

COMMITTEE ON AGRICULTURE
(2011-2012)

FIFTEENTH LOK SABHA

MINISTRY OF FOOD PROCESSING INDUSTRIES

DEMANDS FOR GRANTS
(2012-2013)

THIRTY THIRD REPORT



LOK SABHA SECRETARIAT
NEW DELHI

APRIL, 2012/, VAISAKHA, 1934 (Saka)

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MINISTRY OF FOOD PROCESSING INDUSTRIES

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(2012-2013)**

Presented to Lok Sabha on 25. 04.2012

Laid on the Table of Rajya Sabha on 26.04.2012



**LOK SABHA SECRETARIAT
NEW DELHI**

APRIL, 2012/, VAISAKHA, 1934 (Saka)

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COMPOSITION OF THE COMMITTEE ON AGRICULTURE (2011-12)

Shri Basudeb Acharia - Chairman

MEMBERS

LOK SABHA

2. Shri Narayansingh Amlabe
3. Shri K.C. Singh 'Baba'
4. Shri Thangso Baite
5. Smt. Shruti Choudhary
6. Smt. Ashwamedh Devi
7. Shri Biren Singh Engti
8. Shri Anant Kumar Hegde
9. Shri Deepender Singh Hooda
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14. Shri Devji M. Patel
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18. Shri Laxman Tudu
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21. Shri Ramakant Yadav

RAJYA SABHA

22. Shri Shashi Bhusan Behera
- *23. Vacant
- \$24. Vacant
25. Shri A. Elavarasan
- ^26. Vacant
27. Shri Mohd. Ali Khan
28. Shri Upendra Kushwaha
29. Shri Bharatsinh Prabhatsinh Parmar
30. Shri Rajpal Singh Saini
31. Shri S. Thangavelu

\$ Vice Shri Satyavrat Chaturvedi who ceased to be the Member of the Committee on his retirement from Rajya Sabha on 02 April, 2012.

^ Vice Shri Vinay Katiyar who ceased to be the Member of the Committee on his retirement from Rajya Sabha on 02 April, 2012.

* Vice Shri Narendra Budania who ceased to be the Member of the Committee on his retirement from Rajya Sabha on 03 April, 2012.

SECRETARIAT

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

INTRODUCTION

I, the Chairman, Committee on Agriculture, having been authorized by the Committee to submit the Report on their behalf, present this Thirty-third Report on the Demands for Grants (2012-13) of the Ministry of Food Processing Industries.

2. The Committee under Rule 331 E(1)(a) of the Rules of Procedure and Conduct of Business in Lok Sabha considered the Demands for Grants (2012-13) of the Ministry of Food Processing Industries, which were laid on the table of the House on 27 March, 2012. The Committee took evidence of the representatives of the Ministry of Food Processing Industries and the Planning Commission at their Sitting held on 11 April, 2012. The Committee wish to express their thanks to the officers of the Ministry of Food Processing Industries and Planning Commission for appearing before the Committee and for furnishing the information that the Committee desired in connection with the examination of Demands for Grants (2012 – 13) of the Ministry.

3. The Report was considered and adopted by the Committee at their Sitting held on 23 April, 2012.

4. For facility of reference, the Observations/Recommendations of the Committee have been printed in bold letters at the end of each Chapter.

NEW DELHI;
23 April, 2012
03 Vaisakha, 1934 (Saka)

BASUDEB ACHARIA
Chairman,
Committee on Agriculture

ABBREVIATIONS

AIDC	Assam Industrial Development Corporation
AIEEE	All India Engineering Entrance Examination
AICTE	All India Council of Technical Education
BE	Budget Estimate
CCEA	Cabinet Committee on Economic Affairs
CSS	Centrally Sponsored Scheme
DPR	Detailed Project Report
EFC	Expenditure Finance Committee
EoI	Expression of Interest
HRD	Human Resource Development
HUPA	Housing and Urban Poverty Alleviation
IICPT	Indian Institute of Crop Processing Technology
MFP	Mega Food Park
MFPI	Ministry of Food Processing Industries
NDC	National Development Council
NEDFI	Northeast Development Finance Corporation Ltd
NIFTEM	National Institute of Food Technology and Entrepreneurship
NMFP	National Mission on Food Processing
NOC	No Objection Certificate
PSUs	Public Sector Undertakings
R & D	Research and Development
SME	Small and Medium Enterprises
SNAs	State Nodal Agencies
SPV	Special Purpose Vehicles
WTO	World Trade Organization

CHAPTER – I

IMPLEMENTATION OF RECOMMENDATIONS OF THE COMMITTEE

The Twenty-fifth Report of the Committee on Agriculture on Demands for Grants 2011-12 of Ministry of Food Processing Industries was presented to Lok Sabha and laid on the Table of Rajya Sabha 29 August, 2011. The Report contained 16 Recommendations.

1.1 On the basis of Action taken Notes furnished by the Ministry of Food Processing Industries in respect of the Recommendations contained in the Twenty-fifth Report, the Committee presented their Thirtieth Report to Speaker, Lok Sabha on 16 February, 2012. The Report was presented to Lok Sabha and laid on the Table of Rajya Sabha on 27 March, 2012. After analyzing the Action Taken Notes furnished by the Ministry, the Committee commented on the action taken by the Government in the context of Recommendations at Para Nos. 2.16, 2.18, 2.20, 3.28, 3.29, 3.30, 3.31, 3.33, 3.34 and 3.36 of the Twenty-fifth Report. The Analysis further revealed that out of 16 Recommendations contained in the Twenty-fifth Report of the Committee, 13 Recommendations (81.25%) have been accepted by the Government. For the remaining 03 Recommendations (18.75%) the final replies of the Government are still awaited.

1.2 In terms of Direction 73 A of the Directions by Speaker, Lok Sabha, the Minister concerned is required to make a Statement in Lok Sabha about the status of implementation of Recommendations contained in the original Report of the Committee within six months of the said Report to Parliament. However, a Statement under Direction 73 A in the context of the Twenty-fifth Report is yet to be made by

the Minister of Food Processing Industries. The six months time frame stipulated for the purpose elapsed on 28 February, 2012.

1.3 It may be pertinent to mention here that in the past, in the context of Fifth and Ninth Reports of the Committee too the Statements under Direction 73 A were made after more than a year and ten months respectively on 22 March, 2011. In both the cases, the Statements were found to be deficient in several respects and the Ministry were asked to get the revised and updated Statements made. Accordingly, the revised and updated Statements under Direction 73 A in the context of both the Reports were made by the Minister on 6 September, 2011.

1.4 The Committee are very disappointed to note that the Ministry have faltered, time and again in adhering to Direction 73 A of Direction by the Speaker, Lok Sabha. Not only have they not adhered to the stipulation of getting the Statement made within six months of presentation of the Report in the context of the Twenty-fifth Report of the Committee, their past record in the matter is also not worth mentioning. The Statement under Direction 73 A in the context of two previous Reports of the Committee viz the Fifth and Ninth ones was made after more than a year and ten months respectively on 22 March, 2011. Due to several deficiencies in these Statements, the Ministry were advised to get revised and updated Statements made in the context of both the Reports. Finally, the Minister made the revised and updated Statements on 6 September, 2011. The Committee strongly disapprove this continuing non-adherence to a Direction by the Speaker, Lok Sabha and desire that the Statement under Direction 73 A in respect of the Twenty-fifth Report be made in the Second Half of the ongoing Budget Session without fail.

CHAPTER – II

OVERVIEW OF DEMANDS

Introductory

Agricultural development is crucial to India's overall progress which can be achieved by intensifying agricultural and allied activities as well as by diversification and commercialisation of agriculture. A strong and dynamic food processing sector plays a vital role in diversification and commercialisation of agriculture, enhances shelf life, ensures value addition to agricultural produce, generates employment, enhances income of farmers and creates market for exports of agro products.

2.2 The Country in this year of surplus, is facing a major issue of ensuring remunerative prices to the farmers for their produce. There is no denying the fact that greater opportunities can be created for adding income of farmers and employment if the surplus production of cereals, fruits, vegetables, milk, fish meat and poultry etc. are processed and marketed both inside and outside the Country.

2.3 Due to very low levels of food processing capability, huge losses are incurred in spite of India's leading position in the comity of nations as a producer of several agricultural, animal husbandry and dairy products. Because of these very reasons, the share of India's export of processed food in global trade is only 1.5% at present. Even, within the Country, share of processed fruits and vegetables is much less when compared to other agricultural products such as milk (35%) and marine products (26%). More importantly, the lack of processing and storage of fruits and

vegetables results in huge post harvest losses. A developed food processing industry would not only reduce wastages, but would also fetch enhanced income to farmers, which is another problem before the agriculture sector at present.

2.4 The Committee have been informed that there are many constraints which the food processing industry sector is facing, viz. non-availability of adequate critical infrastructural facilities, like cold chain, packaging and grading centres, lack of adequate quality control and testing infrastructure, inefficient supply chain, etc..

2.5 The Ministry of Food Processing Industries are concerned with formulation and implementation of the policies and plans for the food processing industries within the overall national priorities and objectives. The Ministry were set up in July, 1988 to give an impetus to development of food processing sector in the Country. Subsequently, on 15 October, 1999 they were made a Department and brought under the Ministry of Agriculture. They were again notified as the Ministry of Food Processing Industries on 6 September, 2001.

2.6 According to the Ministry, they act as a catalyst for bringing in greater investment into this sector, guiding and helping the industry, and creating a conducive environment for healthy growth of the food processing industry. Within these overall objectives, the Ministry aims at:

- . Better utilization and value-addition of agricultural produce.
- . Minimising wastage at all stages in the food processing chain by development of infrastructure for storage, transportation and processing of agro-produce.

- . Induction of modern technology into the food processing industries.
- . Encouraging R&D in food processing for product and process development.
- . Providing policy support, promotional initiatives and facilities to promote value added exports.
- . Create the critical infrastructure to fill the gaps in the supply chain from farm to consumer.

Analysis of Demands

2.7 Demand No. 45 pertaining to the Ministry of Food Processing Industries for the Fiscal 2012-13 was presented to the Lok Sabha on 27 March 2012.

The Table below reflects the Demands in brief:

<i>(Rs. In crores)</i>				
Sl. No.	Section	Plan	Non-Plan	Total
1.	Revenue			
	Voted	660.00	10.54	670.54
	Charged	--	--	--
2.	Capital			
	Voted	--	--	--
	Charged	--	--	--
	Grand Total			670.54

It may be noted that a sum of Rs.670.54 crore has been allocated to the Ministry for the ongoing Financial Year. The break-up in the Revenue Section is

Rs.660.00 crore on the Plan side and Rs.10.54 crore on the Non-Plan side. There are no allocations under Capital Section either on the Plan side or Non-Plan Side.

In comparison of RE 2011-12, the allocation of the Ministry for BE 2012-13 is given in the Table below:

Section	RE 2011-12		BE 2012-13	
	Plan	Non-Plan	Plan	Non-Plan
Revenue	550.00	10.09	660.00	10.54
Capital	--	--	--	--

It may be noted that on the Plan side the allocation to the Ministry is Rs. 660.00 crore which is 20% higher than their RE 2011-12 allocation of Rs. 550.00 crore. On the Non-Plan side, this year's allocation of Rs. 10.54 crore is marginally higher than last year's allocation of Rs. 10.09 crore.

Annual Plan 2012-13

2.8 The Ministry have informed that they sought Rs. 1200.00 crore for Annual Plan 2012-13 but they have been allocated Rs. 660.00 crore only. When asked about the reasons behind this drastic reduction in the allocation for the year 2012-13 by the Planning Commission and to what extent would this shortfall lead to pruning or staggering of the various Schemes, they replied that Eleventh Plan allocation for the Ministry of Food Processing Industries was approved as Rs. 4031.00 crore based on the report of the Working Group. As most of schemes of the Eleventh Plan were new initiatives, hence approval of the schemes could be obtained towards middle of 2008 – 09. Actual progress in the schemes was possible only in the third

and fourth year of Eleventh Five Year Plan. The pace of utilization during 2010–11 has shown significant improvement over earlier years. Hence, Ministry have worked out realistic scheme-wise requirement for year 2012–13 and submitted their Annual Plan proposal with full justification. It was further stated that the Ministry have made all efforts but Rs. 600.00 crore has actually been allocated. As regards the extent to which various schemes of the Ministry would be required to be pruned due to curtailing of funds is concerned, proportionate reduction against the actual requirement has been made in all the Plan schemes. Ministry will not be able to take up projects to the envisaged targets due to pruning down of the budget provisions.

2.9 When queried about the less allocation to the Ministry in spite of the fact that the food processing sector had a lot of potential to contribute to economy the representative from the Planning Commission stated during the Oral Evidence held on 11 April, 2012:

“Sir, the Planning Commission is fully seized with the importance of food processing sector. I will give a small introduction about how we are approaching towards the Twelfth Plan. In the Twelfth Plan, we have already finalised one manufacturing plan with the objective of inducing growth to the manufacturing sector. The final version of the manufacturing plan is already uploaded in our website. It is a part of the Twelfth Plan. In the Plan itself, we have identified and we have placed food processing sector as an important sector, as a focus sector. We have jotted down action lines on the basis of working group recommendations under the chairmanship of Secretary, Food Processing.

Coming back to the specific issue of this lower allocation, we are constrained with the availability of resources. Within the availability of resources, the Planning Commission has other priorities also on the health sector, on the social sector, on the education sector. After allocating resources on those priority and focus sectors, the remaining amount is allocated to the industry. Within the industry, definitely we are giving prime focus to small scale industries and food processing sector. In fact in the Twelfth Plan, we are fully seized with its importance. You have rightly appreciated the power of this sector in reducing the wastage. Sir, the Planning Commission has started the chapter with that observation, with your observation. You have rightly pointed out that this is the sector, apart from value addition and employment creation, reduction of wastage only can arrest

the food inflation. I have been directed to tell that the Planning Commission will give priority to this sector. It is giving priority to this sector to the extent the resources are available”.

2.10 Elaborating further, the witness stated :

‘Sir, it should not be right to observe that we are not paying attention to this sector. We are constraint with the resources. Only because of resource constraint we could not provide what we have allocated. That also sometimes had fallen short of year-wise allocation. But coming back to this year’s allocation one thing I will humbly submit that if we go by the RE, there is an increase of 20 per cent. It is 550 to 660. It is clearly 20 per cent. First logic is resource constraint. Second logic is that this Ministry is making a big transit to launch a major scheme of national mission. This being a Centrally sponsored Scheme, the shift from Central Scheme to Centrally sponsored Scheme and involvement of States. That itself involves certain steps. That is like preparatory activities and approval process. It will take one minute to explain the approval process. It is approved by the Finance Ministry, then our Deputy Chairman, then internal Planning Commission then full Planning Commission and the NDC. NDC also mentions about launching of new CSS. Then the States are involved their consent for their share; providing their share and their activities are to be synchronised. That itself has a gestation time and that has been taken care of by us that the Scheme will not be fully functional in the first half of present year. And above all, we are yet to give final estimation of resource availability during the Twelfth Plan not to talk of sector-wise distribution. I will personally make available your views to our Deputy Chairman so that the sector receives due weightage in allocation.

Plan Allocations

2.11 The following are the Budget Estimates, Revised Estimates and Actuals during the five years of the Eleventh Plan and BE for the current Fiscal:

(Rs. in crore)

Year	BE	RE	Actual expenditure
Eleventh Plan			
2007-08	250.00	200.00	182.00
2008-09	290.00	242.00	223.12
2009-10	340.00	290.00	277.15*
2010-11	400.00	400.00	266.38#
2011-12	600.00	550.00	364.01@
Total	1880.00	1132.00	948.65
Twelve Plan			
2012-13	660.00	-	-

* Upto 31.01.2010

Upto 31.01.2011

@ Upto 31.01.2012

Scheme wise Outlay & Expenditure during 11th Plan & Budget Estimates for 2012-13 for the Ministry of Food Processing Industries is **annexed**.

2.12 It may be noted that the approved Outlay for Eleventh Plan was of the tune of Rs. 4031.00 crore. However, the actual Allocation for the Eleventh Plan is Rs.1880 crore only, which is about 47% of the approved Outlay for Eleventh Plan. When asked about the efforts made by the Ministry to persuade Planning Commission/Ministry of Finance to allocate approved Outlay of Eleventh Plan to them, the Ministry stated that they had tried to convince the Planning Commission about their requirement. Minister of Food Processing Industries has also taken up the issue with Planning Commission and the Ministry of Finance from time to time. The recommendations contained in the Reports of Committee on Agriculture have also been communicated from time to time to the Planning Commission and Ministry of Finance.

2.13 Further, the Secretary of the Ministry during the course of Oral Evidence on 11 April, 2012 stated, regarding the lower allocation and still lower expenditure:

“Sir, it is true that the estimate that we had given to the Planning Commission of Rs. 1200 crores, that has been reduced to Rs. 660 crores. But I would just like to mention two or three things. Although the financial allocation has been reduced, but whenever we have gone for upscaling or expansion of any of our schemes, whether it was the Mega Food Park last year or the Cold Chain that we have got now or for the abattoirs where we have got recommendation only for the EFC, we have still to get Cabinet approval. Our scheme of work has not been reduced. Similarly for the new initiatives, the National Mission on Food Processing by which we hope to greatly expand the reach of the food processing schemes, we have made a provision of Rs. 250 crore. This scheme was not there in the earlier years. So, for this also we had received approval of both the Planning Commission and the Finance Ministry so that in January itself we could communicate to the States; they could take advance action”.

“.....I would also like to mention that while we did mention Rs. 1200 crore, these were based on certain assumption. For example, we assumed that all the 39 cold chain projects which were approved last year, they will all come up. But we have now seen that out of these 39, in the case of 9 individual projects, they have missed their first deadline. They were supposed to give their request for first instalment within 9 months of the date of approval. So, 9 schemes have defaulted on them and we have given them show cause notice. As we go along the implementation, Rs. 1200 crore was an optimistic forecast. Maybe, when we go on a realistic basis, we may land up at Rs. 900 or Rs. 1000 crore. Fortunately this Ministry is a small Ministry. Our budget requirement is small. So, to find Rs. 200 or Rs. 300 crore additional at the Revised Estimate stage or at the supplementary stage, I am quite confident that given the importance that the Planning Commission and Finance Ministry have given to our sector, the way they have supported all our proposals for expansion, we will be able to find this money. So our plan is that we will continue to implement our schemes with full zest and enthusiasm. And once we are able to show progress, we will go back to the Planning Commission and the Finance Ministry”.

2.14 When asked about the reduction from BE to RE in each and every year barring 2010-11, the Secretary of the Ministry informed the Committee during the Oral Evidence:-

“Sir, the bulk of the expenditure of this Department is on the subsidy schemes. The expenditure depends upon the receipt of proposals in a complete shape which meet our guidelines. So the problem has been that whatever is our estimate of the number of applications that we will receive, the actual has

been less except, as you rightly pointed out, in the year 2010-11 where the RE was kept the same as BE and the actual expenditure was very close to the RE level. 2010-11 was our best year in the last 5 years. As I had mentioned in my opening presentation itself, our performance this year, that is in 2011-12 has certainly been lower than 2010-11 especially in the North East. So the bulk of our shortfall in the RE has been in the North East. But if we look at the reduction from BE to RE, the bulk of our reduction has taken place in the scheme for infrastructure because in Mega Food Park, Cold Chain and mostly in abettors the number of proposals, the progress that we expected the schemes to make during the year, that progress was not there. So, despite our best efforts, despite our holding periodic reviews, giving guidance to the entrepreneurs, the actual performance has been lower than what was originally estimated. This is the main reason”.

2.15 In response to a subsequent query regarding the reasons extended by Planning Commission/Ministry of Finance for the reduced allocations, the Ministry submitted that the Planning Commission has allocated resources to various Ministries after taking into consideration the resource available for the year 2012-13 and demands of various Ministries/Departments. Ministry of Food Processing Industries has been allocated 10% higher allocation during the year 2012-13 over the budgetary provision of 2011-12.

Preparation for the Twelfth Plan

2.16 The Eleventh Five Year Plan has concluded on 31 March, 2012 and the Twelfth Plan has commenced w.e.f. 1 April, 2012. The Eleventh Plan was characterised by inordinate delay in its finalisation. In fact the Eleventh Plan Document was released in June, 2008 i.e. in the Second Year of the Plan. Consequently the entire chain of planning and approvals went into disarray. The implementation proper of the various Schemes by the ministries/departments could, therefore, gather full momentum only from third year onwards. When asked as to what all was being done in order to avoid the kind of delays that took place in Eleventh Plan in a post evidence written submission, it was stated that the National

Development Council (NDC) in its 56th meeting held on October 22, 2011 approved the Approach Paper of the Twelfth Plan (2012-17) with 'Faster, Sustainable and More Inclusive Growth' as the broad objective. The Twelfth Plan Period is from 01.04.2012 to 31.03.2017 and has commenced from April 1, 2012.

2.17 The Twelfth Plan is being finalized by the Planning Commission and the same may take a few months. In the meantime, budgetary allocations for the Annual Plan (2012-13) i.e. the first year of Twelfth Plan have been made for the ministries and departments, taking into consideration their priorities and thrust in the Twelfth Plan, which were extensively deliberated in the related Twelfth Plan working groups and the concerned steering committees. It was further submitted that incidentally, the Eleventh Plan was approved by NDC in course of the first year of Eleventh Plan (in its 54th meeting held on 19.12.2007).

2.18 It is a well known fundamental of Economics that all projects require an optimal level of funding within the prescribed time frame to be viable and cost-effective. The Committee, therefore, desired to know that if financial cuts are made extensively and without any consideration for time frame, how did the Planning Commission think the proposed Schemes could be implemented successfully and also that such Schemes would deliver optimally.

2.19 The Committee were informed in a post-evidence reply that it is true, as observed that adequate finances within a certain timeframe are one of the important elements for delivery of optimal outcome in case of a Scheme or project.

Due to various constraints, prominent among them being the constraint in availability of resources and the need to meet the funding requirements of the

flagship Schemes of the Government in the health, education and other social sectors, fund allocations to the various Ministries/Departments have to be done after careful deliberations based on available information regarding performance. The need for additional funds for implementing various programmes and projects are considered by the Ministry of Finance at the Revised Estimate (RE) stage depending on their financial and physical progress.

Food Processing Sector

2.20 Due to rapid strides made in the Agriculture and Allied Sectors, India has not only achieved self-sufficiency and food security but there is now a situation of surplus in some of the agriculture and allied-sector products. In spite of this, the universal availability of the agriculture and allied products has not shown any improvement. This unfortunate situation obtains mainly due to the fact that there is a severe lack of food processing facilities and infrastructure in the supply chain from the farm-gate to the consumers. This results in substantial post harvest crop losses and also restricted supply because of short shelf life of these products. Due to these handicaps, apart from the gaps in availability, in so far as consumers are concerned, the farmers are also deprived of adequate remuneration because of their low holding capacity. The Committee have been, therefore, emphasizing in their successive Reports about the need for infusion of sufficient amount of capital in the food processing industry sector so that it is able to contribute optimally to the Indian economy.

2.21 During the course of the Eleventh Plan the funding of the Ministry left a lot to be desired. However, appreciating the fact that the Eleventh Plan was

beset with inordinate delays in approvals and clearances of Schemes leading to the fund flow not being optimized, the Committee had expected that the Ministry will get its due atleast in the Twelfth Plan. Disappointingly, as the subsequent narrative will prove, the Planners and the Government are yet to realize the true potential of the food processing industry sector and therefore, the genuine requirements of funds of the Ministry have been summarily treated.

Analysis of Demands

2.22 The Committee find from Demand No. 45 pertaining to the Ministry of Food Processing Industries that for ongoing financial year *viz.* 2012-13, a sum of Rs. 670.54 crore has been allocated to the Ministry. The entire allocation is in the Revenue Section. Out of this, Rs. 660.00 crore has been allocated on the Plan Side which is 20% more than the RE figure of Rs. 550.00 crore in the year gone by. On the Non-Plan Side, the Ministry have been allocated Rs. 10.54 crore which is slightly higher than the last year's allocation of Rs. 10.09 crore. The allocation of the Ministry needs to be seen in the context of the Outlay of Rs. 1200.00 crore sought by them for Annual Plan 2012-13. One of the reasons for the drastic scaling down of the Ministry's proposal is their not so good spending record during the Eleventh Plan. However, the Committee are aware that the Ministry, at best, can only be partially blamed for their financial performance in the Eleventh Plan. The fact is that due to delays in planning and approvals, actual progress in the Schemes was possible only from the Third year of the Eleventh Plan. The actual reason, therefore, for the Ministry not having their way with the allocation for Annual Plan 2012-13

appears to be that the Twelfth Plan Outlay is yet to be decided upon, hence, the allocation has been made as a stop gap and *ad-hoc* measure without going into the merits of the Ministry's requirements. Since, an opportunity for enhancement of allocations would now arise only at the RE stage, which is still far off, the Committee feel that the problem of paucity of funds with the Ministry can be attended to by synergizing, wherever feasible, some of their Schemes with such other Schemes of other Ministries/Departments like RKVY of the Department of Agriculture and Cooperation, where the States would have the discretion of utilising the funds for Centrally Sponsored Schemes of the Ministry of Food Processing Industries also.

2.23 During the Eleventh Plan out of the approved Outlay of Rs. 4031.00 crore only Rs. 1880.00 crore could come the way of the Ministry. This is hardly 47% of the approved Outlay. Resultantly, the implementation of various Schemes either suffered or was staggered. In both the eventualities, the ultimate sufferer was the developmental process. The Committee strongly differ with the point of view of the Planning Commission, as conveyed to them during the Oral Evidence by the representative of the Commission, who stated that within the availability of resources the Commission had other priorities - the Health Sector, the Social Sector, the Education Sector, etc. The Commission, somehow, do not realize that with a little bit of handholding at this juncture, the contribution of the food processing industry sector to the economy can generate sufficient resources to contribute in a lasting manner to all these priority Sectors.

2.24 In fact during the course of the examination of the Demand for Grants of the ongoing Fiscal, a question was put by the Committee to the Planning Commission. They were asked that in view of the well known fundamental economics that all projects require optimal level of funding within the prescribed timeframe to be viable and cost effective. Therefore, how did the Planning Commission expect the proposed Schemes could be implemented successfully and would deliver optimally if financial cuts are made extensively and without any consideration for timeframe. The Planning Commission had while concurring with the view of the Committee stated that adequate finances within a certain timeframe is one of the important elements for delivery of optimal outcome for a Scheme or a Project. The Committee expect that this convergence of views will definitely result in timely release of enhanced allocations for the Ministry of Food Processing Industries.

2.25 Before concluding on this aspect, the Committee would like to point out a major deficiency in the data submitted to them by the Ministry of Food Processing Industries. The Committee observed that at several places expenditure performance as on 31 January of that year has been furnished to them even for the Fiscals gone by. The Committee are sure that the Ministry would be having the final figures for these years viz. 2009-10 and 2010-11. The Committee while expressing their disapproval of this practice adopted by the Ministry, desire that such mistake should not recur in future.

CHAPTER – III

SCHEMATIC ANALYSIS

(A) Scheme for Infrastructure Development

The objective of the Scheme for Infrastructure Development is to provide infrastructure and common facilities which enhance value addition for use by small and medium enterprises, The Scheme has three components Viz. (a) Mega Food Parks (b) Cold Chain, Value Addition and Preservation Infrastructure and (c) Establishment of new/ Modernisation of existing Abattoirs. The budgetary allocation for the Scheme during the Eleventh Plan and current Fiscal of Twelfth Plan is as given in the table below:

(Rs. in crore)

Year	BE	RE	Actuals
2007-08	90.00	15.00	14.79
2008-09	90.00	42.20	48.28
2009-10	135.00	73.81	72.94*
2010-11	137.50	120.89	88.67#
2011-12	300.00	109.00	96.50@
2012-13	191.00	-	-

***Till 31.01.2010**

#Till 31.01.2011

@Till 31.01.2012

When asked about the circumstances necessitating drastic reduction at RE stage in all the five completed years of Eleventh Plan, the Ministry submitted the following written submission:

- (I) During the year 2007 – 08, the Eleventh Plan was not approved. Therefore, expenditure was limited only to the extent of spillover liability of the 10th Plan Infrastructure Development schemes, hence expenditure was low.

- (II)** During 2008 – 09, the Eleventh Plan was approved in the middle of the financial year. The projects under three components of the scheme could be approved towards the end of the financial year. Therefore, only First instalment could be released to some of the approved projects.
- (III)** In the year 2009 – 10 and 2010 – 11, pace of expenditure on Mega Food Park Scheme was slow because in large number of projects, land matters, financial closure, etc., took long time to resolve the issues. During this period, further upscaling of cold chain was not approved hence the expenditure in cold chain also was slow. In modernization of abattoirs, land related issues, site disputes and local problems of municipal bodies resulted into slow progress.
- (IV)** In 2010 – 11, as pace of implementation had picked up, the extent of reduction at RE stage was very low. In 2011 – 12, the BE was curtailed because upscaling of Mega Food Park Scheme was only partly allowed. The upscaling of cold chain could be approved in the First quarter of 2011 – 12. Projects started drawing their eligible grant from the middle of the year. Upscaling of abattoir component could not be approved.
- (V)** Further it may be seen that in successive years, the pace of expenditure on Infrastructure Scheme is showing a steady rising trend.
- (VI)** Ministry have spent Rs. 170.17 crore against RE provision of Rs. 189 crore till 31.03.2012.

When asked about the proposal to ensure that the allocated amount of Rs. 191 crore is fully utilized in 2012-13 and thereby funds escape pruning at RE stage the Ministry replied that as regards plan to utilize BE provision of Rs. 191.00 crore in 2012–13 is concerned, following measures will ensure not only utilization of allocated amount of Rs. 191.00 crore but Ministry will be able to utilize furthermore and hence will ask for additional allocation at supplementary stage.

- (I)** 15 new Mega Food Parks have been approved by the Government which are going to be approved during the course of year. Some of these projects will require first tranche of first installment.

- (II) Several issues pertaining to first and second phase projects have been resolved and pace of expenditure has substantially improved.
- (III) The cold chain projects approved in second phase are in full scale implementation. Government has recently approved additional 30 projects. These projects will require substantial additional funds.
- (IV) Ministry have also proposed for upscaling of the abattoir scheme. EFC has recommended the proposal and the same is being placed before the CCEA. This will result in additional 50 abattoir projects.

3.2 The following information was furnished in writing by the Ministry to a query about component-wise reasons for the reduced allocations:

(i) Mega Food Park

During the Eleventh Plan, provisions have been made for 30 Mega Food Parks, out of which, 10 Mega Food Parks have been taken up during the first phase. EFC approved the upscaling of Scheme to take up 5 more projects during Eleventh Plan. This had been approved by CCEA in its meeting held on 18 November, 2010.

3.3 When asked about the status of the Mega Food Parks approved in the first phase the Ministry replied that in Patanjali Herbal Mega Food Park, 9 units have become functional apart from the common facilities. Similarly, in Srini MFP, the common facilities are functional also one unit has become functional and construction is in progress in other two units. The parks have not become fully functional as issues relating to lands, change of land use, provision of sub lease, financial closure and trust deficit in stakeholders are causing delays.

About all the Ten Mega Food Parks the Ministry replied in writing that it is difficult to indicate the time frame by which all 10 Mega Food Parks approved in the first phase will become fully functional. Ministry are closely reviewing the

performance and trying to resolve issues by taking them up with the State Governments, financial institutions and other Stakeholders.

3.4 When asked whether any Mega Food Park Project has been proposed by the Ministry in the North-Eastern Region and other remote and hilly areas of the Country. The Ministry replied that one Mega Food Park has been approved in the first phase to be set up in Nalbari in Assam. Construction work of the same is going on. So far over Rs. 21 crore has been spent. In the second phase, Ministry have further approved setting up of a Mega Food Park in Tripura. Construction on the same has also commenced. In first phase, Patanjali Herbal MFP has been approved to be set up in Haridwar in Uttarakhand.

Ministry have further received proposals for setting up of MFP in Jammu & Kashmir, Himachal Pradesh and other NE States. These proposals are under process.

3.5 When asked about the proposed fund allocations to Mega Food Parks during the course of the Twelfth Five Year Plan. The Ministry replied that for the Fiscal year 2012-13 it is Rs. 86 crore and for the remainder of the XIIth Plan this is yet to be finalized.

3.6 When asked about the delays in operationalisation of Mega Food Park in first phase and the revision of completion schedule from two years in phase one to four years in phase two the Ministry replied that in the first Phase the Government had approved 10 Mega Food Park Projects in the States of Andhra Pradesh, Jharkhand, Karnataka, Maharashtra, Punjab, Tamil Nadu, Uttar Pradesh, Uttarakhand, West Bengal & Assam in September, 2008. Scheme Guidelines were formulated and EOI was invited in October, 2008. Following the prescribed procedure 'in principle'

approval was accorded to 10 projects on 16-12-2008. Out of the 10 projects accorded 'In Principle' approval, only 5 Special Purpose Vehicle (SPV) of the States of Andhra Pradesh, Jharkhand, Uttrakhand, Maharashtra and Assam could meet the prescribed conditions to whom final approval was accorded on 27-03-2009. Subsequently, the SPV of Maharashtra withdrew from the project stating its inability to implement it. Later on the SPV of U.P. also withdrew from the Scheme and the SPV of Punjab and Karnataka could not meet the prescribed conditions for final approval. In case of all these four States, 'in principle/final approval' had to be cancelled and rebidding process had to be initiated for selection of suitable SPVs.

Although, prescribed timeline for implementation of the project is 24 months from the release of first installment none of the approved projects could meet this deadline largely due to the reasons stated below:-

i. Financial Closure of the Project (Sanction of Term Loan):

In case of some projects, sanction of term loan by Banks has taken more than a year which caused severe delay in commencement of project implementation. Financial closure (sanction of term loan) is also a critical milestone for the project for availing Second tranche of first installment of approved grant assistance. Thus, due to delay in financial closure, some of the approved projects could not avail this grant even after more than a year since final approval.

ii Land related issues

In several projects issues related to land (like permission for sub leasing, transfer of land, details of the lease agreement between the SPV and the State Agency giving the land) have held up the implementation of the project.

To expedite the matters pending with various State Governments, the Ministry have been taking up the matter with the State Government, from time to time. Also for effective monitoring of the progress, Review Meetings at the level of Secretary involving the SPVs and representatives of the State Governments are held periodically. Based on the discussions in the review meetings, further follow up actions are initiated by the Ministry, in a time bound manner. In spite of proactive role of the Ministry, the implementation has been delayed due to the reasons stated above.

No such decision for the revision of timeline for completion of the project has been taken by the Ministry so far. However, projects have been delayed beyond the period of 24 months and extensions are given wherever warranted.

3.7 In response to a query regarding status of implementation of Mega Food Parks in North East India, the Secretary replied:

“About North-East you had asked some questions, so far as Mega Food Parks is concerned, as you have rightly mentioned, there are two Mega Food Parks which have come up or coming up – one in Assam and the other is in Tripura. In Assam, the major problem was in land. At the time when the project was approved, AIDC had given the land and when it went for financial clearance, NETFI has raised the objection that the land was still in the name of subsidiary and that process took a lot of time. So, only in the last week of March, the NETFI has released their loan of Rs.2.7 crore and we have released Rs.13.5 crore, which the Park is entitled for under our guidelines. We have actually worked very closely with the Government of Assam in resolving the land issue and in getting this fund released. In the case of Tripura, their request has come for the second tranche of instalment of Rs.10 crore. There are some minor defects in their proposal, and we hope that very soon we will be able to release this money to Tripura. We definitely want these projects to move fast and we are very closely monitoring them.

We have to release the funds based on our guidelines and at each stage, we insist that the promoters spend a certain sum of the money which is equivalent to our share, because only then we can ensure that our money is properly utilized. This is common for the whole country and it is not for the North-East alone.

Finally, you had mentioned about the cold chain, we had sanctioned four schemes for the North-East, out of which only one in Mizoram had shown sufficient progress, that we could release the first instalment to them. In the other two projects, because of lack of progress, we could not release the money. Our Economic Advisor, who is looking into this, has gone to Guwahati; she had met all the four promoters; we are there to help and guide them

In fact in the Twelfth Plan also, we are planning under the National Mission to have some special provisions for the North-East so that we can have better utilization. This is a matter which we are also very concerned and we will continue to make efforts to improve the utilization of money in the North-East”.

Implementation of Budget Announcements (2011-12)

3.8 The Finance Minister in his Budget Speech 2011-12 stated that to address the problems relating to bottlenecks in retailing capacity and inadequate availability of vegetables and fruits despite their growing production, during 2011-12 approval is being given to set up 15 more Mega Food Parks. The status thereof indicated that CCEA at its meeting held on 25 October, 2011 approved setting up of 15 new Mega Food Parks in addition to ongoing projects.

When queried about the action taken during the interregnum between the Finance Minister’s Statement and 25 October, 2011 the Ministry informed that immediately after budget announcement, EFC note was prepared and sent for comments for all concerned Ministries / Departments on 04.05.2011. After obtaining comments of various Departments proposal was considered by EFC in its meeting dated 22.07.2011.

Based on the recommendations of EFC, draft CCEA note was prepared and circulated as per the laid down procedure on 24.08.2011 and after seeking competent authority approval, CCEA note was placed for consideration of the CCEA on 25.10.2011. Thus, from February 2011 to October 2011, the observance of the

procedure took time. Ministry has very closely followed up to ensure approval at the earliest.

Regarding the action taken consequent upon CCEA approval in October, 2011, the Ministry have issued EOI notice on 21.11.2011 fixing February, 2012 as the last date for submission of the proposals.

To a pointed query about the roadmap for making these 15 new Mega Food Parks fully operational it was submitted by the Ministry that 63 proposals have been received in furtherance of the EOI notice which are being appraised by the Project Management Agencies. It is likely that in-principle approval to eligible proposals will be accorded by the month of July, 2012. These projects will take 3-4 years in normal circumstances for getting fully operational.

3.9 When asked about the problems besetting the Mega Food Parks Scheme scrutiny, Ministry of Food Processing Industries stated during Oral Evidence on 11 April, 2012:

“In the case of MFPs, out of 30, the approval was given in three phases. The first phase was for 10; the second was for 5 and the last phase was for 15, which was approved only in October-November last year, by the CCA. As I had mentioned earlier, for these new 15, we hope to finalize the proposals by July of this year. Coming back to the earlier 15, the major difficulty that we are facing are land-related issues – either there is some litigation problem in land or there is problem in permission of sub-lease or there is some other issue. In the year 2011-12, we made major progress in 3-4 projects’ land. One is Assam. In the case of Assam, the problem was that the land which was leased to MFP was leased by the Assam Industrial Development Corporation, AIDC, a wholly owned subsidiary called Assam Synthetics. Assam Synthetics was the actual owner of the land. For certain reasons this approval of land from Assam Synthetics to AIDC took two years. We had constantly followed it up with the State Government and finally we got the transfer done; the NOC was issued and only in March, the North Eastern Development Finance Institution, NEDFI, were able to give them the land, and we were able to give them the second instalment.

In Jharkhand, the land was given by the RIADA, the State Industrial Development Organization; and they had given the land on the condition that you cannot sub-lease the land. Once again we pursued it at every level in the

Government and it took us two years; and late last year, the Cabinet finally approved the amendment to the lease condition so that they could sub-lease. If you would appreciate, in the case of MFPs, the company that is developing it, will have to lease the land to the food processors who will take up individual units in the food park. So, sub-leasing has to be permitted.

Similarly, in the case of Karnataka, there were some issues of land; some problems were there. Finally only earlier this year, we were able to resolve these problems. In some cases, there have been problems in the banks clearing the financial approval. This was one of the reasons why the project in West Bengal took considerable time, in Jhangipur. These are the kinds of problems. We review them constantly; we are in touch with the State Governments. Apart from the amendment in the guidelines that we have made, one of the things as I mentioned, is that, before we give final approval, now we are going to insist that the approvals should come from the financial institutions so that only projects which are very clear and firm will be given final approval. We hope this will improve the pace of implementation”.

Elaborating further on the remedial steps being taken, the witness added:

‘One more step that we have taken is, as per the guidelines, there is a representative of the Government of India who is nominated on the Board of the MFP Company. In practice, our officers have found it very difficult to get away from the headquarters and go and attend the Board meetings at short notice in different parts of the country. Moreover, since many of these issues involve the State governments also, we find it would be more appropriate that there is a representative of the State Governments on the Boards of these companies so that there is better coordination between the State Government and the implementation agencies. We have taken a decision on that’.

3.10 When asked about the representation of the State Governments on MFP Board’s as on date the Secretary, Ministry of Food Processing Industries replied:-

“No, except in projects where the State Government has an equity participation like in the case of Assam where they have come in because they are participating in the equity and another project was in Orissa which we have cleared recently – one of the Orissa PSUs, infrastructure development company, is going to provide equity; they will have nominees. But if the State Government does not give representatives, the Government of India nominee will be the State Government representative. We have written to all the State Governments recently; we have asked them to nominate their representatives of the State Government. We hope that this step, along with our National Mission on Food, which will involve the State Governments in our schemes, will also help in faster implementation of the projects”.

3.11 When asked about financial implications in respect of each of the Mega Food Park and other relevant details the Ministry replied that as regards financial implication, each Mega Food Park is eligible for grant in aid @ 50% of the eligible project cost, subject to a maximum of Rs. 50 crore (75% for North Eastern and Himalayan States). The projectwise admissible amount of grant in aid will, however, be worked out while according the final approval to the projects.

(ii) Cold Chain, Value-Addition and Preservation Infrastructure

3.12 The objective of this component of Scheme for Infrastructure development is to provide integrated and complete cold chains and preservation facilities without any break, from farm gate to the consumer.

During the Eleventh Plan, Ministry has approved 49 projects. 10 projects were approved in 2008 – 09. Out of this, 8 projects are into commercial production. 39 projects have been approved in 2011 – 12 which are at different stages of implementation. In view of the ‘in-principle’ approval accorded by the Planning Commission for further upscaling the scheme, EFC has recommended for upscaling the scheme to take up 30 additional projects amounting to grant in aid of Rs. 231 crore. The concurrent evaluation of this scheme has reported substantive increase in shelf life, reduction in wastages and value addition.

The Working Group on Food Processing Industries in its Report has recommended for continuation of the Cold Chain, Value Addition & Preservation Infrastructure Scheme for horticulture produce during the Twelfth Plan as Central Sector Scheme. The Working Group has also recommended that for non-horticulture produce, this component will form part of the proposed Centrally Sponsored Scheme

of National Mission on Food Processing. The Working Group has recommended for taking up 140 new projects during Twelfth Plan.

3.13 When asked why no projects were approved in 2009-10 and 2010-11 the Ministry replied that the proposal of the Ministry for setting up 30 projects in Eleventh Plan was considered by the Expenditure Finance Committee (EFC) in its meeting held on 19 March, 2008. The EFC recommended implementation of 10 integrated Cold Chain, Value Addition and Preservation Infrastructure projects in the first phase. EFC further recommended that a review will be carried out after one year, once these projects achieve some progress by way of financial closure and starting of construction activity. Further decision on upscaling will be taken once these models are demonstrated to be successful. Based on the progress of implementation of 10 projects in first phase, EFC in its meeting held on 15.4.2010 has recommended further upscaling of the scheme to take up additional projects to the extent of Eleventh plan outlay of Rs. 210.00 crore. The recommendations of EFC were approved by Hon'ble Finance Minister and the same was communicated to the Ministry by Department of Expenditure on 11.6.2010. In furtherance of the approval by the Finance Minister, the Ministry issued an Expression of Interest and received 164 proposals. Out of this, only 39 proposals were approved in April, 2011. As such, no proposal was approved during 2009-10 and 2010-11. Regarding the status of the remaining two projects approved in 2008-09 the Ministry replied that out of the remaining 2 projects approved in 2008-09, the project of M/s. Ascon Agro is likely to commence commercial production in April, 2012 and that of M/s. Atharvass Traders is likely to start commercial production in May, 2012. The delay in implementation of the project of M/s. Atharvass is due to change of location & that of M/s. Ascon Agro is due to labour unrest.

3.14 When asked to furnish the details regarding the extent of reduction in wastages and value addition as brought out by the concurrent evaluation the Ministry replied in writing that the concurrent evaluation conducted by IL&FS CDI (Project management Agency) did not quantify reduction in wastages and value addition. However, the agency has indicated that the impact of first phase of the projects is substantive value addition, reduction in wastage and enhancement in farmers income. The integrated cold chain will improve the shelf life and quality while reducing huge wastages and ensuring its supply to distant domestic and international market at competitive price. An efficient cold chain would result in enhanced round the year availability with reduced cost of intermediation including that of distribution and would thereby promote increased consumption. The Ministry are planning to conduct another evaluation shortly to measure the impact of 49 projects currently implemented/being implemented by them.

Regarding the roadmap for taking up 140 new projects in the Twelfth Plan the Ministry replied that the number of new projects can be firmed up only after the Budget for Twelfth Plan is finalized. For the year 2012-13, 30 new projects are expected to be approved by June, 2012.

(iii) Establishment of new/Modernisation of existing Abattoirs

3.15 This component aims at providing facilities for scientific and less painful slaughtering, chilling, rendering plant, effluent treatment plant, drainage, better hygiene, safety and retail cold chain management. Ten Projects were approved for the first phase of this component. Proposal for upscaling this component of the Scheme is under consideration. The current status of first phase projects and their likely dates of completion is as under:-

Status of Abattoirs Project

Sl. No.	Name of Executor	State	Total Project Cost (Rs. in lakhs) and scheduled date of completion	Total Amount Sanctioned (Rs. in lakhs)	Total amount disbursed till date (Rs.in lakhs)	Likely date of Completion
1	Dimapur Municipal Council	Nagaland	2288	1437.50	1402.17	Completed
2	Ahmednagar Goat Federation Co-op Ltd	Maharashtra	2352	851.02	851.02	Completed
3	Greater Hyderabad Municipal Corporation	A.P.	3284 30.4.2010	1478.98	591.59	2012-13
4	Municipal Corporation, Shimla	H.P.	1966 30.4.2010	1142.00	114.20	2012-13
5	Kolkata Municipal Corporation	West Bengal	2845 30.4.2010	1287.34	128.73	2012-13
6	Jammu Municipal Corporation	J&K	2300 30.4.2010	1500.00	150.00	2013-14
7	J&K Sheep and Sheep products Development Board, Srinagar	J&K	2800 25.9.2010	1410.00	141.00	2013-14
8	Municipal Corporation, Patna	Bihar	2638 30.4.2010	1097.21	109.72	2013-14
9	Municipal Corporation, Ranchi	Jharkhand	1867 30.4.2010	864.595	86.46	2013-14
10	Modern Abattoir at Majhitar, East Sikkim	Sikkim	926.36 17.11.2011	616.72	-	2013-14

3.16 The Committee desired to know about the details of abattoirs to be modernized/newly established in the Twelfth Plan period. In response the Ministry

replied that as per recommendation received at the EFC meeting held on 28.02.2012, the proposal for setting up new abattoirs/ modernization of existing abattoirs is being sent to CCEA for approval. This proposal is expected to fund approximately 25 new abattoirs and modernize 25 existing Abattoirs (at a cost of Rs. 240.25 Crores) as well as complete eight running projects (at a cost of Rs. 74.83 Crores) and Project management Agency fees of Rs. 15.75 Crores. Each of these projects is likely to be completed in 18 months. However, small projects for modernization are likely to be completed in 12 months. The scheme as on date is under consideration of CCEA.

3.17 When asked about the reasons for inordinate delays in completion of 08 Abattoirs out of 10 projects the Ministry stated in a post-evidence submission that the following are the reasons for delay in execution of the projects of modernization of abattoirs:-

- (i) The Eleventh Plan was approved quite late and hence the scheme was approved in 2009.
- (ii) Delay in allocation of land for Abattoirs by State Government due to local agitations and objections of local people.
- (iii) Delay in appointment of Project Management Consultant by the Project Promoters.
- (iv) Delay in tender process by the Project Promoters for turnkey contactor.
- (v) Lack of availability of Technical Expertise.

3.18 Asked further on what grounds upscaling of the component is being considered when even the first phase projects are incomplete and how it will be ensured that the deadlines are not staggered any further the Ministry intend to ensure that the deadlines are not staggered any further by engaging more Project

Management Agencies to monitor the proposed 25 new abattoirs and modernization of 25 existing abattoirs. Apart from this, the Ministry regularly take review meetings to ensure that the deadlines are adhered to and delays are controlled. the Ministry replied in writing that the upscaling is being considered on the following grounds:-

1. India is one of the leading producers of fruits and vegetables, milk, meat, marine products and many other agricultural commodities in the world.
2. By-products utilization and waste disposal are important activities of the meat sector.
3. Among the meat producing sector, poultry is one of the fastest growing segments. India has ample resources when it comes to poultry sector.
4. Nearly 3600 municipal slaughterhouses exist in country catering to domestic market. But these are generally antiquated and lack modern equipments, proper sanitation and hygienic, lack facilities for scientific slaughtering of animals and for production of clean, wholesome meat of high quality, which is required for domestic consumption and exports. Due to this, issues of availability of hygienic meat is important to domestic consumers as well as for exports.
5. The meat and poultry processing sector when organized on scientific lines, can generate much larger employment in rearing of animals and value added processing of meat/ poultry and utilization of slaughterhouse by-products for allied industries. This would serve the dual purpose of improving family incomes allied industries and also making available protein diets locally in the villages. Poor quality meat and unhygienic conditions are major areas of concern in the domestic meat industry. There is a great potential to increase India's export provided quality of products and consistency of supply in maintained.
6. Ministry of Food Processing Industries has received an overwhelming response from the State Governments for setting up of new and modernization of existing Abattoirs in different parts of the country.

(B) Scheme for Technology Upgradation, Establishment and Modernisation of Food Processing Industries

3.19 The objectives of the Scheme for Technology, Upgradation, Establishment and Modernisation of FPI are to increase the level of processing, reduction of wastage, value addition, enhance the income of farmers as well as increase exports thereby resulting in overall economic development. Budgetary allocations under the Scheme are as under:

(Rs. in crore)

Year	BE	RE	Actuals
2007-08	72.00	113.50	119.30
2008-09	90.00	91.50	96.87
2009-10	60.00	82.51	82.49*
2010-11	81.00	106.00	105.67
2011-12	98.00	185.47	137.76@
2012-13	100.00	-	-

* Upto 31.03.2010, @ Upto 31.01.2012

It may be noted that Revised Estimates during the five years of the Eleventh Plan are showing an increase over respective Budget Estimates. The Actual Expenditure during the years 2007-08 and 2008-09 are even higher than respective REs.

The Scheme for Technology Upgradation, Establishment, Modernisation of Food Processing Industries has been subsumed under National Mission for Food Processing from 1 April, 2012 onwards. In response to query regarding the applications pending with the Ministry and how they proposed to liquidate the pendency, the Ministry replied that on 31 March 2012, there are 2613 applications pending for disbursal of grant. It is expected to liquidate the pendency by 2013-14 subject to availability of funds.

3.20 The Ministry in response to a query as to why sufficient fund allocations for the above mentioned Scheme are not made at the BE stage, have stated that allocation of funds at the time of formulation of Annual Plans are decided by the Planning Commission. This Ministry have been requesting for high allocation of funds for the Scheme. At the time of formulation of the Eleventh Plan, the Ministry sought Rs.1492.00 crore for the Scheme. However, only Rs.600.00 crores was approved as allocation for the entire Eleventh Plan. Even during the annual plan finalization during the individual years, insufficient funds were provided by the

Planning Commission, resulting in huge backlog. Additional funds had to be provided by the Ministry subsequently through supplementary grants /re-appropriation every year.

(C) Scheme for Upgradation of Quality of Street Food

3.21 A new Scheme for 'Upgradation of quality of Street Food' was proposed in the Eleventh Plan. The Scheme has two components Viz. "Safe Food Town and the Food Street". The Scheme is aimed at improving the quality of street food being served and laying down standards. This Scheme has not been approved by Ministry of Finance.

3.22 In response to a query as to why the Ministry have not accorded their approval to the Scheme and the reason for discontinuation in the Twelfth Plan the Ministry of Food Processing Industries replied that they have contemplated Plan Scheme for "Upgradation of Quality of Street Food" during Eleventh Five Year Plan. This was initiated in the context of new Food Safety & Standards Act, 2006 to take care of the concerns of street food vendors and to address safety & hygiene issues of street food. However, the scheme was not supported by Planning Commission and the Department of Expenditure. The Working Group on Food Processing Industries for the Twelfth Plan, in its draft report, has felt that Upgradation of quality of street food may be more appropriately handled by Department of Housing & Urban Poverty Alleviation (HUPA). Thus, MFPI have forwarded the copy of the draft guideline and the final version of the CCEA Note prepared by them to Department of HUPA for suitable consideration. The Department of HUPA has prepared a draft

Note for the Cabinet proposing introduction of the Street Vendors (Protection of Livelihoods and Regulation of Street Vending) Bill, 2012 which has been supported by this Ministry.

(D) Scheme for Quality Assurance, Codex Standards and Research and Development and other Promotional Activities.

3.23 The objectives of the above mentioned Schemes are to motivate Food Processing Industries for adoption of food safety and quality assurance mechanisms, to prepare them to face the global competition in international trade in post WTO, to enable adherence to stringent quality in hygiene norms, to enhance product acceptance by overseas buyers, to keep Indian Industry technologically abreast of international best practices and that the end product/outcome/findings of R&D work to benefit food processing Industries sector. Budgetary allocations under the Scheme are as under:

(Rs. in crore)

Year	BE	RE	Actuals
2007-08	18.00	19.30	15.12
2008-09	18.00	19.00	17.37
2009-10	30.00	32.08	29.07*
2010-11	38.00	31.40	21.61#
2011-12	45.00	43.52	22.62
2012-13	35.00	-	-

* Upto 31.03.2010, # Upto 31.01.2011

3.24 In response to a query as to why the Ministry have not been able to fully utilize the allocated funds in all the five years of Eleventh Plan, the Ministry replied that BE / RE was proposed as per Eleventh Plan projections, but the Scheme for Eleventh Plan was approved during the middle of 2008-09. Hence, the actual expenditure was attributed to committed liabilities as well as new proposals as per Tenth Plan guidelines (which were much lower than the Eleventh Plan). Also the shortfall was due to non-receipt of sufficient number of eligible and viable proposals from general

and NE areas. However, 2010-11 RE was fully utilized. In 2012-13, the actual expenditure is likely to be closer to the RE.

(E) Scheme for Strengthening of Institutions

3.25 The objective of the Scheme for Strengthening of Institutions are to strengthen Indian Institute of Crop Processing Technology, State Nodal Agencies(SNA), setting up of National Meat and Poultry and Processing Board, setting up of National Wine Board and setting up of National Institute of Food Technology, Entrepreneurship and Management(NIFTEM). Budgetary allocations under the Scheme are as under:

(Rs. in crore)			
Year	BE	RE	Actuals
2007-08	35.10	26.10	26.51
2008-09	54.00	53.50	52.71
2009-10	64.00	92.08	83.59*
2010-11	132.00	127.50	128.66#
2011-12	132.50	117.50	98.42@
2012-13	80.00	-	-

***Upto 31.03.2010, #Upto 31.01.2011 @ upto 31-01-12**

In response to a query about the reasons for under utilization of budgetary allocations during last year, the Ministry replied that, the shortfall in utilization of budgetary allocation under this Scheme was due to the fact that land was not made available to the Indian Institute of Crop Processing Technology (IICPT) on account of some ongoing legal matter. Out of the total allocation of Rs. 80 crores during the year 2012-13, the major allocation i.e. Rs. 58 cores is for NIFTEM. The annual allocation will be utilized for design development and procurement of equipment for research labs, IT work in research lab, pilot plant and remaining portion of library, academic and administrative blocks, etc. With the first academic session in offing during the year, the Institute is likely to have a host of activities requiring sufficient budgetary assistance.

During the year 2012-13, the lower budgetary allocation has been proposed as per requirement of the Scheme.

National Institute of Food Technology Entrepreneurship and Management(NIFTEM)

3.26 National Institute of Food Technology Entrepreneurship and Management (NIFTEM) is being set up as an Institute of global excellence in education and research in the areas of food technology. The Institute is being set up at Kundli, Distt. Sonapat, Haryana. CCEA had approved setting up of the Institute in 31.08.2006 at an estimated cost of Rs. 244.60 crore. CCEA in its meeting held on 28.04.2011 approved the Revised Cost Estimate of Rs. 479.94.

3.27 NIFTEM has missed deadlines regarding start of academic courses for two years in running now. The Committee, therefore, wanted to know the present status of the Institute. In response the Ministry informed that the infrastructural facilities for commencement of first academic session with B. Tech (Food Technology and Management) & M.Tech Courses have been completed. The required Faculty has also been recruited. The Institution is fully geared to commence first academic session from July, 2012 onwards. UGC constituted an expert committee to make on the spot assessment of the facilities in the NIFTEM campus based on the AICTE/UGC norms. The expert committee visited the campus on 28-29 March, 2012. The committee has submitted its report to the UGC and after this is examined and approved by the Govt. of India NIFTEM will be granted De Novo deemed to be university status. As soon as this approval is received admission of students in the first academic year will be made from AIEEE examination conducted by CBSE. In the meanwhile short term training courses have started, Action is also being taken to start the other activities like Consultancy, SME, Upgradation, etc.

3.28 Elaborating further in the matter Secretary, Ministry of Food Processing

Industries stated during the Oral Evidence:-

“As I have mentioned earlier, NIFTEM in terms of the approval we have taken from Cabinet, will be a deemed university and for that purpose we require approval from the Ministry of HRD which in turn gives it on the basis of recommendation of UGC. And, because NIFTEM is a technical institute giving degrees in Food Technology and Management, we also require the recommendation of the AICTE. We were hoping that we will complete this process last year itself but given the kind of formats and the kind of procedures that AICTE and UGC have we have taken time to complete this process. The major difficulty we faced was in getting adequate faculty.

Although, we have selected most of the faculty but some of them are likely to join only after they complete current academic year in their current assignments. This was one of the sticking points between us and the UGC. That is why, the visit of the Expert Committee was delayed. But I had mentioned that we have been able to finalise the selection of almost all our academic staff, which are required immediately as also minimum required as per the AICTE regulations. They are higher than the UGC regulations. So, we will automatically satisfy the UGC regulations also. So because of this it has taken time. As I had mentioned, on 28th March team came and visited where I had also interaction with them. We are quite hopeful that we will get the approval. But, of course, till that approval come, we cannot start the courses”.

3.29 Queried further as to whether the infrastructure of the Institute has been

completed, the Secretary replied during the Oral Evidence:

“It is not fully complete. It will take another year or so. But it is enough for the first year courses. Right now, we only have the first year courses. There was never any problem with regard to the physical infrastructure. The only problem was with the faculty. Since, the physical infrastructure is partly ready, we are making use of it by having short-term courses. We are also using the faculty for certain consultancy purposes to provide consultancy to industry. We are drawing up plans for assistance to small and medium enterprise. So, we are making use of the faculty and the physical infrastructure to the extent we can. But certainly the biggest chunk of our plan and activities is to start the B.tec and M.tec courses. We do hope that we will get the approval of the AICTE, UGC and the Ministry so that we can start these in July or in August this year”.

(F) New Schemes

3.30 When asked about the New Schemes introduced in 2011-12 and to be introduced in Twelfth Plan, the Ministry stated that the Scheme for 'Upgradation of Quality of Street Food' was allocated Rs.5.00 crore in 2011 – 12, but was not implemented as the same was not supported by the Ministry of Finance and the Planning Commission. As stated previously in this Report, based on the recommendations of the Twelfth Plan Working Group, Ministry have requested Department of Housing and Urban Poverty Alleviation (HUPA) to consider implementation of this Scheme. HUPA has intimated that this is being considered.

Three new Schemes are envisaged for the Twelfth Plan:-

- (i) National Mission on Food Processing.
- (ii) Innovation Fund Scheme.
- (iii) Venture Capital Fund.

3.31 Asked about the salient features of the New Scheme viz. National Mission for Food Processing the Ministry and the improvements that it will bring the Ministry informed the Committee that the NMFP is being implemented by States from 1.4.2012 for continuing schemes of Eleventh Plan. All the schemes under proposed NMFP will be centrally sponsored scheme (CSS). This new scheme will bring the following improvements:

- (i) Decentralized approach:** It has been realized that Ministry's next leap forward in terms of ensuing requisite growth impetus and value addition to the sector can only be achieved through a process of effective decentralization by inviting all the States and UTs for implementation of its schemes through National and State Food Processing Mission.

- (ii) **Greater role of State/UT:** The Mission would facilitate in having flexibility in the selection of beneficiaries, location of projects etc. for the development of food processing sector in the State.
- (iii) **Better outreach:** National Mission on Food Processing is likely to reach out to a much larger number of beneficiaries through State Mission for better coverage across the States/UTs.
- (iv) **Effective Supervision and Monitoring:** The proposed NMFP will ensure better implementation, supervision & monitoring and management of all the programmes intended for beneficiaries for the food processing sector.

Scheme for Infrastructure Development

3.32 The Scheme for Infrastructure Development is the most important Scheme of the Ministry. It consists of three components viz. (i) Mega Food Parks, (ii) Cold Chain, Value Addition and Preservation of Infrastructure and (iii) Establishment of New/Modernisation of Existing abattoirs. The Scheme was allocated a sum of Rs. 752.50 crore for the Eleventh Plan but actually a sum of Rs. 360.70 crore only was released. The much referred delays in planning and approvals and the consequent delayed releases of funds, etc. played their part in the sub-optimal performance of the Scheme. The Committee find that a sum of Rs. 191.00 crore has been allocated for the Scheme for 2012-13 and the Ministry have taken several positive measures to ensure that not only the allocated funds are spent but additional demands are raised for better physical achievements during the year. The Committee expect the Ministry to deliver on their promise during the Fiscal.

Mega Food Parks

3.33 A sum of Rs. 86.00 crore has been allocated for the Mega Food Parks (MFPs) Component of the Scheme for Infrastructure Development. Ten MFPs

were to be set-up during the first phase. The prescribed timeline for the project is 24 months from the date of release of first installment. The Committee are unhappy to note that none of the ten MFPs have been able to adhere to this timeline. All the ten Projects have not only missed this timeline by significant periods, none of them seems to be anywhere near full operationalisation even now. The Committee had noted in their previous Reports that the Food Park Scheme which was the precursor of the MFPs had also failed miserably due to several shortcomings in planning and implementation. They had, therefore, asked the Ministry to tread with extra caution on the implementation of the MFP Component. However, a critical appraisal of the Scheme in its extant form is yet to be done and shared with the Committee. In the meantime problems which could not be foreseen by the Ministry are cropping up putting brakes on the timely implementation of these projects. The Committee, therefore, desire that a critical appraisal of the Component be done without any further delay and correctives be put in place immediately. This acquires added urgency as the Ministry are moving towards decentralization of their Schemes in the Twelfth Plan and course correction at this juncture would be in the interest of both the Component and the public monies involved.

Cold Chain, Value Addition and Preservation Infrastructure

3.34 The Committee note that during the Eleventh Plan 49 projects had been approved under this Component. Out of these 8 out of 10 projects that were approved in 2008-09 are into commercial production. The remaining 39 projects which were approved in the last year of the Plan (2011-12) are at

various stages of implementation. For the Twelfth Plan the working group of Planning Commission has recommended for taking up of 140 new projects. However, pending finalization of the Twelfth Plan the situation is in a flux. Based on the contours of Plan, the Ministry intend to take up 30 new projects in 2012-13. The Committee also note that as per the recommendations of the working group the assistance under this Component in the Twelfth Plan for horticulture produce will be under Central Sector Scheme and for non-horticulture produce this Component will form part of a Centrally Sponsored Scheme. Since the exact arrangements of this bifurcation are yet to be formalized, the Committee desist from commenting on it. However, they hope that the process will be completed at the earliest so that further action for implementation of this Component is taken without any further loss of time.

The Committee also note that a concurrent evaluation of Component by a project management agency has reported substantive increase in shelf life, reduction in wastages and value addition. However, the agency has not quantified these achievements of the Component. The Committee find it very surprising as to how this important aspect has been missed in the evaluation and they would like to know whether this aspect was a part of the terms of reference of the evaluation. Even otherwise, the Committee desire that the Ministry should obtain the relevant data from the said project management agency on the basis of which it has come to these conclusions and share it with the Committee.

Establishment of new/Modernisation of existing Abattoirs

3.35 Establishment of new/modernization of abattoirs is a Component of the Scheme Infrastructure Development. This Component aims at providing facilities for scientific and less painful slaughtering, chilling, rendering plant, effluent treatment plant, drainage, better hygiene, safety and retail cold chain management. In the first phase of the Component, ten Projects were approved with completion schedules ranging between April, 2010 and September, 2010 except for the Project in Sikkim which was scheduled for completion in November, 2011. The Committee, however, find that eight of these ten projects are yet to be completed. While the likely date of completion of three of them is now indicated as 2012-13 in case of the remaining five projects, it has been indicated as 2013-14. Apart from the delays in planning and approvals taking their toll of this Scheme, the delays in allocation of land for abattoirs by State Governments due to agitations/objections by local people, lack of availability of technical expertise, procedural delays, etc. have also contributed to this staggering of timelines of various projects. The Ministry now propose to have 50 more such projects during the XIIth Plan however the final approval is awaited. To ensure that the future projects under this Component are not delayed like the projects of first phase, the Ministry are considering more project management agencies for the new projects and other corrective measures. But in the absence of formal approval this is only a futuristic contemplation. There are almost 3600 slaughter houses in the Country in generally antiquated conditions, lacking modern equipment, proper sanitation and hygiene. The lack of facilities for scientific slaughtering not only is a cruelty on animals but also affects the quality of meat and other

products. The Committee are of the considered view that this Component of the Scheme for Development of Infrastructure can go a long way in improving the existing situation. They, therefore, recommend that the modalities preparatory to the implementation of Scheme in the Twelfth Plan be completed with due promptitude to facilitate its expeditious implementation.

Scheme for Technology Upgradation, Establishment and Modernisation of Food Processing Industries

3.36 The objectives of the Scheme for Technology, Upgradation, Establishment and Modernisation are to increase the level of processing, reduction of wastage, value addition, enhance the income of farmers as well as increase exports thereby resulting in overall economic development.

This is one of the Schemes of the Ministry where they have always drawn higher allocations at the RE stage by their good performance. In the year 2007-08 the BE figure of Rs. 72.00 crore was hiked to Rs. 113.50 crore while the actual expenditure was still higher at Rs. 119.30 crore. During the year 2008-09 against the BE amount of Rs. 90.00 crore, the RE figure was Rs. 91.50 crore and the actual expenditure was in the range of Rs. 96.87 crore. In 2009-10 against BE allocation of Rs. 60.00 crore, the RE allocation was more than 33% higher at Rs. 82.51 crore and the actual expenditure was Rs. 82.49 crore (upto 31 March, 2010). In the next Fiscal, the BE amount of Rs. 81.00 crore was hiked to Rs. 106.00 crore at the RE stage and the actual expenditure was Rs. 105.67 crore. In the last year of the Eleventh Plan viz. 2011-12, the BE of Rs. 98.00 crore was almost doubled to Rs. 185.47 crore at RE stage and the actual expenditure upto 31 January, 2012 has been clocked at Rs. 137.76 crore.

One more aspect that needs to be highlighted in the context of this Scheme is that from 1 April, 2012 onwards this Scheme has been sponsored under the National Mission for Food Processing. It would hence forth be implemented as a Centrally Sponsored Scheme. The Committee, however, note that as on 31 March, 2012, the Ministry of Food Processing Industries are having a pendency of 2613 applications for disbursal of grants under this Scheme. The Committee strongly feel that the change in the modalities of the Scheme ought not hinder the settlement of such a huge number of applications pending with the Ministry. They, therefore, recommend the Planning Commission/Ministry of Finance that while allocating funds for this Scheme during the various stages of this Fiscal they should ensure additional funds to the Ministry for settling the applications pending with them.

Scheme for Upgradation of Quality of Street Food

3.37 The Scheme for 'Upgradation of quality of Street Food' was proposed in the Eleventh Plan. The Scheme has two components Viz. "Safe Food Town and the Food Street". The Scheme is aimed at improving the quality of street food being served and laying down standards. However, the Scheme was not supported by Planning Commission and the Department of Expenditure. The Committee have been given to understand that the working group on food processing industries for the Twelfth Plan, in its report, has felt that upgradation of quality of street food may be more appropriately handled by Department of Housing & Urban Poverty Alleviation (HUPA). Thus, MoFPI have forwarded the copy of the draft guidelines and the final version of the CCEA Note prepared by them to Department of HUPA for suitable consideration. The

Department of HUPA have prepared a draft Note for the Cabinet proposing introduction of the Street Vendors (Protection of Livelihoods and Regulation of Street Vending) Bill, 2012. The Committee expect the Ministry to pro-actively coordinate with the Department of HUPA so that their concerns in the matter are duly co-opted in the Bill.

Scheme for Quality Assurance, Codex Standards and Research and Development and other Promotional Activities.

3.38 The objectives of the above mentioned Schemes are to motivate Food Processing Industries for adoption of food safety and quality assurance mechanisms, to prepare them to face the global competition in international trade in post WTO, to enable adherence to stringent quality in hygiene norms, to enhance product acceptance by overseas buyers, to keep Indian Industry technologically abreast of international best practices and that the end product/outcome/findings of R&D work to benefit food processing industries sector.

Under this Scheme the Ministry have not been able to utilize allocated funds in the Eleventh Plan. The Ministry have attributed the delayed approvals as also non-receipt of eligible and viable proposals for this under utilization. The Committee are concerned about the continues under utilization under the Scheme and feel that it needs to be critically analysed so that atleast now when we are entering in the Twelfth Plan suitable course corrections are undertaken in the Scheme to make it more appealing and effective so that earmarked allocations are fully utilized in future.

National Institute of Food Technology Entrepreneurship and Management (NIFTEM)

3.39 National Institute of Food Technology Entrepreneurship and Management (NIFTEM) is being set up as an Institute of global excellence in education and research in the areas of food technology. The Institute is being set up at Kundli, District Sonapat, Haryana.

The establishment of NIFTEM which is a part of the Scheme for Strengthening of Institutions has been beset with several problems for quite sometime now. The Committee have commented on Ministry's performance in so far as NIFTEM is concerned in several of their previous Reports. The Institute has missed deadlines regarding the start of academic courses during the last two years due to inept planning and lack of foresight. Even now they are awaiting the grant of de novo deemed to be University status from the UGC/the Ministry of Human Resource Development. The way NIFTEM matters have been handled in the past by the Ministry, the Committee are not sure whether they would be able to start admissions for various academic courses in the Institute even in July this year. The Committee would like the Ministry to appreciate the fact that because of delays in establishment and operationalisation of this Institute of immense importance several students have missed an opportunity to seek education in some of the frontier areas in food technology during last two-three years. The Committee, therefore, strongly recommend the Ministry should now act in mission mode to complete the remaining formalities pertaining to the establishment and

operationalisation of the Institute without any further delay so that atleast admissions in various academic courses commence in July this year.

New Schemes

3.40 The Committee note that the Ministry is embarking on an ambitious National Mission on Food Processing during the Twelfth Plan. Though, the details of the Mission are yet to be formalized, it is being implemented by States from 1 April, 2012 for the continuing Schemes of the Eleventh Plan. All the Schemes under the proposed Mission will be Centrally Sponsored Schemes. The Committee further note that this new Scheme will be characterized by a decentralized approach, which provides for a greater role of States/UTs, better out reach and effective supervision and monitoring. The Ministry have been, hitherto, implementing their Schemes as both the planners and the executors. Consequently, their meager resources and manpower were stretched beyond limits, thereby, affecting their performance. The proposed new Mission with the characteristics mentioned above will provide the Ministry a welcome relief and enable them to focus on their primary role as a planners. Leaving the execution part to the State Governments, who are better equipped for the purpose, as they have direct interface with the users/stakeholders. The Committee, therefore, recommend that all necessary formalities concerning the Mission be completed post haste and its implementation started in right earnest.

**NEW DELHI;
23 April, 2012
03 Vaisakha, 1934 (Saka)**

**BASUDEB ACHARIA
Chairman,
*Committee on Agriculture***

ANNEXURE

Scheme wise Outlay & Expenditure during 11th Plan & Budget Estimates for 2012-13 for the Ministry of Food Processing Industries

Sl. No.	Name of the Scheme/ Project/ Programme	Eleventh Plan				2007-08					2008-09				
		Proposed Allocation (whole Plan)	Approved Outlay (whole Plan)	Actual exp. (1 st Four year)	% of actual Exp. (1 st four year)	Proposed allocation	BE	RE	Actual Exp	Short fall/ Excess, if any, with reasons	Proposed allocation	BE	RE	Actual Exp	Short fall/ Excess, if any, with reasons
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1	Scheme for Infrastructure Development	3160.00	2613.00	239.11	9.15	100.00	90.00	15.00	14.79	*	464.00	90.00	42.20	48.28	
2	Scheme for Technology Upgradation/ Establishment and Modernization of Food Processing Industries	600.00	600.00	399.80	66.6	150.00	72.00	113.50	119.30		150.00	90.00	91.50	96.87	
3	Scheme for Upgradation of Quality of Street Food	178.00	178.00	2.65	1.48	25.00	0.90	0.90	0.72		60.00	4.50	5.40	1.93	***

4	Scheme for Quality Assurance, Codex Standards and Research & Development and other Promotional Activities	354.00	250.00	81.77	32.70	75.00	18.00	19.30	15.12	**	54.70	18.00	19.00	17.37	**
5	Scheme for Human Resource Development	100.00	65.00	30.58	47.04	20.00	09.00	4.50	4.21	**	15.00	4.50	5.70	5.96	Target Achieved
6	Scheme for Strengthening of Institutions	424.00	325.00	251.96	77.52	72.00	35.10	26.10	26.51		126.95	54.00	53.50	52.71	
7	Lump sum provision for North East including Sikkim	(481.60)	(403.10)	--			(25.00)	(20.00)	(4.11)	**		(29.00)	(24.20)		**
	Total	4816.00	4031.00	1005.77	25	442.00	250.00	200.00	182.00		870.65	290.00	242.00	223.12	

Sl. No.	Name of the Scheme/ Project/ Programme	2009-10					2010-11					2011-12			
		Proposed allocation	BE	RE	Actual Exp.	Shortfall/ Excess, if any, with reasons	Proposed allocation	BE	RE	Actual Exp.	Shortfall/ Excess, if any, with reasons	Proposed Allocation	BE	RE	Actual EXP .31-01-12
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16
1	Scheme for Infrastructure Development	538.70	135.00	73.81	72.94		724.40	137.50	120.80	118.09		887.12	300.00	189	96.65
2	Scheme for Technology Upgradation/ Establishment and Modernization of Food Processing Industries	165.00	60.00	82.51	82.49		165.00	81.00	106	105.67		216.00	98.00	185.47	137.81
3	Scheme for Upgradation of Quality of Street Food	34.00	8.00	0.03	0.00	***	34.00	1.00	0.1	0.00		35.00	5.00	00	0.00
4	Scheme for Quality Assurance, Codex Standards and Research & Development and other Promotional Activities	51.00	30.00	32.08	29.07	**	51.00	38.00	31.13	31.32	Target Achieved	67.00	45.00	43.52	22.816

5	Scheme for Human Resource Development	9.00	9.00	9.50	9.46	Target Achieved	9.00	10.50	10.77	11.11	Target Achieved	25.00	15.00	14.50	8.77
6	Scheme for Strengthening of Institutions	308.36	64.00	92.08	83.59		308.36	132.00	127.50	128.66		260.75	132.50	117.50	95.47
7	Lump sum provision for North East including Sikkim	123.00	34.00	29.00	18.50	**	123.00	40.00	40.00	38.50	**		60.00	55	12.82
	Total	1229.06	340.00	290.00	277.55		1229.06	400.00	400.00	394.75		1490.87	600.00	550	361.53

