters/Implementing

Agencies in getting statutory approvals in a timely manner and to avoid unnecessary delay in implementation.

In accordance with the direction of the committee to consider these issues at Planning stage itself, Ministry has reviewed structure of the component schemes of Pradhan Mantri Kisan Sampada Yojana (PMKSY) in consultation with stakeholders and recommendations of third party evaluation reports. After deliberations Ministry has decided not to further sanction any new projects under Mega Food Park scheme, Creation of Backward and Forward Linkages scheme, HRI-Skill Development scheme & HACCP component of Food Safety and Quality Assurance Infrastructure scheme. Scope of Operation Greens Scheme has been extended from Tomato, Onion and Potato (TOP) to 22 perishables. The restructured PMKSY has been approved for implementation with total outlay of Rs 4600 Crore till 31.03.2026. Ministry will make further concerted effort to motivate promoters from NER/SC/ST to apply under the component schemes."

**1.10 Expressing concern over lack of inadequate receipt of proposals under mandatory allocations like North-Eastern Region (NER) Scheduled Castes Sub-Plan (SCSP) and Tribal Sub-Plan (TSP) to all the Major Plan Schemes being implemented by the Ministry, the Committee had desired that the Ministry should have taken corrective steps to overcome this problem at the planning stage. The Committee felt that the receipt of inadequate proposals is a recurring problem appearing year after year and the Ministry is remaining only as a mute spectator.**

**The Ministry in its Action Taken Reply has submitted that they are making conscious efforts to increase the number of projects from the North-East Regions as well as mandatory allocations of SCSP and TSP so as to fully utilize the budgetary provisions under these heads. Further, in accordance with the direction of the Committee to consider these issue at Planning Stage itself, Ministry has reviewed structure of the component schemes of Pradhan Mantri Kisan Sampada Yojana in consultation with stakeholders and recommendations**

of the third party evaluation of reports. The restructured PMKSY has been approved for implementation with total outlay of Rs.4600 crore till 31.03.2026.

The Committee are, however, not fully satisfied with the efforts made by the Ministry regarding utilization of funds and, therefore, reiterate their recommendation that the Ministry should take tangible steps to solve this problem during 2022-23 and apprise them accordingly.

### **C. Food Processing of Perishable Commodities Recommendation No.4**

#### **1.11 The Committee had observed/recommended as follows:—**

"The Committee observe that despite the production of large scale agricultural produce in India, Food Inflation and Food Securities issue are major concern for policy makers in the country as they affect the basic need for the citizen to have sufficient, healthy and affordable food.

The Committee feel that the Harvest and Post-Harvest losses of major agricultural produce is estimated to be Rs. 92,651 Crore at national level in the country as per the study conducted by CIPHET, Ludhiana. Most of the population in the country are under-nourished leading to several health issues as they are not able to get the food at affordable prices and this reveals loopholes in Post Production Process and Cold Chain Management.

The Committee feels that perishable foods like green leafy vegetables has a short shelf life and require to be stored at a specific temperature but due to insufficient Cold Storage Facilities throughout the Country, large percentage of fruits and vegetables are wasted. The Committee feel that the Cold Chain Storage are not set up in remote corner of the country and in some areas they are not accessible as there is no proper infrastructure.

The Committee, therefore, recommend that the Ministry should try to sort out this issue by identifying the problem and establish Cold Chains for the perishable products

as they have to be stored at a specific temperature. The Committee would like to be informed of the action taken in this regard."

### **1.12 In its Action Taken Reply, the Ministry has stated:-**

"The Ministry of Food Processing Industries (MoFPI) has been implementing an umbrella scheme named "Pradhan Mantri Kisan Sampada Yojna" (in short, PMKSY) since 2016-17 with an outlay of Rs.6000 crores. PMKSY has been envisaged as a comprehensive package which will result in creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet. It is expected to not only provide boost to the growth of food processing sector in the country but also help in providing better returns to farmers and is a step towards doubling of farmer's income, creating employment opportunities especially in the rural areas, reducing loss of agricultural produce, increasing the processing level and enhancing export of processed foods.

During 2018-19, a new scheme 'Operation Greens' was launched as a new sub-scheme under PMKSY for integrated development of Tomato, Onion and Potato (TOP) crops value chain. This Scheme was announced in the Union Budget for 2018-19 with financial outlays of Rs. 500 crore to promote FPOs, agri-logistics, processing facilities and professional management for Tomato, Onion and Potato (TOP) crops. The Scheme was launched in November 2018 on a pilot basis with the objective to promote setting up of Integrated Value Chain Development Projects for TOP crops in the selected clusters. Operation Greens Scheme has following two measures –

(a) Short Term Measures - Under this component transportation and/or storage subsidy is provided subsidy of 50% during "glut situation" to the claimants in accordance with the scheme guidelines. The scope of short-term measures was extended from TOP (Tomato, Onion & Potato) to TOTAL (41 notified fruits and vegetables) w.e.f. 11.06.2020.

(b) Long Term Measures – Under this component, credit linked financial support by way of grants-in-aid is provided to eligible applicants for setting up value chain development projects. The projects are implemented in selected clusters in major producing States for development of integrated value chain. In pursuance of Budget announcement 2021-22, the scope of long term strategy is going to be expanded from



TOP to 22 perishables including 10 fruits, 11 vegetable and Shrimp. The production clusters in major producing states have been identified for respective crops on the basis of production data of Ministry of Agriculture & Farmers Welfare and are to be notified after finalization of revised guidelines. Six projects have so far been approved under this scheme.

Another sub-scheme under PMKSY that deals with highly perishable fruits and vegetables is “Integrated Cold Chain & Value Addition Infrastructure” which is under implementation since 2008-09. This scheme aims to provide integrated cold chain infrastructure facilities, without any break, from farm gate to the consumer end. It covers creation of infrastructure facility along the entire supply chain viz. pre-cooling, weighing, sorting, grading, waxing facilities at farm level, multi product/ multi temperature cold storage, CA storage, packing facility, IQF, blast freezing in the distribution hub and reefer vans, mobile cooling units for facilitating distribution of horticulture, organic produce, marine, dairy, meat and poultry etc. The scheme allows flexibility in project planning with special emphasis on creation of cold chain infrastructure at farm level. The integrated cold chain project can be set up by Partnership/ Proprietorship Firms, Companies, Corporations, Cooperatives, Self Help Groups (SHGs), Farmer Producer Organizations (FPOs), NGOs, Central/ State PSUs, etc. subject to fulfillment of eligibility conditions of scheme guidelines.

Both the above-mentioned sub-schemes under PMKSY will continue to be implemented till 2025-26.

The revised scheme guidelines are in the stage of finalization and EOI (expression of interest) for inviting fresh applications would be issued once the guidelines are notified.

It may also be noted that the schemes are demand driven in nature and, therefore, proposals are invited through EOI from eligible and interested entrepreneurs/ promoters. Accordingly, projects are approved in terms of scheme guidelines, from amongst proposals received against EOI."

**1.13 Lamenting over loss of perishable foods like green leafy vegetable due to lack of cold storage facilities in the remote corner of the country and areas that**

are not easily accessible on account of no proper infrastructures leading ultimately to losses of major agriculture produce in the country, the Committee had recommended that the Ministry should try to sort out this issue by identifying the problems and establish Cold Chains for the perishable products as they have to be stored at a specific temperature. The Ministry, in its Action Taken Reply has submitted that they are implementing an umbrella scheme named 'Pradhan Mantri Kisan Sampada Yojana' that has been envisaged as a comprehensive package which will result in creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet. Further, a new scheme 'Operation Greens' was launched as a new sub-scheme, the scheme has short term and long term measures and besides this to deal with highly perishable fruits and vegetables 'Integrated Cold Chain and Value Addition Infrastructure' is under implementation since 2008-09. This Scheme aim to provide integrated cold chain infrastructure facilities without any break, from farm gate to the consumer end.

The Committee, are not satisfied with the reply containing known facts by the Ministry. They feel that the Ministry instead of trying to sort out the issue of identifying the problems for establishing Cold Chains for the perishable food/vegetables/products in the remote corners of the country with lack of proper infrastructure, they have been harping on the revisions of some of the guidelines of their existing schemes/sub-schemes in superfluous hope of overcoming the shortcomings, etc., in their action-taken reply. The Committee, feel that the core issue of finding solution to this issue has not been identified till date since the implementation of this scheme *i.e.* regarding Integrated Cold Chain and Value Addition Infrastructure in 2008-09 leading to huge losses of Harvest and Post-

**Harvest losses estimated to be Rs.92,651 Crore at the national level perennially, the Committee, has reiterated their recommendation that the Ministry should try to sort out the issue by identifying the problems and establish Cold Chain for the perishable food/vegetables/products on top priority under intimation to the Committee.**

**D. Infrastructure for Agro Processing Clusters Scheme  
Recommendation No.10**

**1.14 The Committee had observed/recommended as follows:—**

"The Committee note that the objective of the Scheme initiated during 2017 was to create modern infrastructure for food processing closer to production areas, to provide integrated and complete preservation infrastructure facilities from farm gate to consumers and to create effective Backward and Forward Linkages by linking Groups of Producers/Farmers to the processor and markets through well equipped chain.

The applications/proposals are invited by the Ministry Online against the Expression of Interest (EOI) issued by the Ministry, from time to time, keeping in view the availability of budget. The Committee also note the reply of the Ministry, that they have approved 68 Projects in 2017-18 and only 12 Projects have been completed since the inception of the Scheme. This shows non-satisfactory planning by the Ministry as also the non-satisfactory implementation.

The Committee also observe that for 2020-21, Rs. 56.69 Crore was allocated and the Actual Expenditure was Rs. 48.47 Crore which is 85.50% and the reason for under-utilization during 2020-21 was perhaps inadequate eligible proposals under SCSP and TSP. For 2021-22, Rs. 53.90 Crore was allocated and as on 14.02.2022 spending was merely Rs. 34.25 Crore and the reason for under-utilization is 3rd SDG awaited. The reason furnished by the Ministry is not correct because supplementary DFG will give additional funds only.

The Committee feel that in the restructure components of PMKSY during the 15th Finance Commission Cycle, the Agro Processing Cluster (APC) Scheme should be given impetus and boost by finding solutions to the challenges/hurdles and the Scheme should be implemented in all villages of the country.

The Committee, therefore, recommend that the Ministry should try to implement this Scheme in a war footing-scale by scrupulously adhering to the time limit for setting up of the Projects in this Scheme."

#### **1.15 In its Action Taken Reply, the Ministry has stated:-**

Ministry of Food Processing Industries has been implementing the Scheme for Creation of Infrastructure for Agro Processing Clusters (APC) since 2017 under the Pradhan Mantri Kisan Sampada Yojana (PMKSY) to incentivize the setting up of agro-processing clusters in the country. The Scheme aims at development of modern infrastructure to encourage entrepreneurs to set up food processing units based on cluster approach. Development of these clusters is with an objective to reduce loss of surplus produce and to add value to the horticultural/ agricultural produce in order to increase income of the farmers and create employment at the local level.

It has been observed that various compliances before setting up APC viz. Change of Land Use, approval of building layout plan, possession of land and removal of encumbrance thereon, Consent to Establish from pollution control board, sanction of term loan by lending bank/ financial institutions are time-consuming processes which take around 6 months or even more. Therefore, the developers of projects under the Scheme gets only 14-18 months to actually implement and complete the projects (stipulated timeline - 20 months in General Areas and 24 months in Difficult Areas). Hence, there are delays in the implementation of projects. In order to mitigate the problems being faced by the developers of the projects, the Ministry vide the revised APC scheme guidelines dated 04.12.2020 has increased the time period for completion of projects from earlier 20 months to 24 months for General Areas and from 24 months to 30 months for Difficult Areas.

It may also be noted that despite disruptions caused by Covid-19 pandemic, this Ministry approved 38 (thirty-eight) new projects during FY 2020-22 taking total number of sanctioned projects to 68 (sixty-eight).

In FY 2021-22, Rs. 37.50 crore was allocated at BE stage under the Scheme. The allocated fund of Rs. 37.50 crore was distributed under various Heads under the

Scheme (as may be seen in the following table). Funds allocated to GIA general (Rs. 30.00 crore) and GIA TSP category (Rs. 1.30 crore) were already exhausted before 14.02.2022. However, there were additional requirement of funds under GIA general and, therefore, the Ministry was waiting for funds at RE stage. The allocation of funds (received at BE stage) as well as expenditure before and after receiving funds at RE state is as under:

Budget Head	BE	ActualExpenditure before 14.02.2022	RE	ActualExpenditure as on 31.03.2022
Professional Services	0.20	0.20	0.40	0.40
Grant-in-aid- General	30.00	30.00	42.03	42.03
Grant-in-aid-General-SCSP	2.00	0	2.00	1.35
Grant-in-aid-General-TSP	1.30	1.30	5.47	1.30
Grant-in-aid (NER)	4.00	2.7489	4.00	4.00
Total	37.5	34.2489	53.9	49.08

It may be seen from above that funds allocated to professional services, GIA General and GIA NER heads of the scheme were completely utilized. Only funds in GIA SCSP and GIA TSP heads were under-utilized due to non-receipt of adequate eligible proposals for release of GIA. Overall, the Ministry has utilized 91.05% of total funds allocated at RE stage.

As regards selection of proposals, the Ministry invites proposals from interested entities through Expression of Interest. As per existing scheme guidelines, one APC per district may be approved except the districts where a Mega Food Park is already sanctioned by the Ministry. Further, at least 5 food processing units are required to be established in an APC to utilize the facilities in APC. These units may utilize raw material for processing from the villages located around the APC.

It is mentioned that Ministry is taking incessant efforts for achieving the physical and financial targets through review meetings, virtual verifications and physical site inspections on regular basis so as to ensure timely utilization of funds and implementation of APC projects.

**1.16 While stressing for the urgent need to implement Agro Processing Clusters (APC) Scheme in a war footing scale, by scrupulously adhering to the time limit for setting up of the projects in this Scheme, the Committee had desired that impetus and boost be given to this Scheme by finding solutions to the challenges/hurdles so that the Scheme be implemented in all villages of the Country. The Ministry in its Action-taken Reply has stated that the scheme aims at development of modern infrastructure to encourage entrepreneurs to set up food processing units based on cluster approach. As regards selection of proposals, the Ministry invites proposals from interested entities through Expression of Interest. As per existing guideline of the Scheme, one APC per district may be approved except the district where Mega Food Park is already sanctioned. Further, 5 food processing units are required to be established in an APC to utilise the facilities in APC. The Committee, further note that a total 68 number of projects as per the reply have been sanctioned. The Ministry has utilised 91.05% of total funds allocated at RE stage, and funds for Grant-in-aid TSP and Grant-in-aid SCSP were under-utilised due to non-receipt of adequate eligible proposals for Grants-in-aid. The Committee, feel that the Ministry has sanctioned only 68 projects and there is no mention of the number of projects functioning out the sanctioned projects. Also, the Ministry has not stated by what time one APC per district will be set up. The Committee, therefore, recommend that in order to implement the Agro Processing Clusters Scheme in all districts of the country, especially, in the most backward regions, districts and remote corner villages where people don't have access to technologies, where no entrepreneur can set up APC, the Ministry should try some other means like identify and sponsor etc. in those areas. The Committee, would like to be**

**informed of the action taken in this regard.**

**E. Operation Greens  
Recommendation No.15**

**1.17 The Committee had observed/recommended as follows:—**

"In pursuance to budget announcement for the year 2018-2019, MoFPI has launched a new central sector scheme "Operation Greens - A scheme for integrated development of Tomato, Onion and Potato (TOP) value chain "with a budgetary allocation of Rs. 500 crore. The scheme envisages to promote Farmer Producers Organizations (FPOs), agri-logistics, processing facilities and professional management.

As per scheme guidelines, the scheme has two-pronged strategy as under: -

(a) Short term: Price stabilization measures (Transportation & Storage – 50% subsidy):- During the glut situation at the time of harvest, evacuation of surplus production from the producing area to the consumption centres will be undertaken. NAFED has been appointed as Nodal Agency for short term price stabilization measures. Also transportation subsidy for all fruits and vegetables under the scheme was extended to Kisan Rail Scheme with effect from 12.10.2020 and the scope of short-term measures under Operation Greens scheme was extended from TOP to TOTAL (41 notified fruits and vegetables) w.e.f. 11.06.2020 as a part of Aatmanirbhar Bharat Package announcement by Hon'ble Finance Minister due to supply chain disruption amid Covid pandemic, based on SFC recommendation, by Minister on 10.06.2020. A total expenditure of Rs. 84.37 Crore has been incurred towards transportation/ storage subsidy through direct claims settled by Ministry of Food Processing Industries, Kisan Rail and NAFED.

(b) Long term: value chain development projects (grant @ 35%-50% {70%for FPOs & SC/ST} of eligible project cost subject to max. Rs. 50 Cr):-

Projects will be implemented in selected clusters for each TOP crops in major producing States for development of integrated value chain. Farmers in the production clusters will be organized into FPOs to manage production, post-harvest activities, value addition and marketing of the TOP produce. In

pursuance of Budget announcement 2021-22, the scope of long term strategy is going to be expanded from TOP to 22 perishables. The Committee note that out of 42 proposals received since the launch of this Scheme, 28 were found to be deficient and ineligible under the Scheme, 11 proposals were approved and 3 are under evaluation process. Out of 11 approved proposals, 3 were withdrawn by the promoters, 2 were cancelled and 6 Projects are under implementation at various stages and out of these, 2 Projects are likely to be completed by March, 2023.

The Committee are dismayed to note that even after 3 years of introduction of this Scheme, there is not much progress and only 2 Projects are likely to be completed by March, 2023. The Committee feel that with such a slow progress the very objective of the Scheme gets diluted as till date grower of fruits and vegetables are forced to make distress sale when there is surplus production or not able to store their perishable produce due to lack of cold storage.

The Committee, therefore, recommend that the Ministry should find a strategy without any loss of time to organize marketing of Tomatoes, Onion and Potatoes and all the fruits and vegetables notified in the TOP to TOTAL Scheme by connecting farmers with consumers by involving the respective State Agriculture and other Marketing Federations, FPO, Cooperatives Companies and Self-Help Groups. The Committee feel this will not only help to prevent the loss of perishable produce but also increase the income of the farmers and the objective of doubling of farmers income can be achieved."

#### **1.18 In its Action Taken Reply, the Ministry has stated:-**

Ministry is providing financial assistance for several components such as Capacity Building of FPOs, Quality Production, Post-harvest Processing facilities, Storage Facilities, Agri-logistics and Marketing Infrastructure under the long term strategy i.e. Value Chain Development Project of the scheme.

The scheme guidelines for 22 crops are under revision after Cabinet Approval for the continuation of the scheme during 15<sup>th</sup> finance commission cycle i.e. F.Y.2021-22 to 2025-26 and will be notified shortly. As per the Cabinet Approval, 80 projects are to be



approved and completed by 31.03.2026. Accordingly, after notification of revised scheme guidelines, Express of Interest (EOI) will be floated for inviting proposals for setting up of value chain development projects for 22 crops in selected production clusters and 80 projects will be approved. The implementation period for projects will be 24 months for General Areas and 30 months for difficult areas and accordingly, all the approved projects will be completed by 31.03.2026. The implementation of these projects will help in reduction of post-harvest losses of respective crops and increase the income of the farmers.

**1.19 Expressing concern over the slow progress of the proposals received for the Operation Greens Scheme the Committee were dismayed to note that even after three years of introduction of this Scheme by the Ministry there is not much progress and only two projects are likely to be completed by March 2023. The Committee, therefore, recommended that the Ministry should find a strategy without any loss of time to organize marketing of Tomatoes, Onion and Potatoes and all the fruits and vegetables notified in the 'TOP to TOTAL' Scheme by connecting farmers with consumers by involving the respective State Agriculture and other marketing federation and other agencies. The Ministry in its Action Taken Reply have stated that they are providing financial assistance for several components under the long term strategy. Further, as per the Cabinet approval, 80 Projects are to be approved and completed by 31.03.2026. Expression of Interest (EOI) will be floated for inviting proposals for setting up of value chain development projects for 22 crops in selected production clusters and 80 Projects will be approved. The implementation period for projects will be 24 months for General Areas and 30 months for difficult areas and accordingly, all the approved projects have been targeted to be completed by 31.03.2026. The Committee hope that now onwards the Sub-Scheme of Operation Greens with its two-pronged strategy would be implemented in a much better way to fulfil all its**

**envisaged objectives, especially, after revision of the Scheme guidelines for 22 crops and subsequent Cabinet approval for the continuation of the Scheme and all the committed 80 projects to be approved, would be successfully completed by 31.03.2026 by all means without any further lackadaisical approaches/tendencies shown by the Ministry concerned, and, without any further excuses present by them before the Committee for extremely sluggish/poor and dismal physical performance of the Scheme so far. The Committee, therefore, once again reiterate their recommendation that the Ministry should formulate a strategy without any loss of time to complete all the Projects as per the stipulated time limit, and the Committee be apprised of the actual progress made in the implementation of this Scheme.**

## CHAPTER - II

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

#### **Analysis of Demands for Grants (2022-23) of the Ministry Recommendation No. 1 (Full Utilization of Funds during 2022-23)**

The Committee note that during the last five years ending 2019-20, Food Processing Industry Sector has reportedly been growing at an average Annual Growth Rate of 11.18%. The Food Processing Industry is perhaps one of the major Employment Intensive Sector having a share of 12.38% in all Registered Factory in the country. The Committee observe that several appreciable developmental initiatives have been taken by the Ministry last year, to promote growth of Food Processing Industry Sector in the Country.

The Committee while appreciating the initiatives, also note that for the last three years, i.e., 2019-20, 2020-21 and 2021-22, the Ministry had proposed an amount of Rs. 2,200 Crore (against the spending of Rs. 845.54 Crore), Rs. 1,232.94 Crore (against the spending of Rs. 1,152.68 Crore) and Rs. 3,490.07 Crore (against the spending of Rs. 862.60 Crore), respectively but only an amount of Rs. 1,042.79 Crore, Rs. 1,247.42 Crore and Rs. 1,304.12 Crore were allocated for the years 2019-20, 2020-21 and 2021-22, respectively. The Committee also note that for the year 2022-23 Rs. 3,564.92 Crore has been proposed whereas only Rs. 2,941.99 Crore has been allocated by the Ministry of Finance for BE 2022-23.

The Committee desire that the Ministry of Food Processing Industries should impress upon the Ministry of Finance to allocate Rs. 3,564.92 Crore in RE (2022-23) as demanded by the Ministry.

The Committee are of the considered view that since 2019-20, the Ministry has been unable to utilize cent percent of the allocated funds. The Committee, therefore, recommend that the Ministry should chalk out its Plan of Action in advance for cent percent utilization of scarce resources allocated and look into the issues/challenges

being faced by them for overcoming the problems tenaciously. The Committee hope that the Ministry will further improve its performance during 2022-23.

## REPLY OF THE GOVERNMENT

The recommendation of the Hon'ble committee has been noted for taking up with the Ministry of Finance at appropriate time.

The Ministry is closely monitoring implementation and expenditure for improving level of utilization of allocated budget under various schemes of the Ministry viz. Pradhan Mantri Kisan Sampada Yojana (PMKSY), Prime Minister formalization of Micro Food Processing Enterprises (PMFME) and Production-Linked Incentive Scheme for Food Processing Industry (PLIS).

The Ministry also launched a new Central Sector Scheme viz. Production-Linked Incentive Scheme for Food Processing Industry (PLIS) in May, 2021, for which Ministry received Rs.10.00cr. in RE 2021-22 and projected a demand of Rs.1022.00cr. for BE 2022-23 before the Ministry of Finance and desired funds received.

A Statement showing funds allocated and utilization thereof under PMKSY, PMFME, PLIS and Non-Scheme during the year 2021-22 and allocation for 2022-23 is given below :

₹ in Crore					
Scheme	BE 2021-22	RE 2021-22	Actual Expenditure on 31.03.2022	%with reference to RE	BE2022-23
Y	700.00	791.00	713.49	90.20	900.00
E	500.00	399.00	326.46	81.82	900.00
PLIS	0.00	10.00	9.27	92.70	1022.00
Non-Scheme	108.66	104.12	98.17	94.29	119.99
Total	1308.66	1304.12	1147.39	87.98	2941.99

## **Comments of the Committee**

For Comments of the Committee please see para 1.7 of the Report

### **Finding solutions to inadequate receipt of proposal problems as cited by the Ministry**

#### **Recommendation No. 2**

The Committee note that with regard to all the plan Schemes, especially the Food storage and Warehousing and North-Eastern Areas, there has been consistently negative variation for the years 2019-20, 2020-21 and 2021-22, respectively, as compared to the previous years. The Committee also note the reply of the Ministry, that the reasons for negative variation was mainly perhaps, due to receipt of inadequate proposals under mandatory allocations like North-Eastern Region (NER), Schedule Cast Sub Plan (SCSP) and Tribal Sub Plan (TSP). They find the plea of the Ministry for receipt of inadequate proposals is unacceptable because the Ministry should have taken corrective steps to overcome the problem at the planning stage. The receipt of inadequate proposals is a recurring problem appearing year after year and the Ministry of Food Processing Industries is remaining only as a mute spectator. They, therefore, recommend that the Ministry to take tangible steps to solve this problem during 2022-23 and apprise them accordingly.

### **REPLY OF THE GOVERNMENT**

Ministry of Food Processing Industries has been making conscious efforts to increase the number of projects from North Eastern Region as well as under mandatory allocations of Schedule Cast Sub Plan (SCSP) and Tribal Sub Plan (TSP) so as to fully utilize the budgetary provisions under these heads. The guidelines of the schemes provide various concessions to the projects located in North Eastern Region as well as those approved for SC and ST promoters. Further, Ministry is regularly conducting virtual meetings with promoters/investors of NER to monitor the implementation of sanctioned projects and to find out issues/problems being faced by them. Ministry also writes letters to State governments, if found necessary, to help promoters/Implementing

Agencies in getting statutory approvals in a timely manner and to avoid unnecessary delay in implementation.

In accordance with the direction of the committee to consider these issues at Planning stage itself, Ministry has reviewed structure of the component schemes of Pradhan Mantri Kisan Sampada Yojana (PMKSY) in consultation with stakeholders and recommendations of third party evaluation reports. After deliberations Ministry has decided not to further sanction any new projects under Mega Food Park scheme, Creation of Backward and Forward Linkages scheme, HRI-Skill Development scheme & HACCP component of Food Safety and Quality Assurance Infrastructure scheme. Scope of Operation Greens Scheme has been extended from Tomato, Onion and Potato (TOP) to 22 perishables. The restructured PMKSY has been approved for implementation with total outlay of Rs 4600 Crore till 31.03.2026. Ministry will make further concerted effort to motivate promoters from NER/SC/ST to apply under the component schemes.

### **Comments of the Committee**

For Comments of the Committee please see para 1.10 of the Report

### **State and Union territories allocation for Budget Estimates (2022-23)** **Recommendation No. 3**

The Committee observe that an amount of Rs. 2,941.99 Crore has been allocated to the Ministry of Food Processing Industries in BE 2022-23 for implementation of its Schemes. The Centrally sponsored Schemes/Projects are Pradhan Mantri Kisan Sampada Yojana (PMKSY); under this Scheme (i) Mega Food Parks (ii) Integrated Cold Chain and Value Addition Infrastructure (iii) Creation/Expansion of Food Processing & Preservation Capacities (iv) Creation of Infrastructure for Agro Processing Clusters (v) Creation of Backward & Forward Linkages (vi) Food Safety and Quality Infrastructure (vii) Human Resources and Institution, besides this Production Linked Incentive Scheme for Food Processing Industry (PLISFPI) and Prime Minister Formalization of Micro Food Processing Enterprises Scheme (PMFME).

The Committee note that even though the Schemes are functioning, all States and Union territories are not covered under the Schemes of Ministry of Food Processing Industries. This may be due to the fact that the Schemes of the Ministry are Demand Driven and the Schemes are implemented from wherever the demand is received. Some States and Union territories get deprived of the implementation of the Scheme. The Committee also note that under Economic service, an amount of Rs. 180 Crore has been sanctioned for North-Eastern Areas, an amount of Rs. 300 Crore has been given as Grants-in-aid to State Governments and Rs. 10 Crore has been given as Grants-in-aid to Union territory Governments.

The Committee feel that since the Schemes of the Ministry are addressing the critical issue of Food Security, Food Inflation and providing wholesome nutritious food to the masses, the Ministry should make changes in the policy by allocating grants to all the State and Union territories in the country, should chalk out the Plan of Action and be ever ready to implement its Schemes in all States and Union territories as per the Monthly Expenditure Plan for 2022-23. The Committee feel that if all the regions are developed, it will ultimately lead doubling of farmer's income their income. The Committee would like to be informed of the action taken by the Ministry in this regard.

## **REPLY OF THE GOVERNMENT**

Pradhan Mantri Kisan Sampada Yojana (PMKSY) is a central Sector umbrella scheme and is not any region or state specific but demand driven. Financial assistance is provided to the eligible applicants selected on the basis of Expression of Interest (EoI) issued from time to time under its component schemes. Though no state wise Grants is disbursed under the scheme, Ministry makes special efforts to assist projects across all the regions in the country with special preference to NER, ITDP, Hilly and difficult areas and appropriate publicity measures are being taken.

In addition to PMKSY, Ministry is implementing a Centrally Sponsored PM Formalisation of Micro food processing Enterprises (PMFME) Scheme for a period of five years from 2020-21 to 2024-25 with an outlay of Rs.10,000cr with tentative allocation across all States /UT's as follows:

	<b>State/UT</b>	<b>Allocation of Micro Food Processing Units under PMFMES cheme</b>
<b>I.</b>	<b>North East</b>	
<b>1</b>	Arunachal Pradesh	307
<b>2</b>	Assam	12778
<b>3</b>	Manipur	1500
<b>4</b>	Meghalaya	949
<b>5</b>	Mizoram	499
<b>6</b>	Nagaland	1215
<b>7</b>	Sikkim	222
<b>8</b>	Tripura	2531
	<b>Sub-Total(NE-8)</b>	<b>20,000</b>
<b>II.</b>	<b>UTs</b>	
<b>9</b>	A & N Islands(UT)	100
<b>10</b>	Chandigarh(U.T.)	100
<b>11</b>	D & N Haveli and Daman & Diu (UT)	100
<b>12</b>	Delhi(UT)	613
<b>13</b>	Jammu & Kashmir(UT)	1699
<b>14</b>	Lakshadweep(UT)	100
<b>15</b>	Puducherry(UT)	169
<b>16</b>	Ladakh UT	100
	<b>Sub Total (UTs-8)</b>	<b>2980</b>
<b>III.</b>	<b>Other States</b>	
<b>17</b>	Andhra Pradesh	11083
<b>18</b>	Bihar	11333
<b>19</b>	Chhattisgarh	2865
<b>20</b>	Goa	134
<b>21</b>	Gujarat	8793
<b>22</b>	Haryana	4559
<b>23</b>	Himachal Pradesh	1317
<b>24</b>	Jharkhand	6040
<b>25</b>	Karnataka	11910
<b>26</b>	Kerala	4393
<b>27</b>	Madhya Pradesh	11597
<b>28</b>	Maharashtra	22234



<b>29</b>	Odisha	5201
<b>30</b>	Punjab	7373
<b>31</b>	Rajasthan	7331
<b>32</b>	TamilNadu	12128
<b>33</b>	Telangana	5192
<b>34</b>	Uttar Pradesh	41779
<b>35</b>	Uttarakhand	1758
	<b>Sub Total(OtherStates-19)</b>	<b>177020</b>
	<b>Sub Total(UT+OtherStates-27)</b>	<b>180000</b>
	<b>TOTAL(35)</b>	<b>200,000</b>

### **Lack of Processing Facilities**

#### **Recommendation No. 5**

The Committee observe that during the farm season, the Tomatoes are being sold at Rs. 3 per Kg and ginger gets sold at Rs. 5 per Kg and which leads the farmers not to pluck their produce as the plucking cost will be much more than the selling price. The same case happens with onion also. As these foods are the daily requirement of the citizens of the country, the Committee feel that the Ministry should immediately establish Cold Chain by identifying the villages where there is large production but the benefit of income does not reach the farmers as they are forced to sell at a cost which is very pathetic.

The Committee desire that the Ministry should identify the requirement of Cold Storage in areas where there is farm cultivation taking place in bountiful manner but farmers could not establish their own Cold Storage due to paucity of Funds. The Ministry in those instances should sponsor Cold Chain in those areas where there is no remote possibility of opening Cold Storage by entrepreneurs. If this is done, then the Committee feel that the critical issue of Food Security, Food Inflation and providing wholesome nutritious food to the masses throughout the year and the Harvest and Post-Harvest Losses can be curtailed and that may ultimately lead to export of Agricultural Produce and the country can earn good foreign exchange. Therefore, the action taken by the Ministry may be intimated to them.

## REPLY OF THE GOVERNMENT

The Ministry of Food Processing Industries (MoFPI) has been implementing an umbrella scheme named "Pradhan Mantri Kisan Sampada Yojna" (in short, PMKSY) since 2016-17 with an outlay of Rs.6000 crores. PMKSY has been envisaged as a comprehensive package which will result in creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet. It is expected to not only provide boost to the growth of food processing sector in the country but also help in providing better returns to farmers and is a step towards doubling of farmer's income, creating employment opportunities especially in the rural areas, reducing loss of agricultural produce, increasing the processing level and enhancing export of processed foods.

During 2018-19, a new scheme 'Operation Greens' was launched as a new sub-scheme under PMKSY for integrated development of Tomato, Onion and Potato (TOP) crops value chain. This Scheme was announced in the Union Budget for 2018-19 with financial outlays of Rs. 500 crore to promote FPOs, agri-logistics, processing facilities and professional management for Tomato, Onion and Potato (TOP) crops. The Scheme was launched in November 2018 on a pilot basis with the objective to promote setting up of Integrated Value Chain Development Projects for TOP crops in the selected clusters. Operation Greens Scheme has following two measures –

(a) Short Term Measures - Under this component transportation and/or storage subsidy is provided subsidy of 50% during "glut situation" to the claimants in accordance with the scheme guidelines. The scope of short-term measures was extended from TOP (Tomato, Onion & Potato) to TOTAL (41 notified fruits and vegetables) w.e.f. 11.06.2020.

(b) Long Term Measures – Under this component, credit linked financial support by way of grants-in-aid is provided to eligible applicants for setting up value chain development projects. The projects are implemented in selected clusters in major producing States for development of integrated value chain. In pursuance of Budget announcement 2021-22, the scope of long term strategy is going to be expanded from

TOP to 22 perishables including 10 fruits, 11 vegetable and Shrimp. The production clusters in major producing states have been identified for respective crops on the basis of production data of Ministry of Agriculture & Farmers Welfare and are to be notified after finalization of revised guidelines. Six projects have so far been approved under this scheme.

Another sub-scheme under PMKSY that deals with highly perishable fruits and vegetables is “Integrated Cold Chain & Value Addition Infrastructure” which is under implementation since 2008-09. This scheme aims to provide integrated cold chain infrastructure facilities, without any break, from farm gate to the consumer end. It covers creation of infrastructure facility along the entire supply chain viz. pre-cooling, weighing, sorting, grading, waxing facilities at farm level, multi product/ multi temperature cold storage, CA storage, packing facility, IQF, blast freezing in the distribution hub and reefer vans, mobile cooling units for facilitating distribution of horticulture, organic produce, marine, dairy, meat and poultry etc. The scheme allows flexibility in project planning with special emphasis on creation of cold chain infrastructure at farm level. The integrated cold chain project can be set up by Partnership/ Proprietorship Firms, Companies, Corporations, Cooperatives, Self Help Groups (SHGs), Farmer Producer Organizations (FPOs), NGOs, Central/ State PSUs, etc. subject to fulfillment of eligibility conditions of scheme guidelines.

Both the above-mentioned sub-schemes under PMKSY will continue to be implemented till 2025-26.

The revised scheme guidelines are in the stage of finalization and EOI (expression of interest) for inviting fresh applications would be issued once the guidelines are notified.

It may also be noted that the schemes are demand driven in nature and, therefore, proposals are invited through EOI from eligible and interested entrepreneurs/ promoters. Accordingly, projects are approved in terms of scheme guidelines, from amongst proposals received against EOI.

## **Mega Food Parks Scheme Performance during 2021-22**

### **Recommendation No. 7**

The Committee note that Mega Food Parks Scheme is being implemented by the Ministry of Food Processing Industries since 2008. The Mega Food Park Scheme (MFPS) aims at providing modern infrastructure facilities for food processing along the value chain from farm to market. The Scheme functions on a Hub and spoke model. It includes creation of infrastructure for primary processing and storage near the farm gate at Primary Processing Centres (PPCs), Collection Centres (CCs) and common facilities and enabling infrastructure at Central Processing Centre. The food processing units, under the scheme, would be located at Central Processing Centre (CPC) with need based common infrastructure required for processing, packaging, environmental protection systems, quality control labs, trade facilitation centres, etc.

The scheme envisages a capital grant @50% of the eligible project cost in general areas and @75% in difficult and hilly areas i.e. North East Region including Sikkim, J&K, Ladakh, Himachal Pradesh, Uttarakhand and ITDP notified areas of the States subject to a maximum of Rs. 50 crore per project. At least 50 acres of land is required to be arranged by the SPV / IA either by purchase or on lease of at least 75 years for the Central Processing Centre of the Mega Food Park. The responsibility of execution, ownership and management of the Mega Food Park is vested with a Special Purpose Vehicle (SPV) in which financial Institutions/banks, organized retailers, processors, service providers, producers, farmer organizations and other related stakeholders would be the shareholders. To ensure the private sector driven character of the SPV, equity holding of the Government agencies was restricted up to 26 percent.

It is expected that, on an average, each project may have around 25-30 food processing units with a collective investment of around Rs. 250 Crore that would eventually lead to an annual turnover of about Rs. 450-500 crore and creation of direct / indirect employment of about 5,000 persons. Each MFP on being fully operational will also benefit about 25,000 farmers. However, the actual configuration of the project may vary depending upon the business plan for each Mega Food Park. The aggregate investment in CPC, PPCs and CCs should be proportionate and commensurate to the size of the total project keeping in view the economies of scale. Out of the total 41 Mega

Food Parks (MFPs) sanctioned by the Government, 39 MFP projects have been accorded final approval and 22 Mega Food Parks have become Operational. In-principle approval accorded to 2 MFP projects. Since Agri Processing Clusters (APC) is going to supplant the intent behind MFP scheme, it has been proposed to be discontinued in 15th Finance Commission cycle with provision for committed liability for ongoing projects.

An amount of Rs. 54.37 Crore was allocated in RE (2021-22) and the Actual Expenditure is Rs. 31.34 Crore as on 14.02.2022 and the percentage is 57.64. The proposed allocation for 2022-23 is Rs. 66.80 Crore and the allocation amount for BE is Rs. 55.70 Crore. The Committee feel that from 2008 to till date, only 41 Mega Food Parks have been sanctioned by the Government and only 22 Projects have become operational. This shows that the response for this Scheme is not very much forthcoming inspite of 14 years of launching this Scheme and the decision of the Government to supplant the Scheme with Agro Processing Clusters (APC). The Committee feel that this step should have been taken earlier and the Project has become a white elephant for the Government.

The Committee, therefore, recommend that in order to implement the Agro Processing Clusters (APC) Scheme in the 750 districts of the Country, especially the most backward regions, districts and remote corner villages where people don't have access to technologies. The Committee feels that this will bring the needed succour to the poor farmers and ultimately may lead to the doubling of farmer's income.

## **REPLY OF THE GOVERNMENT**

The Ministry has been implementing Scheme for Creation of Infrastructure for Agro Processing Cluster since 2017 under Pradhan Mantri Kisan Sampada Yojana (PMKSY). As per extant guidelines of Scheme for Creation of Infrastructure for Agro Processing Cluster, financial assistance in the form of grants-in-aid is provided for establishing one Agro Processing Cluster (APC) per district except the districts, where Mega Food Park is already sanctioned by the Ministry.

Accordingly, the proposals / applications seeking financial assistance for establishing APCs from the prospective entities from all over the country are invited by the Ministry by floating Expression of Interest (EoI) from time to time.

As on date, Ministry has approved 68 APCs in various districts of the country and they are under various stages of implementation. Further, the Cabinet has accorded its approval for continuation of PMKSY including sanction of 30 additional APC projects for the 15th Financial Cycle period up to 2026. The successful entities (when they apply against expressions of interest to be floated in this regard) will be accorded approval for financial assistance to establish APC as per extant guidelines of the scheme. Since APC projects provide infrastructure facilities for the units established in it, the success of APC projects depends upon the operationalization of these units.

The income of farmers/ entrepreneurs would be augmented as the agro/ horti produce of the catchment area could be used as raw material in the food processing units established in the APC projects.

### **Integrated Cold Chain and Value Addition Infrastructure Scheme** **Recommendation No. 8**

The Committee note that the Ministry has been implementing the Scheme for Integrated Cold Chain and Value Addition Infrastructure since 2008. The Scheme provides for promoting Integrated and Complete Cold Chain facilities in all the States and Union territories without any break from farm gate to the consumers and to reduce losses by improving efficiency in collection of farmer's produce, storage, transportation and minimal processing.

The Committee also note that Dr. Saumitra Chaudhari Committee, appointed during 2012, had estimated Cold Storage requirement in the country of 61 million tonnes. The gap in the Cold Storage was estimated to be around 29 million tonnes.

Further as per the Study carried out by National Centre for Cold Chain Development (NCCD) in August, 2015 the requirement of Cold Chain for Integrated Pack Houses is 70,000, Refrigerated Trucks 62,000, Cold Store (Bulk & Distribution hub) 35 million tonnes and Ripening Chambers 9,000.

The Committee note that during 2020-21, out of an allocation of Rs. 252.58 Crore, an amount of Rs. 207.41 Crore has been utilized which is 82.12% that means the Ministry could not spend Rs. 48 Crore during the year 2020-21. Similarly, during 2021-22 against the allocation of Rs. 227.69 Crore the actual expenditure is Rs. 175.26 Crore so far and the RE has been increased to Rs. 263 Crore.

Therefore, the Committee desire that, Rs. 263 Crore should be spend by the Ministry during the 2021-22, positively and they be apprised accordingly.

## **REPLY OF THE GOVERNMENT**

The Scheme for Integrated Cold Chain and Value Addition Infrastructure is demand driven in nature, and therefore, proposals are invited through Expression of Interest (EOI) from entrepreneurs/promoters for setting up of value chain development projects from eligible production clusters of respective crops. Accordingly, projects are approved in terms of scheme guidelines, from amongst proposals received against EOI.

Setting up of infra projects for food processing with associated facilities are accordingly taken up by such entrepreneurs and release of grant is incumbent upon actual implementation of such projects.

During financial year 2021-22, against the BE provision of Rs.227.69 crore and RE provision of Rs.263 crore, a total of Rs.225.29 crore was released, which is 98.99% and 85.66% of BE and RE provisions respectively. The under-utilization of fund is due to non-receipt of sufficient eligible proposals from North Eastern States, Scheduled Caste and Scheduled Tribe categories.

## **Creation /Expansion of Food Processing & Preservation Capacities Scheme (Unit Scheme)**

### **Recommendation No. 9**

The Committee note that the main objective of the Scheme is for promotion of processing/preservation of Agro Food Products and modernization/ capacity enhancement of food processing units with a view to increasing the level of processing, thereby, reduction of wastage and value additions.

The Scheme envisages financial assistance to Food Processing Units in the form of Grant-in-aid @ 35% of the cost of plant and machinery and technical civil work subject to a maximum of Rs. 5 Crore. As on 31.12.2021, 288 Food Processing Units have been taken up for implementation. Out of these 288 Units, 112 Food Processing Units have been completed and 176 are at various stages of implementation. Out of 112 completed Food Processing Units, 68 Food Processing Units have been completed in this calendar year. The total Project cost of 288 Units sanctioned so far is Rs. 3,744.06 Crore with private investment of Rs. 2,684.95 Crore and Grants-in-aid of Rs. 1,045.22 Crore. The Committee further note that out of the remaining 176 Projects, 80 Projects are targeted to be completed in 2022-23 and remaining 96 Projects are targeted to be completed in 2023-24.

The Committee observe that out of an allocation of Rs. 219.30 Crore in RE (2020-21), an amount of Rs. 202.84 Crore is the Actual Expenditure, which comes to 92.49% and the reason for under-utilization is inadequate eligible proposals under North-Eastern Region (NER), Schedule Caste Sub Plan (SCSP) and Tribal Sub Plan (TSP). Also, for the year 2021-22, an amount of Rs. 242.50 Crore has been allocated in RE (2021-22) out of which an amount of Rs. 147.49 Crore is the Actual Expenditure till 14.02.2022 which comes to 60.82%. The reason for under-utilization is 3rd SDG awaited. The Committee also note that 13 proposals were received in phases and out of which 354 Projects were sanctioned and 66 Projects were cancelled/ withdrawn and 112 Projects have been completed.

The Sector-wise details of the Projects approved are consumer industry, fruits and vegetables processing, dairy/milk processing, fish and marine processing, grain



milling, meat and poultry processing and oil milling. The Committee also observe that to achieve the targets of 2022-23, the Projects will be monitored through review/meeting/physical verifications etc. and will facilitate the promoters for timely implementation of the Project.

The Committee feel that Food Processing Industries maybe one of the fastest growing industries and several innovative processing technologies are being developed day-by-day which can also be considered, if deemed fit. The Committee, therefore, recommend that the Ministry should try to implement their Scheme in a time bound manner. The Committee also recommend that the Ministry should stick to the time schedule of monthly plan of funds utilization as proposed in the Demands for grants (2022-23). The Committee also feel that the Ministry should plan well in advance with precision and should try to find solutions for the challenges being approached. They feel the under-utilization of funds should be avoided at any cost.

## **REPLY OF THE GOVERNMENT**

Ministry has approved 281 units as on 31.03.2022. Out of these, 139 units have been completed and 142 units are under various stages of implementation. Out of 139 completed units, 77 units have been completed in FY 2021-22. The total project cost of 281 units sanctioned so far is Rs.3689.63 crore with private investment of Rs.2661.08 crore and GIA of Rs. 1028.55 crore. Out of 142 units, which are in various stages of implementations, 80 units will be completed during the FY2022-23.

Out of fund allocation of Rs 242.50 crore under the Scheme during 2021-22, an amount of Rs 238.08 crore has been utilized, which comes to 98.18% and the reason for under-utilization of fund is due to non-receipt of sufficient eligible proposals from North Eastern States, Scheduled Caste and Scheduled Tribe categories. Out of the total sanctioned 354 projects, as on 31.03.2022, 73 projects were cancelled/withdrawn and 139 units have been completed and 142 units are in various stages of implementation.

During the current FY 2022-23, an allocation (BE) of Rs 282.80 crore has been made under the Scheme. This Ministry is taking continuous efforts in achieving the physical and financial targets by conducting review meeting, virtual verification and

physical site inspection on regular basis so as to ensure timely utilization of funds vis'-a-vis' timely implementing of projects.

**Infrastructure for Agro Processing Clusters Scheme**  
**Recommendation No. 10**

The Committee note that the objective of the Scheme initiated during 2017 was to create modern infrastructure for food processing closer to production areas, to provide integrated and complete preservation infrastructure facilities from farm gate to consumers and to create effective Backward and Forward Linkages by linking Groups of Producers/Farmers to the processor and markets through well equipped chain.

The applications/proposals are invited by the Ministry Online against the Expression of Interest (EOI) issued by the Ministry, from time to time, keeping in view the availability of budget. The Committee also note the reply of the Ministry, that they have approved 68 Projects in 2017-18 and only 12 Projects have been completed since the inception of the Scheme. This shows non-satisfactory planning by the Ministry as also the non-satisfactory implementation.

The Committee also observe that for 2020-21, Rs. 56.69 Crore was allocated and the Actual Expenditure was Rs. 48.47 Crore which is 85.50% and the reason for under-utilization during 2020-21 was perhaps inadequate eligible proposals under SCSP and TSP. For 2021-22, Rs. 53.90 Crore was allocated and as on 14.02.2022 spending was merely Rs. 34.25 Crore and the reason for under-utilization is 3rd SDG awaited. The reason furnished by the Ministry is not correct because supplementary DFG will give additional funds only.

The Committee feel that in the restructure components of PMKSY during the 15th Finance Commission Cycle, the Agro Processing Cluster (APC) Scheme should be given impetus and boost by finding solutions to the challenges/hurdles and the Scheme should be implemented in all villages of the country.

The Committee, therefore, recommend that the Ministry should try to implement this Scheme in a war footing-scale by scrupulously adhering to the time limit for setting up of the Projects in this Scheme.

## **REPLY OF THE GOVERNMENT**

Ministry of Food Processing Industries has been implementing the Scheme for Creation of Infrastructure for Agro Processing Clusters (APC) since 2017 under the Pradhan Mantri Kisan Sampada Yojana (PMKSY) to incentivize the setting up of agro-processing clusters in the country. The Scheme aims at development of modern infrastructure to encourage entrepreneurs to set up food processing units based on cluster approach. Development of these clusters is with an objective to reduce loss of surplus produce and to add value to the horticultural/ agricultural produce in order to increase income of the farmers and create employment at the local level.

It has been observed that various compliances before setting up APC viz. Change of Land Use, approval of building layout plan, possession of land and removal of encumbrance thereon, Consent to Establish from pollution control board, sanction of term loan by lending bank/ financial institutions are time-consuming processes which take around 6 months or even more. Therefore, the developers of projects under the Scheme gets only 14-18 months to actually implement and complete the projects (stipulated timeline - 20 months in General Areas and 24 months in Difficult Areas). Hence, there are delays in the implementation of projects. In order to mitigate the problems being faced by the developers of the projects, the Ministry vide the revised APC scheme guidelines dated 04.12.2020 has increased the time period for completion of projects from earlier 20 months to 24 months for General Areas and from 24 months to 30 months for Difficult Areas.

It may also be noted that despite disruptions caused by Covid-19 pandemic, this Ministry approved 38 (thirty-eight) new projects during FY 2020-22 taking total number of sanctioned projects to 68 (sixty-eight).

In FY 2021-22, Rs. 37.50 crore was allocated at BE stage under the Scheme. The allocated fund of Rs. 37.50 crore was distributed under various Heads under the Scheme (as may be seen in the following table). Funds allocated to GIA general (Rs. 30.00 crore) and GIA TSP category (Rs. 1.30 crore) were already exhausted before 14.02.2022. However, there were additional requirement of funds under GIA general and, therefore, the Ministry was waiting for funds at RE stage. The allocation of funds (received at BE stage) as well as expenditure before and after receiving funds at RE state is as under:

Budget Head	BE	Actual Expenditure before 14.02.2022	RE	Actual Expenditure as on 31.03.2022
Professional Services	0.20	0.20	0.40	0.40
Grant-in-aid- General	30.00	30.00	42.03	42.03
Grant-in-aid-General-SCSP	2.00	0	2.00	1.35
Grant-in-aid-General-TSP	1.30	1.30	5.47	1.30
Grant-in-aid (NER)	4.00	2.7489	4.00	4.00
Total	37.5	34.2489	53.9	49.08

It may be seen from above that funds allocated to professional services, GIA General and GIA NER heads of the scheme were completely utilized. Only funds in GIA SCSP and GIA TSP heads were under-utilized due to non-receipt of adequate eligible proposals for release of GIA. Overall, the Ministry has utilized 91.05% of total funds allocated at RE stage.

As regards selection of proposals, the Ministry invites proposals from interested entities through Expression of Interest. As per existing scheme guidelines, one APC per district may be approved except the districts where a Mega Food Park is already sanctioned by the Ministry. Further, at least 5 food processing units are required to be established in an APC to utilize the facilities in APC. These units may utilize raw material for processing from the villages located around the APC.

It is mentioned that Ministry is taking incessant efforts for achieving the physical and financial targets through review meetings, virtual verifications and physical site inspections on regular basis so as to ensure timely utilization of funds and implementation of APC projects.

### **Comments of the Committee**

For Comments of the Committee please see para 1.16 of the Report

#### **Food Safety and Quality Assurance in Infrastructure Scheme** **Recommendation No. 11**

The Scheme for setting up/up gradation of Food Testing Lab is being implemented since 2005 with the rationale to support the Food Safety Regulatory activities of the Food Processing Sector and to keep the Food Processing Industry in regard to quality control measures. A Grant support is provided @ 50% / 70% of equipment in general/difficult areas for Private Projects and 100% for Public Sector. So far, 175 Labs have been approved, 119 are completed and 56 are under implementation.

The Committee also note that Ministry provides Financial Assistance for setting up/upgradation of Food Testing Laboratories across the country based on their commercial viability and requirement of Food Processing Industries in the catchment area. The catchment area of a Food Testing Laboratory may cover multiple administrative districts. So far, Ministry has provided Financial Assistance to 175 Laboratory Projects in various districts of the country.

The Committee further note that during the PowerPoint Presentation made during evidence session on 23.02.2022 with regard to implementation of this Scheme, it is stated that the Scheme discontinued/merged in 15th Financial Commission Cycle. The Committee note that in order to ensure that food is wholesome, hygienic and healthy, there is a need to have infrastructure for testing of food products in each intermediate Panchayat/Block/Taluka levels in the Country.

## **REPLY OF THE GOVERNMENT**

The recommendation of the Committee has been noted.

The Ministry of Food Processing Industries supports and promotes food processing sector in various ways. In order to ensure that food is wholesome, hygienic and healthy, there is a need to have widespread and easily accessible infrastructure for testing of food products. The objective of the scheme related to setting up/ upgradation of food testing laboratories, is to support proposals based on their commercial viability and requirement of food processing industries in the catchment area. The scheme is continuing and Ministry is in the process of revising the scheme guidelines and is considering to give additional weightage to proposals in uncovered/ aspirational districts of the country provided that such proposals meet other criteria of financial assistance.

It is also brought to notice that Food Safety & Standards Authority of India (FSSAI) under Ministry of Health & Family Welfare regulates establishment and monitoring of Food Testing Laboratory infrastructure in terms of Section 43-45 of Food Safety & Standards Act, 2006.

### **Research & Development** **Recommendation No. 12**

The objective of the scheme is that end product/outcome/findings of R&D work should benefit food processing industry in terms of product and process development, efficient technologies, improved packaging, value addition etc. with commercial value along with standardization of various factors viz. additives, colouring agents, preservatives, pesticide residues, chemical contaminants, microbiological contaminants and naturally occurring toxic substances within permissible limits. For Government Organizations/Institutions/Universities, grant in aid is given for 100% of cost of equipment, consumables, manpower, TA/DA(up to Rs.1 lakh) and institutional charges (10% of the project cost subject to max. of Rs.3 lakh or Rs.5 lakh for non-academic and academic organizations respectively) specific to the project of specified duration for maximum of three years. No assistance will be provided for already existing equipment.

For private organizations/institutions/universities, grant is given to the tune of 50% of equipment cost in general areas and 70% in the difficult areas like the States/UTs of J&K, Ladakh, Himachal Pradesh, Uttarakhand, Sikkim, North-Eastern States, Andaman & Nicobar Islands, Lakshadweep, and integrated Tribal Development Projects (ITDP) areas.

The Scheme for Research and Development started by the Ministry during 9th Plan (1997-2002). Since, inception of the scheme during 9th Plan to 11th Plan the scheme was directly implemented by Ministry. During 12th Plan Period, the scheme was implemented through Science and Engineering Research Board (SERB) of Department of Science and Technology. From 1st April, 2017 onwards, the scheme is again being implemented directly by the Ministry of Food Processing Industries. The Committee further note that during the PowerPoint Presentation made during evidence session on 23.02.2022 with regard to implementation of this Scheme, it is stated that the Scheme discontinued/merged in 15th Financial Commission Cycle. The Committee feel that R&D Scheme is intended to create a shelf of technologies and innovative products and processes for commercialization by the Food Processing Industry. New products entering the market may raise the safety and nutritional status of food items.

The Committee, therefore, recommend that the Ministry should try to implement this Scheme in each 750 Districts of the Country in a time bound manner.

## **REPLY OF THE GOVERNMENT**

Under the Scheme for Research and development in processed food sector, Ministry of Food Processing Industries does not undertake Research and development (R&D) in processed food sector on its own. However, Under the Scheme, the Ministry is providing financial assistance to applicant organisations viz. Central/ State Government Universities/ Institutions, IITs, Public Funded Organisations, R&D laboratories and CSIR recognized R&D units in private sector to promote and undertake demand driven R&D work in the field of Food Processing Sector for product and process development, design and development of equipment, improved storage, shelf-life, packaging etc. The

above scheme is not State/ District specific but open for all districts. The scheme is continuing in 15th Finance Commission cycle.

Research and development in food processing sector is highly specialised, technical and scientific work, which can be carried out only by such agencies which have manpower with skills in the field of food processing and also trained to operate specialized equipment used for research purposes.

As per the scheme guidelines, preference is given to those R&D project proposals, which are beneficial for SMEs and farmers. Further, the guidelines also provides for associating an Industrial Partner with such projects. The Industrial Partner helps in taking-up/ purchase/ commercialization of the "outcome" of the project.

The two institutions namely NIFTEM, Kundli, Haryana and NIFTEM, Thanjavur, Tamil Nadu under administrative control of this Ministry, are the technical supporting arms with their expertise in processed food sector. They have also been carrying out R&D.

It may be noted that R&D is a demand driven work. Any industry/ individual of the Country (from any of the districts) may come forward and make suggestions to NIFTEMs, or any other Institutes (Government or private) for undertaking research work in the sector. For example, a farmer may request Universities/ Institutions to develop innovative products for their crops so that they can get better price of their crop. The Ministry though its R&D Scheme is committed to extend financial assistance to such R&D project proposals provided these proposals satisfy conditions of scheme guidelines.

The Ministry of Food Processing Industries (MoFPI) has also developed R&D Portal to present the information on products, processes and technology development as well as latest innovations by different Food Technology development Institutes of the country. The website provides easy and wider access to all categories of users such as entrepreneurs, industry, promoters, consumers, researchers, students and many more. The process will thus lead to provide technological solutions to existing problems of



food processing sector and to enhance the sector's growth, food production and quality, consumers' safety, public health and trade. The website is expected to bridge the gap between the recognized food processing institutes/ government organizations and the information/ technology seekers from all the district of the country.

### **Promotional Activities**

#### **Recommendation No. 13**

The scheme is aimed at creating awareness among various stakeholders on plan, policy & programmes of the Ministry and the various schemes of Pradhan Mantri Kisan SAMPADA Yojana (PMKSY) and its components being implemented by the Ministry through advertisement and publicity material, print, audio-visual media, social media platforms, electronic media like website, development of software, etc., to encourage investment for the development of food processing sector by extending financial support for organizing / co-sponsoring / sponsoring / participating in an event such as national / international fair, exhibition, roadshow and / or logo support on non-financial terms etc. and the focus areas of the scheme are processing, storage, packaging, marketing & retailing of food products and food ingredients. The Committee further note that during the PowerPoint Presentation made during evidence session on 23.02.2022 with regard to implementation of this Scheme, it is stated that the Scheme discontinued/merged in 15th Financial Commission Cycle.

The Committee feel that in order to create awareness about the potential and prospect of Food Processing Industry in the country, the Ministry is doing Promotional Initiatives which will ultimately lead to Development of Food Processing Industries. The Committee, therefore, recommend that the Ministry should make awareness and implement this Scheme in each local language of the respective States and Union territories.

### **REPLY OF THE GOVERNMENT**

Promotional Activities are organized by the Ministry in active collaboration with various Industry Associations.

Ministry also supports promotional activities organized by private entities by giving financial support and logo support. These promotional events are organized in various states and UTs. Normally, the banners, posters, creatives and other promotional materials are provided in English and Hindi.

The Organizing Agencies including the State Government and their institutions is being directed to create awareness and implement the scheme in regional languages of the concerned state/UT.

### **Skill Development** **Recommendation No. 14**

The aim of the scheme is to provide sector specific skilled workforce from floor level workers, operators, packaging and assembly line workers to quality control supervisor etc. and to meet the skilled Human Resources requirement in food processing sector. Under the scheme, Grant-in-Aid is provided to the eligible Institutions/ organizations up to a maximum of ₹5.00 lakhs per QP for development of training module both in print Multi-media for each job role. Up to a maximum of ₹0.50 lakh per QP is available for the translation of already developed training modules in recognized regional languages as per 8th schedule both in print and Multi-media for each job role. Grant-in-Aid is provided at the rate of 50% of cost of plant & machineries required for NSDA/NSDC validated training module subject to a maximum of ₹15 lakhs per training module limited to a maximum of 5 training modules per Training Centre. The Grant-in-Aid is released by the Ministry to eligible institutions/organizations in two equal instalments i.e. 50% advance and remaining 50% after the plant machinery has been purchased and installed by the Institute/organization. The 1st operational guidelines of the Scheme was issued on 29.11.2017.

Under the scheme, a total of 27 projects have been approved by the Ministry under the Scheme. 26 Projects are for creation of infrastructure in Food Processing Skill Training Centres, out of which 17 projects have been completed, whereas 1 project approved for development/translation of course curriculum for 13 Food Processing Job Roles has also been technically completed and submitted to the Ministry. The

Committee further note that during the Power Point Presentation made during evidence on 23.02.2022 with regard to implementation of this Scheme, it is reportedly has been discontinued/merged in 15th Financial Commission Cycle. The Committee feel that in order to develop socially and economically disadvantaged people in India, there is an urgent need to develop their capacity through skills. Therefore, the Committee recommend that the Ministry should try to revamp and implement this Scheme vigorously.

## **REPLY OF THE GOVERNMENT**

In line with the approval of the Union Cabinet based on recommendation of the Expenditure Finance Committee (EFC) for the Pradhan Mantri Kisan Sampada Yojana (PMKSY), the skill scheme being a component scheme of PMKSY, has been discontinued for implementation during the 15th Finance Commission period. Skill training/ capacity building for the micro informal sector will be covered through PM-FME scheme.

### **Production Linked Incentive Scheme (PLIS)** **Recommendation No. 16**

The Committee note that the Union Cabinet in its Meeting held on 31.03.2021 approved another Central Sector Scheme, Production Linked Incentive Scheme(PLIS) for Food Processing Industry to support creation for Global Food Manufacturing Champions commensurate with India's natural resource endowment and support Indian brands of food products in the international market with an outlay of Rs. 10,900 Crore. The Production Linked Incentive Scheme (PLIS) has been formulated based on the Production Linked Incentive Scheme of NITI Aayog under 'AatmaNirbhar Bharat Abhiyan' for enhancing India's manufacturing capabilities and increasing exports. The Scheme has been planned to be implemented over a period of six years, from 2021-22 to 2026-27, in all States and Union territories of the country. The Committee also note that an amount of Rs. 10Crore has only been kept for 2021-22 and Rs. 1022 Crore have been kept in BE (2022-23).

The Committee further note that the First Component of this Scheme related to incentivizing manufacturing of four major food product segments viz. Ready to Cook, Ready to Eat (RTC/RTE) foods. The Second Component relates to production of innovative organic products of Small and Medium-size Enterprises (SMEs). The third component relates to support for Branding and Marketing abroad to incentivize emergence of strong Indian brands for in-store branding, shelf space renting and marketing. Further, the Committee note that the Ministry had invited Expression of Interest (EOI) proposal for availing incentives under the Scheme. The Committee also note that a total of 274 applications were received from the Food Processing Industries under the Scheme of which 91 were received under Category I (Sales based incentives), 89 under Category II (Organic/Innovative products) 94 under Category III (Branding & Marketing Expenditure abroad). A total of 60 applications under Category I, 12 applications under Category II and 71 applications under Category III were selected. The Committee also note that with the implementation of this Scheme may facilitate expansion of processing capacity to generate processed food output of over Rs. 33,000 Crore and create employment for nearly 2-5 Lakh person by the year 2026-27.

The Committee find that the Ministry has fixed very ambitious targets under the Scheme, therefore recommend that the Ministry should implement the Scheme with all seriousness and achieve the objectives for achieving full potential of this Sector by improving the competitive strength of Indian Companies as compared to their Global Counterparts in terms of scale of output productivity, value addition and their linkages with the global value chain. The Committee would like to be informed of the action taken on this regard.

#### **REPLY OF THE GOVERNMENT**

A total of 56 applications under Category I, 13 applications under Category II and 80 applications under Category III (with 20 applicants common to Category I) are now covered under the PLI Scheme of the Ministry. The Scheme is to be implemented over a period of six years, from 2021-22 to 2026-27, during which time it envisages to achieve the objectives.

The Project Management Agency (PMA) viz. M/s IFCI Limited, engaged to assist in the implementation of the Scheme, has been tasked to continuously monitor the progress made under the PLI Scheme through the Quarterly Report Returns (QRRs) filed online by the applicants. The PMA is also responsible to see that the scheme provisions are clearly understood and implemented by the companies. As per provision of the scheme guidelines, the Ministry/PMA will also make site visit, as per requirement, of the selected applicants to crosscheck the achievements being reported by them.

As submitted to the Hon'ble Committee, in order to ensure smooth rollout of the scheme and more so to ensure that the scheme meets its envisaged objectives, interactions are periodically held with the companies to apprise them of not only their responsibilities, but also the requirements of correctness of information related to performance and claims. Any points of doubt raised by the selected applicants are being replied promptly. It is an endeavor of the Ministry to bring clarity on the do's and don'ts of the Scheme at this initial stage itself.

It is submitted that during the tenure of the Scheme, it would be the endeavour of the Ministry that the issues likely to affect the smooth operation of the Scheme are identified and resolved expeditiously. In order to ensure a smooth run throughout the tenure of the Scheme, regular interactions would continue to be held with the selected applicants, through PMA and also directly with Ministry.

The Approval Committee under the Hon'ble Minister, FPI, will also be monitoring the progress of the Scheme while taking a view on the claims submitted by the companies. As the incentives will be disbursed only on achievement of the stipulated conditions, the onus is also on the selected applicants to fulfill their obligations.

Further, the overall monitoring of the Scheme is being done by an Empowered Group of Secretaries (EGoS) under the Chairmanship of Cabinet Secretary. In addition, the implementation of the scheme is also being monitored by other departments, viz. Department for Promotion of Industry and Internal Trade and NITI Aayog.

## **CHAPTER - III**

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

#### **Impact of COVID-19**

#### **Recommendation No. 6**

The Committee note that COVID-19 Pandemic has created worldwide havoc by infecting large number of populations all over the world. Many industrial sectors were shut down by complete lockdown. India also faced this COVID impact and the Food Sector remained as one of the prime areas to be operational even in this pandemic period. It is reported that the panic and fear of the disease generated various myths and rumors about the effect of the Corona Virus on raw as well as processed food materials.

The Committee appreciate the initiative taken by the Ministry for maintaining steady growth of Food Processing Sectors amidst COVID-19. The critical issues such as reduction in processing capacity due to shutting down of the plant, disruption in logistics and movements of workers, labour availability at manufacturing sites as well as steep drop in demand, liquidity crunch, shutting down of warehouses impacted the Sector at large.

As per the Annual Report of the Ministry, at the very moment of announcement of lockdown, Ministry adopted a proactive approach and established a Grievance Cell and Task Force for food related Industries for ensuring hassle free operations and uninterrupted supply of essential goods. The dedicated Task Force ensured business continuity by facilitating hundreds of units in resuming their operations and maintaining uninterrupted supply chain and availability of food to the entire country.

The Committee, therefore, appreciate the efforts taken by the Ministry during the pandemic period and standing as a solid rock to withstand the impact of the COVID-19.

## REPLY OF THE GOVERNMENT

During 2020, the country went through severe challenges posed by subsequent waves of COVID 19 due to which nationwide lockdown was imposed in 2020 and partial lockdowns were imposed by States / UTs in 2021 and 2022 to curb spread of the virus. Alike many sectors, food processing sector also went through several hitches during the lockdown / restrictions. Critical issues such as reduction in processing capacity due to plant shutdowns, disruption in logistics and movement of workers, labor availability at manufacturing sites as well as steep drop in demand, liquidity crunch impacted the sector.

During this crisis, maintaining uninterrupted supply chain and availability of food to the entire country, has been one of the most crucial tasks of Ministry of Food Processing Industries (MoFPI). A Task Force and a COVID grievance cell was created by MOFPI with Invest India on 26th March 2020, to support the industry during lockdown phases.

The cell facilitated 649 COVID grievances and supported more than 100 companies in restarting their operations.

1. Major concerns received by the grievance cell included issues related to
2. Plant shutdowns
3. Logistics related issues, Movement of raw materials for industry; warehouse shutdown
4. Non availability of labour; Movement of staff and workers
5. Clarifications on guidelines issued by Central & State authorities

## CHAPTER - IV

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

#### **Operation Greens**

#### **Recommendation No. 15**

In pursuance to budget announcement for the year 2018-2019, MoFPI has launched a new central sector scheme "Operation Greens - A scheme for integrated development of Tomato, Onion and Potato (TOP) value chain "with a budgetary allocation of Rs. 500 crore. The scheme envisages to promote Farmer Producers Organizations (FPOs), agri-logistics, processing facilities and professional management.

As per scheme guidelines, the scheme has two-pronged strategy as under: -

Short term: Price stabilization measures (Transportation & Storage – 50% subsidy):- During the glut situation at the time of harvest, evacuation of surplus production from the producing area to the consumption centres will be undertaken. NAFED has been appointed as Nodal Agency for short term price stabilization measures. Also transportation subsidy for all fruits and vegetables under the scheme was extended to Kisan Rail Scheme with effect from 12.10.2020 and the scope of short-term measures under Operation Greens scheme was extended from

TOP to TOTAL (41 notified fruits and vegetables) w.e.f. 11.06.2020 as a part of Aatmanirbhar Bharat Package announcement by Hon'ble Finance Minister due to supply chain disruption amid Covid pandemic, based on SFC recommendation, by Minister on 10.06.2020. A total expenditure of Rs. 84.37 Crore has been incurred towards transportation/ storage subsidy through direct claims settled by Ministry of Food Processing Industries, Kisan Rail and NAFED.

Long term: value chain development projects (grant @ 35%-50%{70%for FPOs & SC/ST} of eligible project cost subject to max. Rs. 50 Cr):-



Projects will be implemented in selected clusters for each TOP crops in major producing States for development of integrated value chain. Farmers in the production clusters will be organized into FPOs to manage production, post-harvest activities, value addition and marketing of the TOP produce. In pursuance of Budget announcement 2021-22, the scope of long term strategy is going to be expanded from TOP to 22 perishables. The Committee note that out of 42 proposals received since the launch of this Scheme, 28 were found to be deficient and ineligible under the Scheme, 11 proposals were approved and 3 are under evaluation process. Out of 11 approved proposals, 3 were withdrawn by the promoters, 2 were cancelled and 6 Projects are under implementation at various stages and out of these, 2 Projects are likely to be completed by March, 2023.

The Committee are dismayed to note that even after 3 years of introduction of this Scheme, there is not much progress and only 2 Projects are likely to be completed by March, 2023. The Committee feel that with such a slow progress the very objective of the Scheme gets diluted as till date grower of fruits and vegetables are forced to make distress sale when there is surplus production or not able to store their perishable produce due to lack of cold storage.

The Committee, therefore, recommend that the Ministry should find a strategy without any loss of time to organize marketing of Tomatoes, Onion and Potatoes and all the fruits and vegetables notified in the TOP to TOTAL Scheme by connecting farmers with consumers by involving the respective State Agriculture and other Marketing Federations, FPO, Cooperatives Companies and Self-Help Groups. The Committee feel this will not only help to prevent the loss of perishable produce but also increase the income of the farmers and the objective of doubling of farmers income can be achieved.

## **REPLY OF THE GOVERNMENT**

Ministry is providing financial assistance for several components such as Capacity Building of FPOs, Quality Production, Post-harvest Processing facilities,

Storage Facilities, Agri-logistics and Marketing Infrastructure under the long term strategy i.e. Value Chain Development Project of the scheme.

The scheme guidelines for 22 crops are under revision after Cabinet Approval for the continuation of the scheme during 15th finance commission cycle i.e. F.Y.2021-22 to 2025-26 and will be notified shortly. As per the Cabinet Approval, 80 projects are to be approved and completed by 31.03.2026. Accordingly, after notification of revised scheme guidelines, Express of Interest (EOI) will be floated for inviting proposals for setting up of value chain development projects for 22 crops in selected production clusters and 80 projects will be approved. The implementation period for projects will be 24 months for General Areas and 30 months for difficult areas and accordingly, all the approved projects will be completed by 31.03.2026. The implementation of these projects will help in reduction of post-harvest losses of respective crops and increase the income of the farmers.

#### **Comments of the Committee**

For Comments of the Committee please see para 1.19 of the Report

## **CHAPTER - V**

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

#### **Food Processing of Perishable Commodities**

##### **Recommendation No. 4**

The Committee observe that despite the production of large scale agricultural produce in India, Food Inflation and Food Securities issue are major concern for policy makers in the country as they affect the basic need for the citizen to have sufficient, healthy and affordable food.

The Committee feel that the Harvest and Post-Harvest losses of major agricultural produce is estimated to be Rs. 92,651 Crore at national level in the country as per the study conducted by CIPHET, Ludhiana. Most of the population in the country are under-nourished leading to several health issues as they are not able to get the food at affordable prices and this reveals loopholes in Post Production Process and Cold Chain Management.

The Committee feels that perishable foods like green leafy vegetables has a short shelf life and require to be stored at a specific temperature but due to insufficient Cold Storage Facilities throughout the Country, large percentage of fruits and vegetables are wasted. The Committee feel that the Cold Chain Storage are not set up in remote corner of the country and in some areas they are not accessible as there is no proper infrastructure.

The Committee, therefore, recommend that the Ministry should try to sort out this issue by identifying the problem and establish Cold Chains for the perishable products as they have to be stored at a specific temperature. The Committee would like to be informed of the action taken in this regard.

## REPLY OF THE GOVERNMENT

The Ministry of Food Processing Industries (MoFPI) has been implementing an umbrella scheme named "Pradhan Mantri Kisan Sampada Yojna" (in short, PMKSY) since 2016-17 with an outlay of Rs.6000 crores. PMKSY has been envisaged as a comprehensive package which will result in creation of modern infrastructure with efficient supply chain management from farm gate to retail outlet. It is expected to not only provide boost to the growth of food processing sector in the country but also help in providing better returns to farmers and is a step towards doubling of farmer's income, creating employment opportunities especially in the rural areas, reducing loss of agricultural produce, increasing the processing level and enhancing export of processed foods.

During 2018-19, a new scheme 'Operation Greens' was launched as a new sub-scheme under PMKSY for integrated development of Tomato, Onion and Potato (TOP) crops value chain. This Scheme was announced in the Union Budget for 2018-19 with financial outlays of Rs. 500 crore to promote FPOs, agri-logistics, processing facilities and professional management for Tomato, Onion and Potato (TOP) crops. The Scheme was launched in November 2018 on a pilot basis with the objective to promote setting up of Integrated Value Chain Development Projects for TOP crops in the selected clusters. Operation Greens Scheme has following two measures –

(a) Short Term Measures - Under this component transportation and/or storage subsidy is provided subsidy of 50% during "glut situation" to the claimants in accordance with the scheme guidelines. The scope of short-term measures was extended from TOP (Tomato, Onion & Potato) to TOTAL (41 notified fruits and vegetables) w.e.f. 11.06.2020.

(b) Long Term Measures – Under this component, credit linked financial support by way of grants-in-aid is provided to eligible applicants for setting up value chain development projects. The projects are implemented in selected clusters in major producing States for development of integrated value chain. In pursuance of Budget announcement 2021-22, the scope of long term strategy is going to be expanded from

TOP to 22 perishables including 10 fruits, 11 vegetable and Shrimp. The production clusters in major producing states have been identified for respective crops on the basis of production data of Ministry of Agriculture & Farmers Welfare and are to be notified after finalization of revised guidelines. Six projects have so far been approved under this scheme.

Another sub-scheme under PMKSY that deals with highly perishable fruits and vegetables is “Integrated Cold Chain & Value Addition Infrastructure” which is under implementation since 2008-09. This scheme aims to provide integrated cold chain infrastructure facilities, without any break, from farm gate to the consumer end. It covers creation of infrastructure facility along the entire supply chain viz. pre-cooling, weighing, sorting, grading, waxing facilities at farm level, multi product/ multi temperature cold storage, CA storage, packing facility, IQF, blast freezing in the distribution hub and reefer vans, mobile cooling units for facilitating distribution of horticulture, organic produce, marine, dairy, meat and poultry etc. The scheme allows flexibility in project planning with special emphasis on creation of cold chain infrastructure at farm level. The integrated cold chain project can be set up by Partnership/ Proprietorship Firms, Companies, Corporations, Cooperatives, Self Help Groups (SHGs), Farmer Producer Organizations (FPOs), NGOs, Central/ State PSUs, etc. subject to fulfillment of eligibility conditions of scheme guidelines.

Both the above-mentioned sub-schemes under PMKSY will continue to be implemented till 2025-26.

The revised scheme guidelines are in the stage of finalization and EOI (expression of interest) for inviting fresh applications would be issued once the guidelines are notified.

It may also be noted that the schemes are demand driven in nature and, therefore, proposals are invited through EOI from eligible and interested entrepreneurs/ promoters. Accordingly, projects are approved in terms of scheme guidelines, from amongst proposals received against EOI.

### **Comments of the Committee**

For Comments of the Committee please see para 1.13 of the Report

## **Prime Minister - Formalization of Micro Food Processing Enterprises (PMFME)**

### **Recommendation No. 17**

The Committee note that as a part of Aatmanirbhar Bharat Abhiyan launched during 2020-21, the Ministry of Food Processing Industries has launched an all India Central sponsored 'Prime Minister Formalization of Micro Food Processing Enterprises' Scheme for providing financial, technical and business support for upgradation of existing Micro Food Processing Enterprises. The Union Cabinet on 20th May, 2020 approved the Scheme with an outlay of Rs. 10,000 Crore for providing Credit Linked Subsidy to 2 Lakh Micro Food Processing Units across the country. There is an One District One Product (ODOP) approach to reap the benefits of scale in terms of procurement of inputs, availing common services and marketing of products. The Scheme aims to provide the framework for Value Chain Development and alignment of support infrastructure. The Products Selected are either a perishable agro-produce, cereal based product in a district and their allied sectors. This Scheme aims to provide support to existing Individual Micro Units for capital investments. New units for both individual and groups would be supporter of ODOP Products. The Scheme envisages strengthening Backward and Forward Linkages, provision of common facilities, incubation centers training, R&D, marketing and branding provision which would primarily be for ODOP products. Further, the Committee note that the Ministry has constituted Joint Committee with Ministry of Agriculture & Farmers Welfare to align the products selected under ODOP.

Ministry of Agriculture & Farmers Welfare has finalized its list of One District One Focus Product (ODOFP) aligned with ODOP of PMFME. Ministry of Agriculture & Farmers Welfare will support ODOFP aligned with 710 approved ODOP from its ongoing Centrally Sponsored Scheme. Further under PMFME Scheme, intervention of 75 incubation centers have been approved with an outlay of Rs. 200.06 Crore across 25 States/Union territories in 40 ODOP. A grant of Rs. 2.75 Crore is provisioned for establishment of processing lines in

ODOP and allied product lines. The Ministry has recently approved guideline for setting up of Mini Incubation Centers for ODOP and perishable product @ Rs. 60 Lakhs grant. The Ministry has signed MoU with the National Agricultural Cooperative Marketing Federation of India (NAFED) and the Tribal Cooperative Marketing Development Federation of India (TRIFED) for providing marketing and branding support for the products identified under the Scheme. 7 ODOP brands have only been launched by the NAFED. So far, 486 Master Trainers, 603 District Level Trainers, 749 District Resource persons and 1203 Beneficiaries have only been trained since the inception. The support for Seed Capital @ Rs. 40,000 Crore per SHG Member of SHG is provisioned for working capital and purchase of small tools. As on date, data of 88,564 Seed Capital Applications is projected for the amount of Rs. 265.84 Crore in National Rural Livelihood Mission (NRLM). Out of this, 55,878 applications have been recommended for the amount of Rs. 163.10 Crore to State Nodal Agency (SNA) for release of Seed Capital and till date SNA's have released an amount of Rs. 129.40 Crore to State Rural Livelihood Mission (SRLM) for 46,644 SHG members.

The Committee also note that some of these food categories are currently within the ambit of Agricultural Processed Food Products Export Development Authority (APEDA) & Marine Product Exports Development Authority (MPEDA). Performance of PMFME during 2021-22, so far in BE (2021-22) Rs. 500 Crore has been allocated and in RE (2021-22) Rs. 399 Crore has been allocated and Rs. 280.21 Crore is the Actual Expenditure till 14.02.2022. Rs. 110 Crore need to spent by the Ministry in the last 45 days of the Financial Year (2021-22).

The Committee also note that only 7 products have been identified in one year. At this pace the Committee feel it may take the Ministry 107 years to cover all the 750 Districts of the Country. The Committee, therefore, recommend the Ministry to speed up the implementation of the Scheme in all the 750 Districts within the next five years.

## REPLY OF THE GOVERNMENT

Ministry has already approved ODOP for 710 districts for 35 States/UTs. West Bengal is yet to participate in the scheme. Selection of ODOP in newly formed districts in 3 States (5 in Nagaland, 13 in Andhra Pradesh and 1 in Punjab) is under process at the State level.

The component of branding and marketing is demand driven. Various entities are being encouraged at the State level to submit proposals to the Ministry. There is a target of support to 7 projects in a year i.e. 35 projects in 5 years. 4 projects have already been approved. Two projects at the national level (NAFED & TRIFED) and two projects from Punjab and Maharashtra have been approved. 7 products have been launched by NAFED so far.

There are 32 common clusters with APEDA and 7 clusters are common with MPEDA focus products. The Branding and Marketing component of the PMFME scheme does not envisage developing different brands for each district across the country. The component follows a cluster-based approach wherein groups of SHGs / FPOs / Cooperatives / Federations and SPVs of micro-enterprises come together under a common umbrella brand. The objective is to ensure that a maximum number of beneficiaries reap the benefit of scale in terms of procurement of inputs, availing common services and marketing products through this component under the scheme, and enable them to get direct access to the marketing and promotion support to develop domestic and international markets and promote new market access initiatives by reducing costs, opening up possibilities to earn a higher profit margin with optimum utilization of resources. Aligning with the objective of the component and the scheme, it is intended to develop state-level brands so that the maximum beneficiaries greatly benefit from the branding and market linkages through hand holding support in processing, packaging, supply chain and logistics and marketing.



As on date, 72,731 applications have been recommended for the amount of Rs. 219.44 Crore to State Nodal Agency (SNA) for release of Seed Capital and till date SNA's have released an amount of Rs. 137.54 Crore to State Rural Livelihood Mission (SRLM) for 47,969 SHG members and Rs. 19.62 Cr. released to State Urban Livelihood Mission (SULM) for 751 SHG enterprises.

Against the RE (2021-22) of Rs. 399 Crore, an expenditure of Rs. 326.57 Crore has been incurred.

**NEW DELHI;**  
**08 August, 2022**  
**17 Sravana, 1944 (Saka)**

**P.C. GADDIGOUDAR**  
**Chairperson**  
**Standing Committee on Agriculture,**  
**Animal Husbandry and Food Processing**

**Standing Committee on Agriculture, Animal Husbandry and Food Processing  
(2021-22)**

**Minutes of the Twenty Third Sitting of the Committee**

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The Committee sat on Monday, the 08<sup>th</sup> August, 2022 from 1500 hrs. to 1635 hrs. in Committee Room 'D', Ground Floor, Parliament House Annexe, New Delhi.

***Present***

Shri P. C. Gaddigoudar – Chairperson

***Members  
Lok Sabha***

2. Shri Afzal Ansari
3. Shri Horen Singh Bey
4. Shri Devendra Singh 'Bhole'
5. Shri A. Ganeshamurthi
6. Shri Abu Taher Khan
7. Shri Mohan Mandavi
8. Smt. Shardaben Anilbhai Patel
9. Shri Virendra Singh

***Rajya Sabha***

10. Smt. Ramilaben Becharbhai Bara
11. Shri Kailash Soni
12. Shri Ram Nath Thakur

**Secretariat**

- |    |                        |   |                      |
|----|------------------------|---|----------------------|
| 1. | Shri Shiv Kumar        | – | Additional Secretary |
| 2. | Shri Sundar Prasad Das | – | Director             |
| 3. | Shri Anil Kumar        | – | Deputy Secretary     |
| 4. | Shri Prem Ranjan       | – | Deputy Secretary     |

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

\* (i) XXXX XXXX          XXXX          XXXX          XXXX

(ii) Draft Action Report on Action Taken by the Government on Observations / Recommendations contained in the 41st Report of the Standing Committee on Agriculture, Animal Husbandry and Food Processing (2021-22) on 'Demands for Grants (2022-23)', pertaining to the Ministry of Food Processing Industries.

3. After some deliberations, the Committee adopted the Draft Action Taken Reports without any modifications and the Committee authorized the Chairperson to finalize and present these Reports to Parliament.

\*4. XXXX XXXX          XXXX          XXXX          XXXX

\*5. XXXX XXXX          XXXX          XXXX          XXXX

\*6. XXXX XXXX          XXXX          XXXX          XXXX

***The Committee then adjourned.***

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\*Matter not related to this Report

(Vide Para 4 of Introduction of the Report)

*ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON THE FORTY FIRST REPORT OF STANDING COMMITTEE ON AGRICULTURE, ANIMAL HUSBANDRY AND FOOD PROCESSING (2021-22) (17<sup>TH</sup> LOK SABHA)*

(i)	Total number of Recommendations	17
(ii)	Recommendations/Observations which have been Accepted by the Government	
	Recommendation Nos. 1, 2, 3, 5, 7, 8, 9, 10, 11, 12, 13, 14 and 16	
	Total	13
	Percentage	76.47%
(iii)	Recommendations/Observations which the Committee do not desire to pursue in view of the Government's replies	
	Recommendation Nos. 06	
	Total	01
	Percentage	05.88%
(iv)	Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee	
	Recommendation No. 15	
	Total	01
	Percentage	05.88%
(v)	Recommendations/Observations in respect of which Final replies of the Government are still awaited	
	Recommendation No. 04 and 17	
	Total	02
	Percentage	11.77%