

## MINISTRY OF AGRICULTURE AND FARMERS WELFARE

(DEPARTMENT OF AGRICULTURE, COOPERATION  
AND FARMERS WELFARE)

### NATIONAL PROJECT ON ORGANIC FARMING

[Action taken by the Government on the recommendations contained in  
the 9<sup>th</sup> Report (Sixteenth Lok Sabha) of the Committee on Estimates]

COMMITTEE ON ESTIMATES  
(2016-2017)

### TWENTY-SECOND REPORT

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(SIXTEENTH LOK SABHA)



LOK SABHA SECRETARIAT  
NEW DELHI

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**COMMITTEE ON ESTIMATES  
(2016-2017)  
(SIXTEENTH LOK SABHA)**

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**Presented to Lok Sabha on 23 March, 2017**



**LOK SABHA SECRETARIAT  
NEW DELHI**

**March, 2017/ Phalguna, 1938(S)**

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## **COMPOSITION OF THE COMMITTEE ON ESTIMATES (2016-17)**

Dr. Murli Manohar Joshi – Chairperson

### **Members**

2. Shri Sultan Ahmed
3. Shri A. Arunmozhithevan
4. Shri George Baker
5. Shri Kalyan Banerjee
6. Shri Dushyant Chautala
7. Shri Ashok Shankarrao Chavan
8. Shri Ashwini Kumar Choubey
9. Shri Ram Tahal Choudhary
10. Col. Sonaram Choudhary
11. Shri Ramen Deka
12. Shri Sanjay Dhotre
13. Shri P.C. Gaddigoudar
14. Shri Sudheer Gupta
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17. Smt. Poonam Mahajan
18. Shri K.H. Muniyappa
19. Shri Rajesh Pandey
20. Shri Ravindra Kumar Pandey
21. Shri Raosaheb Danve Patil
22. Shri Bhagirath Prasad\*
23. Shri Konakalla Narayan Rao
24. Shri Md. Salim
25. Shri Arvind Ganpat Sawant
26. Shri Jugal Kishore Sharma
27. Shri Gajendra Singh Shekhawat
28. Shri Anil Shirole
29. Shri Rajesh Verma
30. Shri Jai Prakash Narayan Yadav

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\*Elected *vide* Lok Sabha Bulletin Part-II No. 3908 dated 28.07.2016 vice Shri Arjun Ram Meghwal appointed as Minister.

**SECRETARIAT**

- |    |                     |   |                      |
|----|---------------------|---|----------------------|
| 1. | Shri Devender Singh | - | Additional Secretary |
| 2. | Shri N.C. Gupta     | - | Joint Secretary      |
| 3. | Shri Vipin Kumar    | - | Director             |
| 4. | Shri R.C. Sharma    | - | Deputy Secretary     |
| 4. | Shri L. Shantikumar | - | Committee Assistant  |

## **INTRODUCTION**

I, the Chairperson of the Committee on Estimates (2016-17) having been authorized by the Committee to present the Report on their behalf, do present this 22<sup>nd</sup> Report on action taken by the Government on the recommendations contained in the 9<sup>th</sup> Report of the Committee (2015-16) on the subject 'National Project on Organic Farming' pertaining to the Ministry of Agriculture and Farmers Welfare (Department of Agriculture, Cooperation and Farmers Welfare).

2. The 9<sup>th</sup> Report of the Committee on Estimates (2015-16) was presented to Lok Sabha on 13 August, 2015. The Government furnished their replies indicating action taken on the recommendations contained in the 9<sup>th</sup> Report on 2 January, 2017. The draft report was considered and approved on 30 January, 2017 by the Committee.

3. An analysis of action taken by the Government on the recommendations contained in the 9<sup>th</sup> Report of the Committee on Estimates is given in Appendix II.

**NEW DELHI;  
07 February, 2017  
Magha 18, 1938 (Saka)**

**Dr. MURLI MANOHAR JOSHI,  
CHAIRPERSON,  
COMMITTEE ON ESTIMATES.**

## CHAPTER I

### REPORT

This Report of the Committee deals with the action taken by the Government on the recommendations contained in the 9<sup>th</sup> Report of the Committee on Estimates (16<sup>th</sup> Lok Sabha) on the subject 'National Project on Organic Farming' pertaining to the Ministry of Agriculture & Farmers Welfare (Department of Agriculture, Cooperation & Farmers Welfare).

1.2 The Committee's 9<sup>th</sup> Report was presented to Lok Sabha on 13 August, 2015. It contained 18 Recommendations/Observations. Action Taken Notes in respect of all the Recommendations/Observations were received from the Ministry of Agriculture & Farmers Welfare (Department of Agriculture, Cooperation & Farmers Welfare) on 04 January, 2017.

1.3 Replies to the Recommendations/Observations contained in the Report have broadly been categorized as under:-

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

Sl. Nos. 2, 3, 5, 10, 11, 13, 14, 15, 16, 17 & 18

Total = 11  
(Chapter II)

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

Total = 0  
(Chapter III)

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

Sl. Nos. 6, 8 & 9

Total = 3  
(Chapter IV)

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

Sl. Nos. 1, 4, 7, & 12

Total = 4  
(Chapter V)

**1.4 The Committee desire that final replies to the Recommendation Nos. 1, 4, 7, and 12 and response to comments contained in Chapter I of this Report should be furnished expeditiously.**

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

#### **A. Policy on Organic Farming**

##### **Observation/Recommendation (Sl. No. 1)**

1.6 Taking cognizance of the adverse consequences of chemical based farming viz. degradation of soil health, low yields, emergence of new pests/diseases, wiping out of eco-friendly micro organisms and percolation of toxic chemicals into our food chain threatening the very existence of biosphere of the country, Government of India launched a National Project on Organic Farming (NPOF) with an outlay of ₹57.05 crores in the X<sup>th</sup> Plan and same was continued during the XI<sup>th</sup> Plan with an outlay of ₹101 crores. However later on in the middle of the XII<sup>th</sup> Plan, NPOF was merged with a Central Sector Scheme by making it a sub-component of Soil Health Mission, which itself is a component of National Mission on Sustainable Agriculture (NMSA) with an outlay of ₹293 crores for the remaining period of the XII<sup>th</sup> Plan. The Government has also launched a new scheme 'Paramparagat Krishi Vikas Yojana (PKVY) in order to improve organic farming in the country. Taking note of the candid admission of the representatives of Ministry of Agriculture that the efforts to promote various components of organic farming through various programmes have so far been disjointed and not able to achieve the envisioned outcomes, the Committee recommended that the National Project on Organic Farming be made a part of Paramparagat Krishi Vikas Yojana (PKVY) by suitably tempering with it farming techniques so as to fulfill the aspirational objectives of organic farming. Further, the Committee recommended that the Government bring out comprehensive policy on organic farming.

1.7 In response, the Ministry of Agriculture & Farmers Welfare (Department of Agriculture, Cooperation & Farmers Welfare), in its action reply dated 04 January, 2017, has stated that National Centre of Organic Farming (NCOF) is the secretariat for Participatory Guarantee System for India (PGS-India) programme for organic certification, a key component of Paramparagat Krishi Vikas Yojana (PKVY). NCOF is

also assigned with training and demonstration under the scheme in frontline organic farming. A Committee is being proposed to be set up at the NCOF Regional Centre of Organic Farming (RCOF) to identify, select, implement, document and monitor training and demonstration programmes at the district level, NCOF being the nodal monitoring agency for the PKVY scheme. It has also been submitted that report of "Task Force on Organic and Non-Chemical Farming" to formulate a comprehensive policy on organic farming constituted by the Department of Agriculture, Cooperation and Farmers Welfare (DAC&FW), which is already submitted, is under examination in DAC&FW.

**1.8 Observing that the efforts to promote various components of organic farming through various programmes had been disjointed and not achieved the envisioned outcomes, the Committee had recommended that National Project on Organic Farming (NPOF) be made a part of Paramparagat Krishi Vikas Yojana (PKVY). However, the Ministry's reply is conspicuously silent on the above recommendation of the Committee. The Committee reiterate their earlier recommendation that NPOF be made a part of PKVY and be implemented in the right earnest so as to have an integrated and easeful approach in containing the adverse effects of chemical based farming on the biosphere of the country. The Committee also note that Department of Agriculture, Cooperation & Farmers Welfare is currently examining the report of the "Task Force on Organic and Non-Chemical Farming" constituted by it to formulate a comprehensive policy on organic farming. The Committee would like that action be taken on the report and comprehensive policy on organic farming be brought out expeditiously as recommended by the Committee. Besides, the Committee would like to be updated about the latest position of the proposed Committee to be set up to identify, select, implement, document and monitor training and demonstration programmes at the district level under NCOF regional centres.**

## **B. Integration of all Schemes on Organic Farming**

### **Observation/Recommendation (Sl. No. 4)**

**1.9** While noting that organic farming is being promoted in the country through various schemes/programmes viz. the National Mission for Sustainable Agriculture

(NMSA), Mission for Integrated Development of Horticulture (MIDH), National Horticulture Mission (NHM), Rastriya Krishi Vikas Yojana (RKVY), Network Project on Organic Farming (NePOF), Nation Project on Organic Farming (NPOF) under the Ministry of Agriculture and Farmers Welfare and National Programme for Organic Production (NPOP) under the Ministry of Commerce and the lack of synchronous efforts in the implementation of the above schemes/programmes on the part of the Ministry of Agriculture and Farmers Welfare and the Ministry of Commerce, The Committee recommended the following:

- (i) The inter-related schemes be merged so that effective coordination could be secured between the schemes/programmes run by the Ministry of Agriculture and Ministry of Commerce for promotion of organic farming and achieving the desired goals; and
- (ii) All the implementing agencies like ICAR, KVKs, Agriculture Universities, etc. must have an integrated approach to facilitate transfer of technology relating to organic farming to the real end-user, i.e. the farmer.

1.10 The Ministry of Agriculture & Farmers Welfare (Department of Agriculture, Cooperation & Farmers Welfare), in its action taken replies, has stated has all organic farming promotion schemes are being administered by the Ministry of Agriculture & Farmers Welfare and implemented through State Governments. It will be desirable for export certification and export promotion related activities to continue in the Ministry of Commerce. It has also been stated that with the launching of ICAR-National Organic Farming Research Institute (NOFRI), Gangtok, it is expected that all research activities will be spearheaded by the Institute in due course of time.

**1.11 Though the Committee are pleased to learn that Ministry of Agriculture & Farmers Welfare has launched ICAR-National Organic Farming Research Institute (NOFRI) at Gangtok (Sikkim) for spearheading all research activities on organic farming, they are disappointed to note that DAC&FW, in its reply, is silent on the Committee's recommendation to merge all the inter-related schemes/programmes on organic farming run by the Ministry of Agriculture and Farmers Welfare and the Ministry of Commerce although it has been stated that export certification and export promotion related activities are desirable to be continued in the Ministry of Commerce. The reply is also silent about the**

**Committee's recommendation to have an integrated approach among all the implementing agencies like ICAR, KVKs, Agriculture Universities, etc. in facilitating transfer of technology relating to organic farming. In view of the above, the Committee cannot but reiterate that all the inter-related schemes/programmes on organic farming under the Ministry of Agriculture and Farmers Welfare be merged for an integrated approach and promotion of organic farming and achieving the desired goals.**

**1.12 The Committee agree with the contention of the Ministry that export certification and export promotion related activities be continued in the Ministry of Commerce. The Committee desire that the two Ministries should work in close coordination for promotion of organic farming and achieving the intended objectives.**

#### **C. Organic Area**

##### **Observation/Recommendation (Sl. No. 6)**

1.13 Observing that the area under organic cultivation in 2013-14 had increased massively in States like Andhra Pradesh (108%), Chhatisgarh (117%), Jharkhand (200%), Odisha (173%) vis-a-vis the area under organic cultivation in 2012-13, whereas that of Delhi (99%), Bihar (98%), Meghalaya (80%), Arunachal Pradesh (65%), Haryana (50%) had declined during the same period, the Committee recommended that they be provided the specific reasons for wide fluctuation/variations in the data on organic cultivation in different States in different years which the Ministry could not provide during the time of examination of the subject. They also recommended for furnishing of the source of the data on organic farming State-wise and year-wise for the last 5 years.

1.14 The Ministry of Agriculture & Farmers Welfare (Department of Agriculture, Cooperation & Farmers Welfare) in its action taken replies, has stated as under:

"The data on organic farming relates to the area under third party certification, which had been fluctuating due to various reasons such as lack of marketing and introduction of Bt Cotton. It has also been stated that with concerted efforts it has now started increasing in a consistent manner, providing the area under organic certification (NPOP) during the last three years is as follows:

2013-14	7.23 lakh ha
2014-15	11.83 lakh ha
2015-16	14.89 lakh ha"

**1.15 The Committee take a serious note of the perfunctory reply furnished by the Ministry as it does not contain specific reply to the Committee's recommendation for furnishing specific reasons for wide fluctuation/variations in the data on organic cultivation in different States in different years and also for furnishing of the source of the data on organic farming State-wise and year-wise for the last 5 years. The Committee, therefore, reiterate their earlier recommendation and desire specific response from the Ministry at the earliest.**

#### **D. Soil Health and Nutrient Management**

##### **Observation/Recommendation (Sl. No. 7)**

1.16 The Committee had examined the adverse impact of chemical fertilizers and subsidy thereon to their manufacturers, which gave rise to, in due course of time, deficiency of nine elements of primary, secondary and micro nutrients category in the soil. Moreover, they had also observed the fact that the unabated and excessive use of chemical fertilizers in an unscientific manner by farmers just to get higher yield led to exhausting the available natural organic content in the soil to a great extent. Having come to the conclusion that the present incentive of fertilizer subsidy needs to be revisited on urgent basis, the Committee, therefore, recommended that

- (i) The subsidy on fertilizers to farmers be directly linked with their income per acre per annum through Direct Benefit Transfer (DBT) Scheme either through Kisan Card or Aadhaar Card or through any other credible mechanism and be kept with the farmers opting to either procure organic or inorganic fertilizers as per their convenience and requirement mentioned in the Soil Health Card;
- (ii) Incentive be given to those farmers who have supplemented carbon contents in the soil to the expected level; and
- (iii) The farmers across the country are issued soil health cards and essential advisories before each sowing season for right mixture/combination of organic and other fertilizers for enhanced but sustainable production.

1.17 In the action taken replies, The Ministry of Agriculture & Farmers Welfare (Department of Agriculture, Cooperation & Farmers Welfare) has, in response to point no. (i), stated that a budget announcement has been made in 2016-17 to pilot DBT in fertilizers in few districts in the country.

1.18 In response to point no. (ii), the Ministry has stated that the Task force on organic and non-chemical farming has given certain suggestions on carbon supplements which is under active consideration of government, adding that the suggestions received from the Task Force will be further considered in consultation with ICAR and Ministry of Environment, Forest and Climate Change.

1.19 In response to point no. (iii), the Ministry has *inter-alia* stated that Soil Health Card Scheme has been launched in 2014-15 by the Ministry of Agriculture & Farmers Welfare to assist State Governments to issue soil health cards to all farmers in the country, which will then provide information to farmers on the soil nutrient status of their farm lands along with recommendation on appropriate dosage of nutrients to be applied to different crops. It has also been stated that the status of soil will be assessed regularly every 2 years so that nutrient deficiencies are identified and recommendation for application of amendments updated accordingly.

**1.20 The Committee note that a budget announcement was made in 2016-17 to pilot Direct Benefit Transfer in fertilizers in few districts in the country. The Committee would like to be apprised of the action taken in this regard so far. As recommended in their original report, the Committee reiterate that Direct Benefit Transfer of fertilizer subsidy to farmers and linking the scheme with the farmers' income per acre per annum should be taken up with greater urgency and on a greater scale so that money going to the manufacturers of chemical fertilizers as subsidy is reduced substantially and the scale can be tilted towards organic farming in due course of time. The Committee may be apprised of further action taken in this regard.**

**1.21 Regarding point no. (ii), the Committee note that Task Force on Organic and Non-Chemical Farming has given certain suggestions on carbon supplements. The Committee urge the Ministry to accord priority in examining the suggestions by the task force in consultation with ICAR and Ministry of**

**Environment, Forests and Climate Change and they may be apprised of the action taken in this regard the earliest.**

**1.22 Regarding point no. (iii), the Committee note that Soil Health Card scheme has been launched in 2014-15 by the Ministry to assist State governments to issue Soil Health Cards to all the farmers in the country. However, no details regarding the number of Soil Health Cards issued to the farmers till date and the supposed benefits of the scheme in terms of improvement in the yield of their farmlands have been provided. The Committee, therefore, urge the Ministry to furnish details regarding the number of Soil Health Cards issued to the farmers till date State-wise and quantitative assessment of the supposed benefits of the scheme in terms of improvement of the yield of the farmlands under the scheme.**

**E. Availability of Green Manure**

**Observation/Recommendation (Sl. No. 8)**

1.23 While noting that there is a huge shortage of green manure as there are no big commercial players to produce it on a mass scale and there are no uniform standards of production of manure resulting in lack of credibility which further lowers the demand of the same, besides the subsidy on chemical fertilizers which contributes towards lower demand for organic or green manure, the Committee recommended that Government needs to take urgent steps to incentivize production of green manure of approved standards by the farmers and the entrepreneurs. They also urged the Government to go for management and production of organic manure from millions of tonnes of organic solid waste being produced every day in urban and rural households and elsewhere in the country.

1.24 The Ministry, in the action taken replies, has merely stated that ICAR has informed that Financial assistance is proposed for plantation of nitrogen harvesting plants (e.g. Gliricidia, Sesbania etc.) @ ₹2000/acre under PKVY Scheme for each farmer member in a cluster of 50 acres. It has also stated that financial assistance is sought to be provided to the cluster as a whole in three phases i.e. ₹50,000/- in first year and ₹25,000/- each in second and third years. Moreover, it has stated that Government has introduced market development assistance of ₹1500/- per metric ton for distribution of city compost.

**1.25 The reply furnished by the Ministry does not contain specific answer to the Committee's recommendation regarding urgent steps taken or proposed to be taken to incentivize production of green manure of approved standards, by the farmers and entrepreneurs. The Ministry's reply is also silent on the specific steps taken or proposed to be taken for management and production of organic manure from the millions of tonnes of organic solid wastes generated every day in urban and rural households and elsewhere in the country. Instead, it has been merely stated that the "Government has introduced market development assistance of ₹1500/- per metric ton for distribution of city compost." The Committee, therefore, reiterate their earlier recommendation that steps be taken to incentivise production of green manure of approved standards by the farmers and entrepreneurs. They also urge the Ministry to take steps with due promptitude for converting organic solid wastes in organic manure. The Committee may be apprised of the specific steps taken in this regard at the earliest.**

**F. Production of Bio-molecules and their Patenting**

**Observation/Recommendation (Sl. No. 9)**

1.26 Referring to the challenges faced in the production of bio-molecules and the huge deficiency of bio-molecules like parasite, predators, etc. and lack of the standards/guidelines to regulate the same for the purpose of their storage, transport and use/application and in the light of WTO's extant provisions that micro biological processes and newly produced micro-organism are patentable, the Committee recommended that adequate investment be made for production of bio-molecules and a regulatory regime for their production, storage/transportation and application be set up within six months and the Committee be apprised of the same.

1.27 The Ministry, in the action taken replies, has stated the following:

"ICAR has informed that standard protocols for production, storage, transportation and application for most bio-molecules are not available and will require full investigation and research. National Organic Farming Research Institute (NOFRI) proposed to be setup in Sikkim by the ICAR, can undertake the development of bio-molecules (example: carbon nano particles)."

**1.28 The Committee are concerned to note that standard protocols for production, storage, transportation and application for most bio-molecules are not available till date while other developing and developed countries are racing ahead in this domain. The Ministry seems to have rested all its hope upon the proposed set up of National Organic Farming Research Institute (NOFRI) in Sikkim by ICAR, which is yet to start functioning. The Committee, therefore, reiterate their earlier recommendation that adequate investment be made for production of bio-molecules and regulatory regime for their production, storage, transportation and application be set up at the earliest. The Committee would like to be apprised of the steps taken in this regard at the earliest, besides the current position of the proposed NOFR in Sikkim.**

**G. Fake Organic Produce**

**Observation/Recommendation (Sl. No. 12)**

1.29 The Committee were informed of receipt of 25 complaints from 2012 to 2014 regarding detection of pesticides in consignments exported from India or issues related to labeling from the importing countries such as EU and USA. Agricultural and Processed Foods Export Development Agency (APEDA) is empowered to deal with such complaints. The seriousness of the fake organic produce flooding the market can be gauged from the Secretary's (Department of Agriculture, Cooperation & Farmers Welfare) own admission that the most famous supposedly organic product, which is available in Delhi, is not organic. In the light of the above and to ensure that the product is truly organic and that fake organic produce will have far reaching adverse implications for India's organic trade especially international trade, the Committee, therefore, recommended that stringent punishment may be meted out to such entities not only involved in making fake organic produce but also the entities dealing by way of trading and exporting spurious organic products. It has also been recommended that if the extant legal provisions are insufficient to punish them, suitable steps be taken to empower the agency responsible for monitoring/supervision of organic produce or if required, appropriate legislation may be enacted.

1.30 The Ministry, in the action taken replies, has *inter alia* stated that a central Act, viz. "Agriculture Produce Marketing and Grading Act, 1937" [AP(GM) Act] provides

the legal frame work for the control and prevention of fake organic produce from entering the market. Also there are penal provisions in the Food Safety and Standards Act, 2006 to initiate legal action against any violation of food standards, including those related to organic foods. Moreover, in National Programme for the Organic Production (NPOP), adequate provisions are in place along with those for punishment to help control, sale, marketing and export of fake organic produce. The Ministry has also stated that as a domestic market is not under the purview of APEDA necessary measures need to be adopted by the Ministry of Agriculture & Farmers Welfare and Food Safety and Standard Authority of India under the FSSAI Act.

**1.31 Observing that fake organic produce and products were flooding the markets which may have far reaching adverse implications for India's organic trade especially international trade, the Committee had recommended that stringent punishment may be meted out to all those involved in manufacturing and trading fake organic produce or products. The Committee are unhappy with the reply of the Ministry which merely states about the various central Acts and provisions viz. Agricultural Produce Marketing and Grading Act, 1937 [AP(GM) Act], Food Safety and Standards Act, National Programme for Organic Production which are in place for the control and prevention of fake organic produce from entering the market, initiating legal action against any violation of food standards.**

**1.32 Despite existence of all these provisions, fake organic produce and products continue to flood domestic market as was admitted by the Secretary, Department of Agriculture, Cooperation & Farmers Welfare during his evidence before the Committee. The Committee are of the view that either enforcement agencies are hand in glove with the producers of fake organic products or there is a great laxity on their part in checking and detecting fake organic produce flooding the market. The Committee, therefore, reiterate their earlier recommendation for stringent punishment to those involved in making fake organic produce and those dealing by way of trading and exporting spurious organic products and respective enforcement agencies must strictly enforce the norms for checking and detecting fake organic produce and products. The Committee would like to be apprised of the action taken in this regard at the earliest.**

## **CHAPTER II**

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

#### **Observation/Recommendation (Sl. No. 2)**

*Definition of organic farming:* The Committee note that the term 'Organic Farming' has been variously defined by the Ministry of Agriculture (Department of Agriculture & Cooperation) and ICAR, the International Federation of Organic Agriculture Movement (IFOAM), the Food and Agriculture Organization (FAO), and by the Ministry of Commerce for the purpose of trade and commerce under National Programme for Organic Production (NPOP). Undoubtedly, there is an imperative need to bring uniformity in the meaning and definition of 'organic farming/organic farm produce' to avoid any legal hurdle in domestic consumption and international trade promotion. The Committee further recommend that the Government should come out with a comprehensive and well defined strategy on organic farming addressing all the related viz. adequate availability of organic inputs alongwith awareness, standards, financial support, research, education and extension support, insurance, availability and well-defined markets, minimum support price, economical certification process and grievance/complaints redressal mechanism both for domestic and international market and above all for sustained agricultural production.

#### **Reply of the Government**

Indian Council of Agricultural Research (ICAR) has come up with a comprehensive definition of Organic Farming which is as follows: "Organic Agriculture is unique production management system which promotes and enhances agro-ecosystem health, including bio-diversity, biological cycle and soil biological activity. This is accomplished by using on-farm agronomic, biological and mechanical methods in exclusion of all synthetic off-farm inputs". The comprehensive definition will be adopted in the policy on organic farming/organic produce.

### **Observation/Recommendation (Sl. No. 3)**

*Implementation through single nodal Ministry:* The organic farming in the country is being promoted through two Ministries i.e. Ministry of Agriculture and Ministry of Commerce. The National Project on Organic Farming (NPOF) and Network Project on Organic Farming (NePOF) are being administered by the Ministry of Agriculture whereas the National Programme for Organic Production (NPOP) is being implemented by the Ministry of Commerce wherein the aspects pertaining to certification of export related agro-organic products and legal framework for matters arising out of exports are addressed and administered. However, the remaining aspects relating to production, ensuring availability of organic inputs and their standards, education and research, financial support, extension support, etc. fall under the domain of the Ministry of Agriculture. Notably, 14 States have formulated schemes to support organic farming. Further, the Committee note that due to want of proper demarcation of responsibilities between the Ministries of Agriculture and Commerce and Industry with respect to promotion of organic farming scheme no-one seems to take the overall responsibility for effective implementation of the scheme. Sharing the concern to the Committee, the representative of the Ministry of Agriculture conceded that the Ministry of Agriculture being nodal Ministry must be entrusted with the entire responsibility for promotion of organic farming including the legal framework assigned to the Ministry of Commerce and Industry for export purposes. Taking note of the testimony of an eminent agriculture scientist that there was lack of integration of the Government Departments like ICAR, KVKs, agricultural universities, the Committee recommend that the Ministry of Agriculture be exclusively assigned the full responsibility for inter-departmental integration and promotion of organic farming and export related legal aspects. They also recommend that administrative set up in the Ministry of Agriculture be revisited to strengthen the same and a robust inter-ministerial coordination mechanism be put in place for regular and effective coordination with sister Department of Agricultural Research and Education and synergy with other concerned Ministries in this regard. Further, the Committee recommend that an Organic Finance & Development Corporation for promoting organic farming be set up.

## **Reply of the Government**

Ministry of Agriculture and Farmers' Welfare is the nodal Ministry for implementation of various organic farming schemes. Organic farming is being promoted through various schemes of Ministry of Agriculture viz: National Project on Promotion of Organic Farming (NPOF-DAC), Paramparagat Krishi Vikas Yojna(PKVY), and Mission Organic Value Chain Development for North Eastern region(MOVCDNER).

Organic farming is also supported through other schemes of Ministry of Agriculture like Mission for Integrated Horticulture Development (MIDH), Rashtrya Krishi Vikas Yojna(RKVY) etc.

Research needs of organic farming are addressed through the Network Project on Organic Farming of the ICAR under the Ministry of Agriculture & Farmers' Welfare. ICAR has recently launched Network Project on Organic Horticulture.

To bring all research activities of ICAR under one umbrella, a National Organic Farming Research Institute (NOFRI) has been announced at Gangtok, Sikkim.

Department of Agriculture Research & Education (DARE) and DAC&FW have been collaborating closely in the field of Organic Farming and necessary policy inputs and package of practices are being discussed regularly.

Production of organic inputs is being supported under various schemes of Ministry of Agriculture such as National Mission for Sustainable Agriculture (NMSA), Paramparagat Krishi Vikas Yojana

(PKVY), and Mission Organic Value Chain Development for North Eastern Region (MOVCDNER), National Mission on Oilseeds & Oil Palm (NMOOP), Mission for Integrated Development of Horticulture (MIDH) and Rashtriya Krishi Vikas Yojana (RKVY).

Two systems have been launched by the Ministry of Agriculture and Farmers' Welfare for certification of organic products in domestic market viz.1.Organic Agricultural Produce Grading and Marketing Rules 2009 and PGS-India programme.

National Programme for Organic Production (NPOP) which addresses issues related to certification etc. of the organic exports, it is proposed to be continued in the

Ministry of Commerce since it deals with legal and bilateral issues in international trade. However, efforts are being initiated to harmonize the NPOP and domestic certification systems under FSS Act.

It is therefore evident that all issues related to organic farming, except certification for exports, are being dealt with the Ministry of Agriculture and Farmers' Welfare (MOA & FW) which continues to be an active partner in the apex body viz. National Steering Committee of NPOP.

The organic farming sector is in a nascent stage and the area under organic farming is still very small, therefore establishing a separate Organic Finance and Development Corporation may not be desirable at this juncture. The requirement of finance can easily be met through various schemes and existing financial institutions.

#### **Observation/Recommendation (Sl. No. 5)**

*Allocation of Funds:* The Committee note that in order to promote organic farming in the country, a sum of ₹57.05 crores was sanctioned in the year 2004 to implement the 'National Project on Organic Farming' during the X Plan period. Subsequently, ₹101 crores were allocated during the XI Plan period. Thereafter ₹293 crores were allocated for the same purpose in the middle of XII Plan period. During the fiscal 2015-16, a special allocation of ₹300 crores has been provisioned in the budget for the newly announced scheme Paramparagat Krishi Vikas Yojana (PKVY) to promote organic farming in the country. The Committee note that given the enormity of the task to promote organic farming throughout the country, the present level of allocation and investment is far from adequate to give the much needed boost to organic farming. Having regard to the testimony of the representative of the Ministry of Agriculture that the allocations for organic farming were quite insufficient *vis-a-vis* conventional farming which receives subsidy on chemical fertilizers usually in the range of ₹70,000-1,00,000 crores each year, the Committee find that the current level of allocation for organic farming does not provide a level playing field for promotion of organic farming. Further, the financial assistance of ₹20,000 per acre upto 3 years needs to be extended as soil treatment and refurbishing takes 3 to 5 years and only after that the produce becomes profitable. The Committee therefore recommend that the allocations for promotion of organic

farming be scaled up substantially to meet the intended objective of sustainable agriculture which has the potential to increase 30 per cent more employment by way of resource recycling, certification process, product marketing and packaging.

### **Reply of the Government**

Government of India is promoting organic farming under various schemes and components of National Mission of Sustainable Agriculture (NMSA). Paramparagat Krishi Vikas Yojana ( PKVY) and Mission Organic Value Chain Development for North Eastern Region (MOVCDNER) are the main Schemes for the promotion of organic farming.

Allocation under PKVY was for ₹300 crores during 2015-16 and ₹297 crores during 2016-17. Total outlay for MOVCDNER is ₹400 crores for three years between 2015-16 and 2017-18.

Separate allocations for organic input production has been made in NMSA and MIDH schemes. Similarly, Agricultural and Processed Food Products Export Development Authority (APEDA) and ICAR also allocate funds for promotion of research, training, certification, and publicity in organic farming.

The Government is promoting Integrated Nutrient Management (INM) for judicious and balanced use of fertilizers. Towards this objective, assistance is provided for on-farm production and setting up of production units for organic inputs and bio-fertilizers.

Government has set a target for constituting 10,000 clusters to help expand organic farming over 2 lakh hectares under PKVY and 0.50 lakh hectares in the North Eastern Region under MOVCDNER scheme. It is clear from the above that government has made sufficient allocation of funds commensurate with the planned expansion of area coverage.

### **Observation/Recommendation (Sl. No. 10)**

*Holistic approach towards organic farming:* The Committee were informed that approximately 121 million hectares out of the total land of 328 million

hectares was at various stages of degradation due to floods, salinisation, mining, erosion and excessive use of chemical fertilizers and pesticides. Further, each year 10 tonnes per hectare soil is eroded by floods resulting in overall 30% of the soil being annually carried into the sea. One of the agricultural experts who appeared before the Committee opined that harvesting of rainwater, its judicious and effective use may herald a better prospect for organic farming. Presently approximately 29% of the total rainwater is harvested in the country. He also submitted that the allocations made under Mahatma Gandhi National Rural Employment Guarantee Scheme (MGNREGS) need to be used productively in reclaiming the degraded and barren lands, which will not only create assets but also bring livelihood security. Taking note of the decreasing land under agriculture, the need for food security and the expert testimony on the beneficial uses of organic farming, the Committee recommend that:

- (i) A holistic and sustained approach for 3 to 4 years to realise the benefits of organic farming should be adopted to promote organic farming as organic agriculture attends concurrently with the physics, chemistry and microbiology of the soil while mineral fertilizers only meet the immediate nutrient needs;
- (ii) Funds may be earmarked suitably under MGNREGS for reclaiming the lands already declared not cultivable due to erosion, excessive use of chemicals and fertilizers, salinisation, etc.;
- (iii) the efforts of all the stakeholders be supplemented in the implementation process of organic farming particularly for the initial 3-4 years enabling the agro-system fitting into the eco-system;
- (iv) Rainwater harvesting and its judicious use, which is at present 15-20% approximately, be accorded due priority and suitably incentivised; and
- (v) The rearing of domestic animals like cows, buffalos, goats, poultry, etc. must be made an integral part of the organic farming and incentivised considering the fact that their excreta has all the organic properties which help in enriching the soil by enhancing its porosity

and water retention capacity. Further crop-livestock integration would make organic farming more effective and the small farms sustainable.

### **Reply of the Government**

i) & iii) The Government has been promoting organic farming through various schemes of MOA & FW viz. PKVY, MOVCDNER, MIDH, RKVY, NMOOP etc. However, Integrated Nutrient Management (INM) is also being promoted to increase judicious use of nutrients and improve soil fertility status. Integrated Manure Management, adoption of green manuring, application of botanical extracts etc. will lead to improvement of the physical, chemical and biological structure of the soil.

The Regional Councils (RCs) are being (authenticated) to enable effective implementation of PGS Certification with a view to expedite coverage of organic farming over large areas.

ii) MGNREGS programme is being implemented by Ministry of Rural Development which has contributed to creation of durable assets, improved water security and higher land productivity. 30 new permissible works have been included under Schedule 11 of the MGNREGA to cover agriculture related works, such as NADEP composting, vermi-composting, and liquid bio-manures for reclaiming the lands. Detailed manuals has been prepared for these works. A national target for construction of 10,39,552 NADEP/Vermi compost tanks have been kept under MGNREGA during 2016-17.

iv) Harvesting and judicious use of rain water is being promoted under the Integrated Watershed Management Programme of Department of Land and Resources which has been subsumed under the newly launched Pradhan Mantri Krishi Sinchai Yojana (PMKSY). Water related interventions are planned in line with the District Irrigation Plans (DIP)/ State Irrigation Plans (SIP) under this scheme. These Plans approved by State Level Sanctioning Committees (SLSC) under the chairmanship of Chief Secretaries of respective States.

v) The Department of Animal Husbandry, Dairy and Fisheries (DAH,D&F) is implementing schemes such as, (a) National Programme for Bovine Breeding;(b) Rashtriya Gokul Mission; (c) National Dairy Plan for increasing milk production and

productivity of animals and Dairy Entrepreneurship Development Scheme (DEDS). DAC&FW has requested State Governments to implement organic farming in convergence with schemes (a) National Programme for Bovine Breeding; (b) Rashtriya Gokul Mission; (c) National Dairy Plan for increasing milk production and productivity of animals and Dairy Entrepreneurship Development Scheme (DEDS) and to identify suitable farmers with this objective in mind.

- A national target for the construction of 10,39,552 NADEP/ Vermi compost tanks has been set under MGNREGS during 2016-17.

### **Observation/Recommendation (Sl. No. 11)**

*Certification of Organic Products:* The Committee note that organic certification is process oriented and not based on laboratory research. It is not based on the presence or absence of chemical pesticides/toxic residues but on the process of production. For organic produce there are two types of extant certifying mechanisms namely, the Participatory Guarantee Scheme (PGS) and Certification Mechanism. The PGS meant for domestic market allows the farming community to self-certify their organic produce. The Certification Mechanism is administrated under Agricultural and Processed Food Products Export Development Authority (APEDA) for export purpose only. This is being done by APEDA under the National Programme for Organic Production (NPOP), administered by the Ministry of Commerce and Industry. This certification is again process based certification and not based on research which means that though it is acceptable as per international parameters yet it does not solve the question of credibility of organic quality of contents of the product. The NPOP standard was notified in 2001 covering agro crops only. The Committee were apprised by the Ministry of Agriculture that the Bureau of Indian Standards (BIS) have formulated two voluntary standards—Part I crop based, and Part II based on animal, and were awaiting the final approval. The Committee also note the admission of the Secretary, Ministry of Agriculture (Department of Agriculture & Cooperation) that testing and certification system is far from satisfactory and effective testing facilities need to be extended at least initially as an incentive to the producer and the consumer by the Government instead of leaving it to the private players. The Committee also note that there are only 25 laboratories for testing and certifying the organic farming processes and

also the organic produce which is grossly inadequate to service the 7.23 lakh hectares of area under certified organic cultivation. It deprives a number of farmers who intend to go the organic way in far flung areas or areas not covered by the testing laboratories. The Committee also note that the process/cost of certification is tedious besides far from fool proof to prevent adulteration. Keeping in view the credibility of certification, the Committee are of the considered view that lack of credibility adversely impacts the domestic demand despite availability of organic products and purchasing power of the consumers. Having regards to the need for establishing credible, affordable and easily accessible certification facilities, the need for adequate testing labs, the inadequacy of the extant certification system as conceded by the representative of the Government and the imperative need for giving necessary stimulus to organic farming and nutritional farm products, the Committee recommend that:

- (i) the budget for research and innovative organic input projects should be enhanced to provide impetus to organic farming, research and documentation of Indigenous Technical Knowledges (ITKs), its testing, verification and popularization;
- (ii) the number of testing and assessing labs be adequately increased to cover the expanding areas under existing organic farming;
- (iii) steps to be taken for better and credible process of certification, more frequent and reliable residue testing, training and dissemination of know-how;
- (iv) scientists from agricultural universities and Krishi Vigyan Kendras be involved in evolving a sound and credible certification mechanism for organic seeds and organic products for different climatic zones; and
- (v) a new mechanism be evolved to ensure quality content as organic, both for crop and animal products not only for export market but for domestic markets also.

### **Reply of the Government**

Agricultural and Processed Food Products Export Development Authority (APEDA) in the Department of Commerce has approved 32 laboratories accredited by National Accreditation Board for Testing and Calibration Laboratories (NABL) for pesticides residue analysis of organic produce. **(Annexure I).**

APEDA provides financial assistance for establishment of quality labs and installation of quality management system. Details of financial assistance are enclosed at **Annexure II**.

Ministry has set up a National Organic Farming Research Institute (NOFRI) at Tadong at Gangtok, Sikkim in 2016 for overall research in organic production. Further, a Network Project in 2014 on Organic Farming of Horticulture Crops has also been started by ICAR with ICAR-Indian Institute of Spices Research, Calicut acting as the lead centre.

Indian Council of Agricultural Research (ICAR) has undertaken development of location specific organic farming package of practices for crops and cropping systems through its Plan Scheme “Network Project on Organic Farming” (NPOF). Presently, the project is being implemented in 20 centres covering 16 states. Organic farming package of practices for 45 crops/cropping systems have been developed to provide technical backstopping to benefit Parampragat Krishi Vikas Yojana (PKVY). The 12th Plan allocation of the project is ₹1170 lakhs out of which ₹50.00 lakhs and ₹130.44 Lakhs are under Tribal Sub Plan and North East Hilly Region respectively.

In order to promote use of organic and bio fertilizers, the Council has developed improved and efficient strains of bio fertilizers specific to different crops and soil types under Network project on Soil Biodiversity-Bio fertilizers. Liquid Bio fertilizer technology with higher shelf-life has also been developed. Besides, the Council has developed technology to prepare various types of organic manures such as phosphocompost, vermin compost, bio-enriched compost, municipal solid waste compost, etc. from various organic wastes. ICAR also imparts trainings to farmers in organic farming practices.

The ICAR institutions/ Krishi Vigyan Kendra/ SAUs are involved in certification mechanism of organic products as members of the Regional Councils (RCs). These Research Institutions supply organic seeds to Central and State Governments as per their demands to promote organic seed production.

There is a mechanism for certification of organic products of different crops through PGS system under PKVY scheme and third party (ICS) under MOVCDNER scheme.

Food Safety and Standards Authority of India (FSSAI) is in the process of developing Regulation on organic foods under the provisions of Food Safety and Standards Act, 2006. The Registration /Licensing requirements for organic food have been proposed to be the same as that for conventional food. The requirements are contained in Food Safety and Standards (Licensing and Registration of Food Businesses) Regulation, 2011 available on the FSSAI website ([www.fssai.gov.in](http://www.fssai.gov.in)).

### **Observation/Recommendation (Sl. No. 13)**

*Markets for Organic Products:* The Committee observe that apart from credibility of organic farm produce, creating demand for organic products is a matter which needs to be addressed. Government, being the biggest spender of public money, can liberate organic farmers from the present predicament by enabling eligible consumers under Food Security Scheme to buy organic produce by getting food subsidy through Direct Benefit Transfer. Apart from this, hospitals, army cantonments, schools under Mid Day Meal Scheme and Railways can be persuaded to procure organic products to create market demand for the same. Further, the scope of villagers' market in towns needs to be explored where fresh agroorganic products can be brought by organic farmers and sold out without any levy being imposed by the Union Government/State Government/Local Authority. The Committee, therefore, recommend that the Government should sponsor a campaign for the awareness creation about the benefits of consumption of organic products so as to create a sizeable demand. Government bodies should be encouraged to procure organic products. The farmers of organic products may be given subsidy through Direct Benefit Transfer. Simultaneously, in order to guarantee the quality of organic produce, the products must be subjected to periodic checks to inspire consumers' confidence and strict penal action taken where the product is not found to be organic. The Committee also recommend that proper incentives should be extended in terms of awareness generation, marketing and branding with an Agmark like seal for sale in order to popularise the organic products.

### **Reply of the Government**

Organic products are covered under Section 22 of Food Safety and Standards Act, 2006 and related regulations and as such strict penal action can be initiated in

case of breach of standards, specification and quality of organic food products **(Annexure IV)**.

Funds are being provided to all the 8 north eastern states under MOVCDNER for setting up of state specific organic certification agencies. There is provision under the scheme for publicity, brand building, consumer awareness, opening up of organic outlets and publicizing the benefits of organic food through hiring of space in premium market places.

Organic Produce Grading and Marking Rules, 2009 notified under the provisions of AP (G&M) Act, 1937, has enabled a few Certification Bodies accredited with National Accreditation Board to grant Certificates of Authorization for organic produce under Agmark. The rules require operators to apply for licenses from certification bodies. Since Agmark scheme was voluntary in nature, no operator has applied so far for license and no organic produce was certified under Agmark after notification of the said rules. However, following provisions for penal actions against offenders are provided in AP(G&M) Act,1937(as amended up to 1986),

#### **"Section 4: Penalty for un-authorized marking with grade designation mark**

Whoever marks any scheduled article with a grade designation mark, not being authorized to do so by rule made under Section 3, shall be punishable with imprisonment for a term not exceeding six months and fine not exceeding five thousand rupees.

#### **Section 5: Penalty for counterfeiting grade designation mark**

Whoever counterfeits any grade designation mark or has in his possession any die, plate or other instrument for the purpose of counterfeiting a grade designation mark, shall be punishable with imprisonment for a term not exceeding three years and fine not exceeding five thousand rupees.

#### **Section 5A: Penalty for selling misgraded articles**

Whoever sells any scheduled article which is misgraded shall be punishable with imprisonment for a term not exceeding six months and fine not exceeding five thousand rupees."

The provisions relating to unauthorized marketing counterfeiting etc. are in Chapter IX- Offenses and penalties of the Food Safety and Standards Act, 2006 available on the FSSAI website ([www.fssai.gov.in](http://www.fssai.gov.in)).

#### **Observation/Recommendation (Sl. No. 14)**

*Education, Research and Extension:* The Committee find that the present system of agricultural education, research and extension to farm lands is predominantly oriented towards conventional farming as a result more than 90% funds are earmarked for chemical farming. There are a few institutions/centres which are carrying out research and promotion of organic farming. Surprisingly, as of now, there is not a single Central or State Agriculture University which offers a degree on organic/traditional system of farming. An expert who deposed before the Committee, pleaded that 'we need to stop treating organic farming as an orphan' and it must be treated 'as an equal sibling'. Undoubtedly, the input producing corporations/companies for chemical based agriculture, indirectly contribute to promote conventional farming so as to have their own business flourishing. The Committee also note that extension services are very poor and below par to popularise the organic farming. Due to subsidy element/incentive for conventional farming, the existing agricultural industry is reluctant to undertake research in bio-fertilizers, bio-pesticides and organic seeds. The National Centre for Organic Farming (NCOF) and six other Regional Centres for Organic Farming (RCOFs) engaged in research, training and replication of organic farming are yet to give any tangible results. The Committee are dismayed to observe that organic farming particularly in terms of its education, research and extension reach is yet to make a mark. Surprisingly, there is not a single Central/State Agriculture institute/university which imparts education and offers research degree on organic farming. Keeping in view the great potential of organic farming and the increasing focus on sustainable agriculture, the Committee recommend that the budget for organic farming be enhanced adequately and a policy framework be formulated with a view to giving much needed thrust and fillip to education, research and extension to boost up organic farming in the country. Further, the organic farmers must be honoured with suitable awards and incentives to encourage organic farming which becomes quite profitable after 3-4 years. The Committee should like to be apprised of the

action taken in this regard within the next six months after the presentation of this Report to the Lok Sabha.

### **Reply of the Government**

The budget for research on organic farming under the National Project on Organic Farming (NPOF) has been increased from ₹100 lakhs in 2014-15 to ₹180 lakhs in 2015-16 and ₹210 lakhs (BE) during 2016-17.

- A National Organic Farming Research Institute has already been setup at Gangtok (Sikkim) for coordinating the research activities on organic farming.
- ICAR has instituted the Haldhar Organic Farmer Award at the national level in 2015. This award, which carries a cash prize of ₹1 lakh, is given annually for Excellence in Organic Farming. In addition, organic farmers are felicitated in Kisan melas organized by various ICAR institutes/State Agricultural Universities (SAUs).
- ICAR- Indian Institute of Farming Systems Research (IIFSR), Modipuram has been awarding the best performing certificate since 2015 to NPOF research centre every year during the Annual Group Meeting.

The Centrally Sponsored Scheme Agricultural Technology Management Agency (ATMA) is making the latest agricultural technologies to increase agricultural production available to farmers through various extension activities like Farmers Training, Field Demonstrations, Exposure Visits, Kisan Melas, Mobilization of Farmers Groups and Organization of Farm Schools etc.

### **Observation/Recommendation (Sl. No. 15)**

*Awareness and Publicity:* The Committee note the thumb rule of modern management 'whatever is visible, is easier to be sold', in their considered view, holds equally good for promotion of organic farming as well. Unless all the stakeholders including producers, traders and consumers are enlightened about the benefits of organic farming, it will not get the much desired boost. Though the responsibility of awareness and publicity generation has been entrusted to the National Centre of Organic Farming (NCOF) at national level and six other Regional Centres of Organic Farming at regional levels, yet there is hardly any worthwhile visible publicity. Given the apparent benefits of organic farming like

cost-effectiveness, soil-health building and preservation of soil bio-diversity, sustainability, eco-friendliness and nutritional value and huge employment generation potential and the diverse climatic-agro zones of the country, the Committee recommend that a broad nation-wide strategy and sustained publicity campaign must be launched to create the much desired awareness about the apparent benefits of organic farming products. Further, the Committee also urge the Government to organise organic farming fairs each year on a big scale as organised elsewhere to popularise it and encourage organic farm products.

### **Reply of the Government**

There is a provision for organizing organic farming fairs/festivals/seminars/conferences/workshops/buyer-seller meets/auction meetings Under MOVCDNER. Training/exposure visits/meeting and discussions among cluster farmers are conducted under PKVY scheme. Besides, following publicity activities are already being taken up -

A 40 second video spot and radio jingle on Organic Farming was produced by INM Division with the help of DAVP. Time slots have already been bought on Doordarshan Network and All India Radio Network for April and May, 2016.

### **Observation/Recommendation (Sl. No. 16)**

*Setting up of Traditional Seed Bank:* Traditional/organic seeds are one of the most important inputs needed for promotion of organic farming. Traditional seeds have certain resistance to drought, flood, pest, disease and have better quality of nutritional value. The Committee note with concern that in the absence of natural seeds with higher degree of regenerative feature, hybrid seeds are largely being used in organic farming. They also note that the use of traditional seeds leads to cost-effectiveness of the organic farmers as compared to costly hybrid seeds monopolised by big multinational companies. In order to ensure adequate availability of quality organic/natural seeds, the Committee recommend that Organic Seeds Banks be set up in each agro-climatic zone so that their regional biotic properties may be saved and utilised by new generations. The Committee are optimistic that the setting up of Organic Seeds Bank would go a long way in helping the farmers to become debt-free on the one hand and reducing

the humongous subsidy burden on the National Exchequer on the other and therefore, Government must come out with a concrete plan for setting up of an Organic Seeds Banks and apprise the Committee within six months of the presentation of this report.

### **Reply of the Government**

#### **Establishment of Community Seed Banks/Traditional Seed banks in the Tribal Areas of Rajasthan, Himachal Pradesh and Andhra Pradesh**

ICAR-National Bureau of Plant Genetic Resources (NBPGR), New Delhi has initiated setting up of community seed banks in the last 5 years under the National Agricultural Innovative Project- Global Environment Facility (NAIP-GEF) funded Project *“Harmonizing biodiversity conservation and agricultural intensification through integration of plant, animal and fish genetic resources for livelihood security in fragile ecosystems”*. 26 community seed banks (CSB) have been established under this project with the help of SAUs and NGOs in Udaipur (Rajasthan), Chamba (Himachal Pradesh) and Adilabad (Telangana). These seed banks have 15-20 quintals of seed storage capacity each, dedicated to seed storage and distribution of farmers' varieties/local cultivars.

However, there is a need to further strengthen this activity and ICAR-NBPGR would be taking up establishment and operation of community seed banks as part of *in situ* on-farm conservation in the tribal areas of India through its Regional Stations. Conservation of local land races is highly important to our nutritional and food security and for mitigating the challenges of climate change. Therefore, the community seed banks/traditional seed banks and conservation of local land races has been taken up by NBPGR under the NAIP-GEF project.

In this context, NABARD has promoted Seed Business Ventures (SBV) by Small Farmers through Seed Village Plus Approach which aims at developing a potential village into a localized seed production zone, through groups of farmers trained in seeds production to meet the local demand and timely supply of seeds at reasonable price.

Seed Village Programme of NABARD contemplates cluster approach with a coverage of 25 acres (10 ha) of seed production area involving 25 to 50 farmers (0.50 to 1.0 acre per farmer) under each seed village unit. It also focuses on

awareness creation, training and capacity building, on-site support and hand-holding, and visit by experts for certification/inspection.

The programme has been launched by NABARD on a pilot basis in Odisha, Assam, Chhattisgarh, Bihar, Jharkhand, Madhya Pradesh and Rajasthan, covering a total of 160 seed villages. NABARD will collaborate with DAC & FW, and NBGPR to replicate/upscale the seed village programme in other states also.

NABARD will promote project on Market Led Traditional Scented Rice Varieties. The project will have various components viz. capacity building of farmers, developing package of practices (including organic farming protocol), transfer of technology to farmer's field, seed production and interface workshops with Research Institutions.

#### **Observation/Recommendation (Sl. No. 17)**

*Training and Skill Development:* The Committee observe that training of farmers in organic farming techniques and skill development is being imparted by the National Centre of Organic Farming (NCOF) at national level and at six Regional Centres of Organic Farming (RCOFs). Statedly, the training consists of all aspects of ploughing, sowing, irrigation, application of bio-fertilizers and pesticides and post-harvest management of farm produce. The Committee note that organic farming requires more scientific support than chemical farming and therefore needs more interventions and proper management of resources, time and energy. Moreover, organic farming involves production mechanism as multi-cropping, mixed cropping, crop-rotation and recycling of post harvest residues. Apart from this, the application of bio-fertilisers, pesticides and production techniques require specialised training, skill development and professional knowledge. The Committee also note that different practices of organic farming are being adopted by farmers of different agro-climatic zones in the country and their cross learning experience can enable farmers to pick up various techniques and practices from each other improving their knowledge and skills to get a better crop at a lower cost. Regrettably, ignorant of the benefits of post harvest residues left in the field, in many parts the farmers burn the residue of the harvested crop particularly in case of wheat crop. The burning of post harvest residues hampers the recycling of residues for the purpose of natural

manure and creates life threatening pollution. The Committee, therefore, recommend that Government should sponsor training programmes/workshops/conferences conducted by NGOs/Organic Farmers' Association/Co-operatives to stop such pollution. Simultaneously, all the agricultural universities, both Central and of the States and regional centres of ICAR should organise intensive and periodic training programmes for integrated crop-live stock training programme for organic farmers and in-house training for agricultural technocrats and scientists for enhancing and updating their knowledge and skills with respect to the enormous benefits of organic farming.

### **Reply of the Government**

Several training and skill development programmes are sponsored/conducted for promotion of organic technologies.

1. NCOF along with the 8 RCOFs conducts certification courses and farmers training programmes. These centres have taken up village level training and demonstration as part of Sansad Adarsh Gram Yojana(SAGY).
2. NCOF, Ghaziabad will organize two skill training courses for imparting trainings to Organic Growers and Vermi compost Producers under Pradhan Mantri Kaushal Vikas Yojana with a budgetary provision of ₹3,17,600/-. Funds will be provided to NCOF from RKVY for conducting the training courses.
3. Need based programmes are being regularly organized by ICAR-IIFSR and the NPOF centres SAUs for capacity building of farmers, extension workers, scientists, and technocrats. During 2016, one 21-days Summer/winter school at IIFSR, Modipuram and one short course each at MPAUT Udaipur and ICAR – IARI New Delhi were organized to enhance and update the knowledge and skills of scientists and technocrats on organic farming. Furthermore, farmers from Meghalaya, Maharashtra, Tamil Nadu, Jharkhand, and Madhya Pradesh were also trained under tribal sub plan of NPOF.

### **Observation/Recommendation (Sl. No. 18)**

*Strategy to boost organic farming:* The 'National Project on Organic Farming' was launched as a Pilot project way back in 2004. The Committee feel that the experimental phase is over and the project needs to be renewed. In the considered view of the Committee, organic farming, with its multi-functional approach, is quite capable to deal with the challenges of hunger, malnutrition, poverty of small and marginal farmers, unemployment in rural areas, health related problems, etc. Surely, replication of organic farming over the large areas will lead to a huge fiscal savings on the national exchequer by way of phasing out of chemical fertilizers and reducing investment on health related problems. Indubitably, the organic farming has the potential to contribute considerably towards economy, ecology and above all to the health of the nation. The Committee note that Government of India provides financial assistance of ₹20,000 in the form of inputs such as bio fertilizers, bio pesticides, bio seeds, etc. per hectare for farmers who wish to convert to organic farming during the transition period i.e. transition from using chemical fertilizers to farming using organic fertilizers. Having regard to the multiple advantages and enormous benefits of organic farming, especially the potential to meet the challenges of hunger, malnutrition and unemployment in rural areas, soil degradation and considering the empirical findings of the Ministry of Agriculture that organic farming provides 30% more jobs as compared to chemical farming and the 2014 report of UNCTAD and UNEP which states that organic farming can double the production, the Committee recommend that:

- (i) Special organic zones may be created across the country in the existing agro-climatic zones on the lines of special economic zones;
- (ii) Agro-eco tourism centres be opened to attract eco-tourists;
- (iii) Clusters of farmers/villages be encouraged for organic farming; and
- (iv) The financial assistance in the form of inputs be suitably enhanced and given in cash through Direct Benefit Transfer (DBT) during the period of transition of 3/4 years to set off any losses.

The Committee should like to be apprised of the action taken on each of their recommendation within six months of the presentation of this report to Lok Sabha.

### **Reply of the Government**

Realizing the potential of organic farming in the North-Eastern Region of the Country, a Central Sector scheme "Mission Organic Value Chain Development for North Eastern Region" was launched in the States of Arunachal Pradesh, Assam, Manipur, Meghalaya, Mizoram, Nagaland, Sikkim and Tripura for the period 2015-16 to 2017-18. The scheme aims to develop certified organic production in a value chain mode to link growers with consumers and to support the development of entire value chain starting from inputs, seeds, certification, to the creation of facilities for collection, aggregation, processing, marketing and brand building initiative. Total outlay of this scheme is ₹400.00 crores for three years between 2015-16 and 2017-18.

Under Paramparagat Krishi Vikas Yojana (PKVY), financial assistance is provided for a target of 10,000 clusters of 50 acres each over a period of three years. ₹300 crores and ₹297 crores have been allocated under PKVY during 2015-16 and 2016-17 respectively. The financial sharing pattern between Central and State Governments is in the ratio of 90:10 in the case of North Eastern States and three hilly states and 60:40 for remaining states in the country. In the beginning, ₹20,000/- per acre per farmer in a cluster was provided to each farmer for 3 years which have now been revised to ₹50,000 per hectare per farmer in a cluster.

### **CHAPTER III**

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

**-Nil-**

## CHAPTER IV

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

#### **Observation/Recommendation (Sl. No. 6)**

*Organic Area:* The Committee observe that the State-wise details of area under organic certification furnished by the Ministry of Agriculture (Department of Agriculture) shows that the area under organic cultivation in 2013-14 has increased massively in States like Andhra Pradesh (108%), Chhattisgarh (117%), Jharkhand (200%), Orissa (173%) *vis-a-vis* the area under organic cultivation in 2012-13. On the contrary, the area under organic cultivation has declined significantly in Delhi (99%), Bihar (98%), Meghalaya (80%), Arunachal Pradesh (65%), Haryana (50%) in 2013-14 *vis-a-vis* the area under organic cultivation in 2012-13. The representative of the Ministry could not give specific reply in this behalf. The Committee therefore recommend that they be provided the specific reasons for wide fluctuation/variations in the data on organic cultivation in different states in different years and also the source of the data on organic farming State-wise and year-wise for the last five years.

#### **Reply of the Government**

The data on organic farming relates to the area under third party certification, which had been fluctuating due to various reasons such as lack of marketing and introduction of Bt Cotton. But with concerted efforts it has now started increasing in a consistent manner. The area under organic certification (NPOP) during the last three years is as follows:

2013-14	7.23 lakh ha
2014-15	11.83 lakh ha
2015-16	14.89 lakh ha

### **Observation/Recommendation (Sl. No. 8)**

*Availability of Green Manure:* Green manure plays a pivotal role in the organic farming. However, there is a huge shortage of this manure as there are no big commercial players to produce it on a mass scale. Presently, it is an in-house production as per needs of the farmers. Since more than 80% are small and marginal farmers, the affordability of producing green manure on a large scale is considerably low and as a result there is huge shortage of green manure. Moreover, the Committee find that there are no uniform standards of production of manure resulting in lack of credibility which further lowers the demand of the same. Besides, subsidy on chemical fertilizers also contributes towards lower demand for organic manure. Apparently, unless green manure of standard quality is produced in adequate quantity, the organic farmer will continue to suffer. The Committee, therefore, recommend that Government need to take urgent steps to incentivise production of green manure of approved standards by the farmers and the entrepreneurs. They also urge the Government to go for management and production of organic manure from millions of tonnes of organic solid waste being produced every day in urban and rural households and elsewhere in the country.

### **Reply of the Government**

Financial assistance is proposed for plantation of nitrogen harvesting plants (e.g. Gliricidia, Sesbania etc.) @ ₹2000/acre under PKVY Scheme for each farmer member in a cluster of 50 acres. Further, financial assistance is sought to be provided to the cluster as a whole in three phases i.e. ₹50, 000/- in first year and ₹25,000/- each in second and third years.

Government has introduced market development assistance of ₹1500/- per metric ton for distribution of city compost.

### **Observation/Recommendation (Sl. No. 9)**

*Production of Bio-molecules and their Patenting:* The Committee note that production of bio-molecules which are living organisms is a very challenging area particularly due to paucity of funds and other social and developmental needs. The organic farming needs the availability and application of bio-molecules

to boost up organic production. The Committee are deeply concerned over the huge deficiency of bio-molecules like parasite, predators, etc. and more so, the standards/guidelines to regulate the same for the purpose of their storage, transport and use/application, etc. are yet to be developed. They further note that as per the extant provisions of the World Trade Organisation (WTO), micro biological processes and newly produced micro-organism are patentable. The Committee, therefore, strongly recommend that adequate investment be made for production of bio-molecules and a regulatory regime for their production, storage/transportation and application be set up within six months and the Committee be apprised of the same.

### **Reply of the Government**

ICAR has informed that standard protocols for production, storage, transportation and application for most bio-molecules are not available and will require full investigation and research. National Organic Farming Research Institute (NOFRI) proposed to be setup in Sikkim by the ICAR, can undertake the development of bio-molecules (example: carbon nano particles).

## CHAPTER V

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

#### **Observation/Recommendation (Sl. No. 1)**

*Policy on Organic Farming:* The Committee note that since 1970, the area under cultivation in the country remained almost constant in the range of 140-142 million hectares out of the total area of 328 million hectare whereas the population has approximately trippled during this intervening period. Notably, India has approximately 17% of the world population but 2.3% of the total global land area. To meet the challenges of food security in the early sixties, the focus was shifted to chemical farming, which was propagated by the European chemists like Liebig in the nineteenth century. With this shift towards minerals-based farming and the chemical and technological advancements made in agriculture, India ushered into the Green Revolution. No doubt, the chemical based agriculture process paid rich dividends in terms of higher productivity and pulled the country out of the fear psychosis of food insecurity for the burgeoning Indian population. However, it brought a very negative cascading impact on our ecological plateau, creating adverse intricacies viz, degradation of soil health, low yields, emergence of new pests/diseases, wiping out of eco-friendly micro organisms and finally percolation of toxic chemicals into our food chain threatening the very existence of biosphere of our nation. Taking note of the adverse consequences of chemical based farming, Government launched a National Project on Organic Farming (NPOF) with an outlay of ₹57.05 crores as a Pilot project with effect from 01.01.2004 (X<sup>th</sup> Plan) and the same was continued during XI<sup>th</sup> Plan with an outlay of ₹101 crores. However later on in the middle of XII<sup>th</sup> Plan, this scheme was merged with a Central Sector Scheme - 'National Mission on Sustainable Agriculture (NMSA)' with an outlay of ₹293 crores for the remaining period of XII<sup>th</sup> Plan. The Committee are surprised that the National Project on Organic Farming has been made a sub-component of 'Soil Health Mission' which itself is a component of NMSA. In this context, the Committee would like to refer to the visit of a British scientist Sir Albert Howard, who was sent to India by British Government in 1905 to study and suggest measures to

improve agriculture in India. Sir Albert Howard in his book 'The Agricultural Testament' which is called the bible of modern organic farming, found the Indian soil fertile without any pests in the agricultural fields. The Indian agriculture system much before the dawn of chemical farming/Green Revolution was in conformity with the natural principles of organic farming. However, realising the adverse impact of mineral based fertilisers, the Government have launched a new scheme 'Paramparagat Krishi Vikas Yojana (PKVY). with an outlay of ₹300 crores in the budget 2015-16 in order to improve organic farming in the country. *Taking note of the candid* admission of the representatives of Ministry of Agriculture that the efforts to promote various components of organic farming through various programmes have so far been disjointed and not able to achieve the envisioned outcomes, the Committee recommend that the National Project on Organic Farming be made a part of PKVY by suitably tempering with it farming techniques so as to fulfill the aspirational objectives of organic farming. Further, the Committee recommend that the Government bring out a comprehensive policy on organic farming.

### **Reply of the Government**

National Centre of Organic Farming (NCOF) is the secretariat for PGS-India programme for organic certification, a key component of Paramparagat Krishi Vikas Yojana (PKVY). NCOF is also assigned with training and demonstration under the scheme in frontline organic farming. It is proposed that a Committee be set up at the NCOF Regional Centre of Organic Farming (RCOF) to identify, select, implement, document and monitor training and demonstration programmes at the district level. NCOF is also the nodal monitoring agency for the PKVY scheme.

Department of Agriculture, Cooperation and Farmers' Welfare (DAC&FW) constituted a "Task Force on Organic and Non-Chemical Farming" to formulate a comprehensive policy. The task force has already submitted its report which is under examination in this Ministry.

### **Observation/Recommendation (Sl. No. 4)**

*Integration of all Schemes:* Organic farming is being promoted in the country through various schemes/programmes viz. the National Mission for Sustainable

Agriculture (NMSA), Mission for Integrated Development of Horticulture (MIDH), National Horticulture Mission (NHM), Rastriya Krishi Vikas Yojana (RKVY), Network Project on Organic Farming (NePOF), National Project on Organic Farming (NPOF) under Ministry of Agriculture and National Programme for Organic Production (NPOP) under the Ministry of Commerce. The Secretary, Ministry of Agriculture conceded lack of synergy and integrated approach in the implementation of various schemes run by the Ministry of Agriculture and Ministry of Commerce. Taking note of lack of synchronous efforts in the implementation of the above schemes/programme, the Committee, therefore, recommend:

- (i) the inter-related schemes be merged so that effective coordination could be secured between the schemes/programmes run by the Ministry of Agriculture and Ministry of Commerce for promotion of organic farming and achieving the desired goals;
- (ii) all the implementing agencies like ICAR, KVKs Agriculture Universities, etc. must have an integrated approach to facilitate transfer of technology relating to organic farming to the real end user *i.e.* the farmer.

### **Reply of the Government**

All organic farming promotion schemes are being administered by MOA & FW and implemented through State Governments. It will be desirable for export certification and export promotion related activities to continue in the Ministry of Commerce.

With the launching of ICAR-National Organic Farming Research Institute (NOFRI), Gangtok, it is expected that all research activities will be spear headed by the Institute in due course of time.

### **Observation/Recommendation (Sl. No. 7)**

*Soil Health and Nutrients Management:* The soil of the earth due to its constitutional characteristics enables the growth of millions of micro organisms inside it. The very presence of carbonic content and other organic nutrients like nitrogen, potassium, phosphate, sulphur, iron, zinc, boron, etc. in the soil enable

the life-sustaining process to facilitate the growth of plants and million species of micro-organisms. The Committee note that till 1905 when Sir Albert Howard, a Britisher who visited India to study the State of Indian Agriculture, there was no nutrient deficiency in soil and no pest/disease was found. At the time of independence only deficiency in nitrogenic content was noticed. However, as on date, there is deficiency of nine elements of primary, secondary and micro nutrients category. Obviously, the unabated and excessive use of chemical fertilizers in an unscientific manner by farmers just to get higher yield led to exhausting the available natural organic content in the soil to a great extent. However, the Committee have reasons to believe that for the present predicament, the peasantry alone cannot be held responsible. Besides, the Committee note that erosion of soil due to floods and salinization of land have also affected adversely the soil biodiversity by destroying the habitat of the soil biota. Notably, about 121 million hectares of (36 per cent of total geographical area of our country) land is at various stages of degradation in the country. Apart from this, a large portion of our agricultural land is adversely affected due to acidity, toxicity, vertisols, mining, etc. The soil erosion due to floods also has taken its own toll. The Committee however appreciate the initiatives to procure soil health cards to all land holders within the coming three years, which would help in scientific use of nutrients in the soil through application of organic and inorganic fertilizers in a balanced way. They also notice that deficiency of secondary and micro nutrients can be overcome by more and more use of organics and fortified N/P/K fertilizers. The Committee further note that the representative of the Ministry of Agriculture also admitted that the extant fertilizer subsidy regime has done the maximum damage to the Indian agriculture. An eminent expert deposed before the Committee that during the sixties before the Green Revolution, we got 50 kg. of grains from 1 kg. of Nitrogen, Phosphorus and Potassium as of now we get only 10 kg. grain from the same nutrients. The expert also testified that ideal Nitrogen, Phosphorus and potassium ratio should be 4:2:1 but it has come to 7:3:1 all over the country and shockingly to 39:9:1 in the Punjab. The expert therefore stressed the importance of organic farming which while building the ecology increases production and quality of the items produced. Having examined the adverse impact of chemical fertilizers and subsidy thereon to their manufacturers, the Committee come to the inescapable conclusion that the present incentive of fertilizer subsidy

needs to be revisited on urgent basis. The Committee, therefore, recommend that:

- (i) the subsidy on fertilizers to farmers be directly linked with their income per acre per annum through Direct Transfer Benefit Scheme either through Kisan Card or Aadhaar Card or through any other credible mechanism and be kept with the farmers opting to either procure organic or inorganic fertilizers as per their convenience and requirement mentioned in the Soil Health Card;
- (ii) Incentive be given to those farmers who have supplemented carbon contents in the soil to the expected level; and
- (iii) the farmers across the country be issued soil health cards and essential advisories before each sowing season for right admixture/combination of organic and other fertilisers for enhanced but sustainable production.

#### **Reply of the Government**

- (i) A budget announcement has been made in 2016-17 to pilot DBT in fertilizers in few districts in the country.
- (ii) The Task force on organic and non-chemical farming, has given certain suggestions on carbon supplements which is under active consideration of government:

The suggestions received from the Task Force will be further considered in consultation with ICAR and Ministry of Environment, Forest and Climate Change.

- iii) Soil Health Card Scheme has been launched in 2014-15 by the MOA & FW to assist State Governments to issue soil health cards to all farmers in the country. The soil health card will provide information to farmers on the soil nutrient status of their farm lands along with recommendation on appropriate dosage of nutrients to be applied to different crops. The status of soil will be assessed regularly every 2 years so that nutrient deficiencies are identified and recommendation for application of amendments updated accordingly.

### **Observation/Recommendation (Sl. No. 12)**

*Fake Organic Produce:* One way of establishing a product is organic or not is by checking for pesticide residues. However, to ensure that the product is truly organic, the operators and the certification bodies have to follow the procedures given in National Programme for the Organic Production (NPOP). The Committee also note that APEDA has a mechanism for conducting annual audits and unannounced inspections with the help of experts of the evaluation Committee. They also note that there are non compliances of major and minor nature. Where the organic integrity is likely to be affected, the non compliances are considered as major setback. The Committee were also informed of receipt of 25 complaints from 2012 to 2014 regarding detection of pesticides in consignments exported from India or issues related to labeling from the importing countries such as EU and USA. Agricultural and Processed Foods Export Development Agency (APEDA) is empowered to deal with such complaints. The seriousness of the fake organic produce flooding the market can be gauged from the Secretary's (Departments of Agriculture & Cooperation) own admission that the most famous supposedly organic product, which is available in Delhi is not organic. The Committee are of the strong view that fake organic produce will have far reaching adverse implications for India's organic trade especially international trade. The Committee, therefore, recommend that stringent punishment may be meted out to such entities not only involved in making fake organic produce but also the entities dealing by way of trading and exporting spurious organic products. If the extant legal provisions are insufficient to punish them, suitable steps be taken to empower the agency responsible for monitoring supervision of organic produce or if required, appropriate legislation may be enacted.

### **Reply of the Government**

A central act, viz. "Agriculture Produce Marketing and Grading Act, 1937" [AP(GM) Act] provides the legal frame work for the control and prevention of fake organic produce from entering the market. Necessary measures have been put in place to initiate sanctions and penalties with a view to control fake organic produce. A copy of sanction catalogue from NPOP is at **Annexure III**.

There are penal provisions in the Food Safety and Standards Act, 2006 to initiate legal action against any violation of food standards, including those related to organic foods.

Section 22 of the Food Safety and Standards Act, 2006 enables regulation of manufacture, distribution, sale or import of organic foods. FSSAI has initiated work of formulating Regulation on Organic Food Products which when implemented will address the issue of Fake Organic Products.

In NPOP adequate provisions are in place along with those for punishment to help control, sale, marketing and export of fake organic produce. On being detected/noticed such issues are dealt sternly and prompt action is taken up with punishment /penalty as per provision of NPOP.

As a domestic market is not under the preview of APEDA necessary measures need to be adopted by the Ministry of Agriculture and Food Safety and Standard Authority of India under the FSSAI Act.

**NEW DELHI;**  
**21 March, 2017**  
**Phalgun 30, 1938 (Saka)**

**Dr. MURLI MANOHAR JOSHI,**  
**CHAIRPERSON,**  
**COMMITTEE ON ESTIMATES.**

## Annexure I

### APEDA's Recognized Laboratories (updated on 01.03.2016)

Sr. No.	Name and contact details of the laboratory	Scope of recognition for sampling and analysis of products/product groups	Recognition valid upto
<b>Andhra Pradesh and Telengana</b>			
1	<p>First Source Laboratory Solutions LLP (Analytical services) 1<sup>st</sup> Floor Plot No. A1/B, IDA Nacharam</p> <p>Cross Road Hyderabad 500 076 Tel: 040-27177036 Fax: 040-27174037 crm@firstsourcels.com; sudhakar@firstsourcels.com;</p>	<p>Residual analysis of pesticides, heavy metals in fresh and processed fruits &amp; vegetables, other processed food products, microbiological analysis in food products and GMO analysis in rice &amp; rice products, soya &amp; soya products, maize &amp; maize products and cotton &amp; cotton products.</p>	16.04.2018
2	<p>National Collateral Management Services Limited (NCML) Team Towers, 4<sup>th</sup> Floor, Plot No. A-1/2/A Industrial Park IDA-Uppal Hyderabad 500 039 Tel: 040-27176840 ganesh.r@ncmsl.com; quality@ncml.com; commgrade@ncmsl.com;</p>	<p>Residual analysis of pesticides, heavy metals in fresh and processed fruits &amp; vegetables and other processed food products and microbiological analysis in food products.</p>	30.04.2018
3	<p>Intertek India Pvt. Ltd. Plot No. D-53 Phase 1 IDA Jeedimetla Hyderabad 500 055 Tel: 040-23195257, 23195258 suneil@qpsbioserve.com; shiva@qpsbioserve.com;</p>	<p>Residual analysis of pesticides, heavy metals in fresh and processed fruits &amp; vegetables, cereals (rice, wheat, maize), drugs &amp; antibiotics in dairy products, honey, aflatoxins in nuts (walnuts, groundnuts &amp; their products), other processed food products and microbiological analysis in food products.</p>	16.01.2017
4	<p>Vimta Labs Ltd. Plot No. 5 SP Biotech Park Genome Valley Shameerpet Mandal RR District Hyderabad 500 078 Tel: 040-39848484 Fax: 27263657 quality@vimta.com;</p>	<p>Residual analysis of pesticides, heavy metals in fresh and processed fruits &amp; vegetables, drugs &amp; antibiotics in meat, dairy products &amp; honey, other processed food products, dioxins analysis in guar gum and microbiological analysis in food products.</p>	25.04.2018

<b>Gujarat</b>			
5	Accurate Laboratory E-17 Madhavpura Market, Shahibaug Ahmedabad 380 004 Tel: 09824014571 accuratelaboratory@yahoo.com;	Aflatoxins in groundnuts & their products and microbiological analysis in food products.	14.07.2019
6	SGS India Pvt. Ltd. 201 Sumel II Near Gurudwara Thaltej Cross Road SG Highway Ahmedabad 380 054 Tel: 079-26854360 Fax: 26854380 purvi.shah@sgs.com; Minti.Khambhati@sgs.com; dipjyoti.banerjee@sgs.com;	Aflatoxins in groundnuts and their products.	25.04.2018
<b>Haryana</b>			
7	International Testing Centre Plot No. 86 Industrial Area Phase-I Panchkula 134 109 Tel: 0172-2565825 Fax: 2651543 itc86@yahoo.com;	Chemical analysis of other processed food products and microbiological analysis in food products.	08.07.2017

8	SGS India Pvt. Ltd. Plot No. 21, Sector-3 IMT Manesar, Gurgaon Haryana 122 050 Tel: 0124-6787600 bibhutiprasad.sinha@sgs.com; monika.gupta@sgs.com; dipjyoti.banerjee@sgs.com;	Residual analysis of drugs & antibiotics, heavy metals in honey, aflatoxins in groundnuts and their products and rice.	08.07.2017
<b>Karnataka</b>			
9	Shriram Institute for Industrial Research 14-15 Sadarmangla Industrial Area Whitefield Road Bangalore 560 048 Tel: 080-28410172, 28410165/166/167 Fax :28410189 sribglr@vsnl.com; sribglr@bgl.vsnl.net.in; ark@shriraminate-bangalore.org;	Residual analysis of pesticide, heavy metals in fresh and processed fruits & vegetables, other processed food products and microbiological analysis in food products.	25.03.2018
10	TUV Sud South Asia Pvt. Ltd. No. 151, 2nd C Main, 2nd stage Peenya Industrial Estate Bangalore 560058 Tel: 080-67458000 Fax: 080-67458058 suresh.kumar@tuv-sud.in; meena.mariappan@tuv-sud.in;	Residual analysis of pesticide, heavy metals in fresh and processed fruits & vegetables, cereals (rice, wheat, maize), other processed food products, aflatoxins in nuts (walnuts, groundnuts & their products) and microbiological analysis in food products.	04.03.2018
<b>Kerala</b>			
11	Interfield Laboratories XIII/1208, Interprint House Kochi 682 005 Tel: 0484-2217865, 2210915, 221838 mail@interfieldlaboratories.com;	Residual analysis of pesticides, heavy metals in fresh and processed fruits & vegetables, cereals (rice, wheat, maize), drugs & antibiotics in honey, meat, poultry & dairy products, other processed food products and microbiological analysis in food products.	16.02.2020
<b>Maharashtra</b>			
12	Centre for Food Testing Bharati Vidyapeeth Deemed University 5 <sup>th</sup> Floor Centre for Advanced Research in Pharmaceutical Sciences Building Bharati Vidyapeeth Educational Complex Erandwane Pune 411 038 Tel: 020-65737381,82,83 cft.bvdu@gmail.com;	Residual analysis of pesticides, heavy metals in fresh and processed fruits & vegetables and other processed food products.	16.01.2018
13	Envirocare Labs Pvt. Ltd. A-7 MIDC Wagle Industrial Estate Main Road Thane 400 604 Tel: 022-25838286-88 Fax: 25838289	Residual analysis of pesticides, heavy metals in fresh and processed fruits & vegetables and Microbiological analysis in food products.	23.03.2017

	info@envirocare.co.in;		
14	Geo Chem Laboratories Pvt. Ltd. Pragati, Adjacent to Crompton Greaves Kanjur Marg (E) Mumbai - 400 042 Phone: 022-61915100 Fax: 61915101 neel@geochemgroup.com; sureshbabu.p@geochem.net.in; laboratory@geochem.net.in;	Residual analysis of pesticides, heavy metals in fresh and processed fruits & vegetables, cereals (rice, wheat, maize), antibiotics & drugs in honey, meat, poultry & dairy products, aflatoxins in nuts (walnuts, groundnuts & their products), other processed food products, guar gum & pulses, microbiological analysis in food products and GMO analysis in rice & rice products, soya & soya products, maize & maize products and cotton & cotton products.	12.02.2020

15	MAARC Labs Pvt. Ltd. Plot No. 1 & 2, Gat No. 27, Nanded Phata Sinhagad Road Pune 411 041 Tel: 020-24395052, 24391627 Fax: 24391880 maarcclab@gmail.com; maarcclabs.pune@gmail.com	Residual analysis of pesticides, heavy metals in fresh and processed fruits & vegetables.	23.02.2020
16	MicroChem Silliker Pvt. Ltd. MicroChem House A-513 TTC Industrial Area MIDC Mahape Navi Mumbai 400 701 Tel: 022-27787800 vidhya.gangar@microchem.co.in; dhanya.dhumal@microchem.co.in;	Residual analysis of pesticides, heavy metals in fresh and processed fruits & vegetables, cereals (rice, wheat, maize), antibiotics & drugs in honey, meat, poultry & dairy products, aflatoxins in nuts (walnuts, groundnuts & their products), other processed food products, guar gum & pulses and microbiological analysis in food products.	11.02.2017
17	National Horticultural Research & Development Foundation (NHRDF) Pesticide Residue Analysis Laboratory Research Complex Chittegoan Phata P.O. Darna Sangvi Tq. Niphad Nashik Aurangabad Road Nashik 422 003 Tel: 02550-237551, 237816 Fax: 237947 nhrdf_nsk@sancharnet.in; drpkgupta11@gmail.com;	Residual analysis of pesticides, heavy metals in fresh and processed fruits & vegetables.	12.02.2020
18	Reliable Analytical Laboratories Pvt. Ltd. 125/139 Indian Corporation Mankoli Gundavli Bhiwandi Thane 421 302 Tel: 02522-398100 harshal@reliablelabs.org; rashmi@reliablelabs.org; vikas@reliablelabs.org;	Residual analysis of pesticides, heavy metals in fresh and processed fruits & vegetables, cereals (rice, wheat, maize), antibiotics & drugs in honey, meat, poultry & dairy products, aflatoxins in nuts (walnuts, groundnuts & their products), other processed food products, microbiological analysis in food products and GMO analysis in soya & soya products and cotton & cotton products.	17.06.2018
19	TUV India Pvt Ltd. Survey No: 423/1 & 3/2 Near Pashankar Auto (Baner) Sus-Pashan Road Pune 411 021	Residual analysis of pesticides, heavy metals in fresh and processed fruits & vegetables, cereals (rice, wheat, maize), antibiotics & drugs in honey, meat, poultry & dairy products, aflatoxins in nuts	12.02.2020

	Tel: 020-67900000 vkgupta@tuv-nord.com; foodlab@tuv-nord.com; mumbai@tuv-nord.com;	(walnuts, groundnuts & their products), other processed food products, guar gum & pulses and microbiological analysis in food products.	
<b>Madhya Pradesh</b>			
20	Choksi Laboratories Limited 6/3 Manoramaganj Near Geeta Bhawan Indore 452 001 Tel: 0731-2490592, 4243850 Fax: 2490593 v.choksi@choksilab.com; indore@choksilab.com;	Residual analysis of heavy metals in fresh and processed food products, aflatoxins in nuts (walnuts, groundnuts & their products) and  microbiological analysis in food products.	28.02.2018

## New Delhi/Delhi

21	<p>Arbro Pharmaceuticals Limited</p> <p>Analytical Division</p> <p>4/9 Kirti Nagar Industrial Area</p> <p>New Delhi 110 015</p> <p>Tel : 011-45754575, 9871700488</p> <p>Fax: 45754545</p> <p>arbolab@arbropharma.com;</p> <p>saurabharora@arbropharma.com;</p>	<p>Residual analysis of pesticides, heavy metals in fresh and processed fruits &amp; vegetables, cereals (rice, wheat, maize), drugs &amp; antibiotics in honey, meat, poultry &amp; dairy products, other processed food products, microbiological analysis in food products and GMO analysis in rice &amp; rice products, soya &amp; soya products, maize &amp; maize products and cotton &amp; cotton products.</p>	08.07.2017	
22	<p>Delhi Test House</p> <p>A-62/3 GT Karnal Road Industrial Area</p> <p>Opp Hans Cinema Azadpur Delhi 110 033</p> <p>Tel : 011-27437327, 27435509, 27427672,</p> <p>Telefax: 27435509, 27437327</p> <p>info@delhitesthouse.com;</p> <p>dg@delhitesthouse.com;</p>	<p>Residual analysis of pesticides, heavy metals in fresh and processed fruits &amp; vegetables, cereals (rice, wheat, maize), drugs &amp; antibiotics in honey, meat, poultry &amp; dairy products, other processed food products and microbiological analysis in food products.</p>	16.01.2018	
23	<p>Shriram Institute for Industrial Research</p> <p>19 University Road</p> <p>Delhi 110007</p> <p>Tel: 011-27667267, 27667860, 27667436</p> <p>Fax: 27667676, 27667207</p> <p>doff@shriram institute.org;</p> <p>kmchacko@shriram institute.org;</p>	<p>Residual analysis of heavy metals in fresh and processed fruits &amp; vegetables, drugs &amp; antibiotics in honey, meat, poultry &amp; dairy products, other processed food products and microbiological analysis in food products.</p>	25.04.2018	
<b>Punjab</b>				
24	<p>Punjab Biotechnology Incubator (PBTI)</p> <p>SCO 7 &amp; 8, Top Floor</p> <p>Phase-V, SAS Nagar</p> <p>Mohali 160059</p> <p>Tel: 0172 5020895, 09501096549</p> <p>pbti2005@yahoo.com</p>	<p>Residual analysis of heavy metals in other processed food products and aflatoxins in cereals (rice, wheat, maize).</p>	30.04.2018	

## Tamil Nadu

25	<p>Chennai Mettlex Lab Private Limited Jothi Complex No. 83 MKN Road Guindy</p> <p>Chennai 600 032</p> <p>Tel: 044-22323163, 42179490/91</p> <p>Fax: 044-22311034 vks@mettlexlab.com; drbala@mettlexlab.com;</p>	<p>Residual analysis of pesticides, heavy metals in fresh and processed fruits &amp; vegetables, cereals (rice, wheat, maize), antibiotics &amp; drugs in honey, meat, poultry &amp; dairy products, aflatoxins in nuts (walnuts, groundnuts &amp; their products), other processed food products and microbiological analysis in food products.</p>	13.07.2019
26	<p>SGS India Pvt. Ltd.</p> <p>Opposite to State Bank of India 28 B/1 (SP), 28 B/2 (SP) 2<sup>nd</sup> Main Road Ambattur Industrial Estate Chennai 600 058</p> <p>Tel: 044-66693109 Fax: 24963075</p> <p>av.abraham@sgs.com; dipjyoti.banerjee@sgs.com;</p>	<p>Residual analysis of pesticides, heavy metals in fresh and processed fruits &amp; vegetables, cereals (rice, wheat, maize), antibiotics &amp; drugs in honey, meat, poultry &amp; dairy products, aflatoxins in nuts (walnuts, groundnuts &amp; their products), other processed food products, guar gum &amp; pulses and microbiological analysis in food products.</p>	16.01.2017
27	<p>T A Labs Private Limited</p> <p>No. 17 New Street Kottur</p> <p>Chennai 600 085</p> <p>Tel: 044-24474505, 64551505</p> <p>ubharatraj@trueanalytica.com; talabs@trueanalytica.com; ubharatraj@gmail.com;</p>	<p>Residual analysis of pesticides, heavy metals in fresh and processed fruits &amp; vegetables, cereals (rice, wheat, maize), antibiotics &amp; drugs in honey, meat, poultry &amp; dairy products, aflatoxins in nuts (walnuts, groundnuts &amp; their products), other processed food products, guar gum &amp; pulses and microbiological analysis in food products.</p>	16.02.2020

28	SMS Labs Services Private Limited	Residual analysis of pesticides, heavy metals in	01.04.2018
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	39/6 Thiruvallur High Road Puduchatrm Post Thirumazhisai Via Poonamalee TK  Chennai 600 124 Tel: 044-26811997, 26811993 Cell: 09444418694  sharadhangm@gmail.com; smslab2012@yahoo.in;	fresh and processed fruits & vegetables, cereals (rice, wheat, maize), antibiotics & drugs in honey, meat, poultry & dairy products, aflatoxins in nuts (walnuts, groundnuts & their products), other processed food products and microbiological analysis in food products.	
<b>Uttar Pradesh</b>			
29	AES Laboratories (P) Ltd.  B-118 Phase-II Noida Gautam Budha Nagar Distt. NOIDA 201304 Tel: 0120-3047900, 2562645 Fax: 3047914 vishal.arora@aeslabs.com; aeslabs@gmail.com;	Residual analysis of pesticides, heavy metals in cereals (rice, wheat, maize), aflatoxins in nuts (walnuts, groundnuts & their products) and other processed food products.	30.06.201 8
30	DNA Testing Laboratory Basmati Export Development Foundation (BEDF) SVBPU A&T Campus NH-58 Roorkee Road Modipuram Meerut 250110 Tel: 0121-2578501 Fax: 01221-2578542 bedf@apeda.gov.in; dixit59@yahoo.co.in;	DNA analysis in Basmati Rice.	24.07.201 7
<b>West Bengal</b>			
31	Edward Food Research & Analysis Centre Ltd. (EFRAC)  Subhas Nagar PO Nilgunj Bazar  Barasat Kolkata 700 121 Tel: 033-71122800 Fax: 71122801 efraclab@efrac.org; balwinderbajwa@efrac.org; arijitbhowmick@efrac.org; ashmitasarkar@efrac.org;	Residual analysis of pesticides, heavy metals in fresh and processed fruits & vegetables, aflatoxins in nuts (walnuts, groundnuts & their products), other processed food products and microbiological analysis in food products.	18.03.201 8
32	SGS India Private Limited CS Plot 512(P) Mouza-Hanspukuria	Residual analysis of heavy metals in fresh and processed fruits & vegetables, other	23.04.201 8

	<p>Diamond Harbour Road PO-Joka, South 24 Parganas Kolkata-700104 Tel:033-64996700, 64996704 asish.chakraborty@sgs.com; dipjyoti.banerjee@sgs.com;</p>	<p>processed food products and microbiological analysis in food products.</p>	
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## Quality Development Financial Assistance

Sub Component	Pattern of Assistance
<b>A. Promotion of Quality and Quality Control</b>	
<b>Sub-Component 1</b>	
Assistance for installing quality testing equipments	50% of the cost subject to a ceiling of ₹25 lakh per beneficiary. Quality standards should be adhered to for availing the subsidy
<b>Sub-Component 2</b>	
Assistance of installing quality management, quality assurance and quality control systems such as ISO series, HACCP, BRC, GAP, etc. including consultancy, quality improvement and certification etc.	50% of the cost subject to a ceiling of ₹5 lakh per beneficiary
<b>Sub-Component 3</b>	
Activities related to standardization and quality control such as preparation of quality assurance manuals, guidelines, documents, standards, upgradation and recognition of labs for export testing, certifying exporters as premium quality exporters etc. pesticide management program, national and international standardization activities	100% for APEDA
<b>Sub-Component 4</b>	
Upgradation of APEDA recognized labs for export testing	1. 50% of the cost for private labs; 2. 75% for State Govt.

	<p>/University lab; and</p> <p>3. 100% for the Central Government labs;</p> <p>The above is subject to a ceiling of INR 75 lakh</p>
<b>Sub-Component 5</b>	
<p>Testing of water, soil, residues of pesticide, veterinary drugs, hormones, toxins, heavy metal contaminants in agricultural produce/ products "including all fruits and vegetables, processed fruits and vegetables, other processed foods, floriculture, animal products, cereals etc.</p>	<p>50% of the total cost subject to a ceiling of INR 5000/- per sample (pre-negotiated price with APEDA) in case where residue monitoring activity is proposed by APEDA.</p>
<b>Sub-Component 6</b>	
<p>Support for adoption of global standards for traceability</p> <p><b>(A)</b> Registration for Global Company Prefix Number (GCP)</p>	<p>25% of the fee subject to a ceiling of INR 1 lakh per beneficiary</p>
<p><b>(B)</b> Registration for Electronic Product Code (EPC/RFID)</p>	<p>25% of the fee subject to a ceiling of INR 1 lakh per beneficiary</p>
<p><b>(C)</b> Registration for GLN for farmer clusters/ (Internal Control System) ICS</p>	<p>25% of the total cost incurred by exporter subject to a ceiling of INR 1.5 lakh per ICS. (The ICS is a cluster of farmers consisting up to 500 farmers for certification of organic cultivation).</p>
<p><b>(D)</b> Procurement of equipment (specialized hand held devices) for capturing farm level peripheral coordinates</p>	<p>25% of the cost of equipment incurred by exporter/certification body/ laboratory subject to ceiling of INR 2.50 lakh</p>
<b>Sub-Component 7</b>	

Setting up/upgradation/expansion of laboratories by APEDA or any other Government or Public Sector agency	100% grant in aid
<b>B. Capacity Building and Organisation Management</b>	
<b>Sub-Component 1</b>	
<b>(A)</b> Assistance for upgradation of technical and managerial skills through on spot training in India/abroad	<p><b>1.</b> 100% of cost of the programme organized by APEDA subject to a ceiling of ₹1.5 lakh per representative from various organizations such as exporters, APEDA recognized laboratories, certification bodies and State agencies (not more than three from single organization).</p> <p><b>2.</b> 100% for farmers from identified clusters for export oriented production.</p>
<b>(B)</b> Assistance for technical skill upgradation of personnel of exporters in India for export development	<p>INR 20,000 per personnel per residential training (not more than 5 personnel from single organization per year) in a recognized training institutes. Assistance will be limited to an average cost of INR 5000 per day per personnel</p> <p>100% for APEDA representatives</p>
<b>Sub-Component 2</b>	
Assistance for organizing seminars/group activities including study tour within the country and for bringing out information literature	50% of the total cost subject to a ceiling of ₹1 lakh for national seminar and ₹2 lakh for international seminar
<b>Sub-Component 3</b>	
<b>(A)</b> Seminars organized by APEDA	100%

<b>(B)</b> Seminar sponsored by APEDA	50% of total cost subject to a ceiling of INR 5 lakh
<b>Sub-Component 4</b>	
Assistance programme for international study tour sponsored or organized by APEDA and association of exporters	100% in case of APEDA sponsored activities only
<b>Sub-Component 5</b>	
Assistance to carry out relevant applied Research & Development activities for export enhancement	100% by APEDA through ICAR institutions or State Agriculture Universities. In case of assistance to exporters associations in cooperative/private sector upto 50% of the total cost subject to a ceiling of ₹50 lakh per project.

## **Sanction Catalogue from NPOP**

### **4.5.13 Complaints**

- i) APEDA on receipt of complaints against the operator / Certification Body in respect of violation of NPOP shall investigate the complaint by obtaining relevant documents from the concerned stakeholder.
- ii). In course of the investigation, if major irregularities/non conformities are observed, APEDA shall issue a show cause notice to the operator / Certification Body as to why sanction should not be imposed.
- iii). The operator / Certification Body shall have to respond within 15 days from the date of receipt of such Show Cause Notice.
- iv). Thereafter, a final investigation report shall be prepared by APEDA and placed before the NAB for its decision.
- v). If the non conformities are confirmed against the operator / Certification Body, NAB shall impose appropriate sanction.

### **4.5.14 Sanctions**

- (i). If an operator/ Certification Body commits offences, the NAB may impose such sanctions as may be deemed fit, after taking into consideration the severity of offence(s) committed. The conditions for imposing sanctions is prescribed in Annex-I.
- (ii). Where an offence committed by an operator/ Certification Body is of such a nature as to affect the integrity of NPOP, the NAB may provide for sanctions higher than those prescribed from time to time.

### **4.5.15 Categories of Offences**

Under the NPOP, offences are categorized in terms of their degree of severity in to major and minor. Accordingly, the sanctions to be imposed shall depend on the nature, degree and extent of such offences.

**4.5.15.1 Minor Offences** - Offences that do not affect the integrity of the accreditation process and are rectifiable. Examples of such minor offences include, but are not limited to, failure to submit information on time, improper document control, internal audit and management review not been carried out as per requirement, documents on conflict of interest and/or confidentiality not available, no timeframe on complaint and appeal handling etc.

**4.5.15.2 Major Offences** - Offences that affect the integrity of the NPOP in general and certification process in particular. Examples of such major offences include, but are not limited to, non compliance with NPOP standard, knowingly providing false

information/documents, misrepresentation as to accreditation status, repetition of same non conformities, failure to rectify such offences etc.

#### **4.5.16 Categories of Sanctions**

The NAB may apply one or more of the following sanctions

- (i) Impose pecuniary penalty
- (ii) Suspend accreditation
- (iii) Terminate accreditation
- (iv) Reduce the scope of certification
- (v) Impose any other additional conditions

#### **4.5.17 Procedures to be followed for imposing sanctions**

##### **For imposing Pecuniary Penalty**

The following factors shall be taken into consideration:

- The amount of undue gains or unfair advantage, wherever quantifiable, derived by the party as a result of the contravention;
- The amount of loss caused or likely to be caused wherever quantifiable to any person as a result of the contravention by the party,
- The repetitive nature of contraventions by the party,
- Whether the contravention is without the knowledge of the party,
- Any other relevant factor

#### **4.5.18 Penalties not to interfere with other punishments**

No penalty imposed under these provisions shall prevent imposition of any other punishment to which the offending party is liable under any other law for the time being in force.

The Accredited Certification Body shall be given an opportunity to rectify the non-compliance during the suspension period. In the event the Accredited Certification Body fails to remedy the non-conformities during the term of suspension and or fails to pay the fine, the accreditation shall be terminated. In such a case, the Accredited Certification Body shall be barred from re-applying for accreditation for a period of one year.

#### **4.5.19 Appeal**

The accredited Certification Body who has been found guilty of violation of provision of NPOP and has appropriately sanctioned by the NAB may have the option to file an appeal against the decision (whole or part) by the NAB within a period of 30 days from

the date of issuance of communication conveying such NAB decision. Such an appeal shall be filed with the Commerce Secretary in his capacity as 'Appellate Authority'.

The appellate authority may, after giving to the appellant a reasonable opportunity of being heard, if he so desires, and after making such further inquiries, if any, as it may consider necessary, make such orders as it thinks fit, confirming, modifying or reversing the decision or order appealed against, or may send back the case with such directions as it may think fit, for a fresh decision, as the case may be, after taking additional evidence, if necessary. PROVIDED that an order enhancing or imposing a penalty of a greater value shall not be made under this chapter unless the appellant has been given an opportunity of making a representation, and , if he so desires, of being heard in his defense.

The order made in appeal by the appellate authority shall be final.

**FOOD SAFETY AND STANDARDS ACT, 2006 No. 34 OF 2006 [23rd August, 2006]**

**22. Genetically modified foods, organic foods, functional foods, proprietary foods, etc.**

Save as otherwise provided under this Act and regulations made thereunder, no person shall manufacture, distribute, sell or import any novel food, genetically modified articles of food, irradiated food, organic foods, foods for special dietary uses, functional foods, nutraceuticals, health supplements, proprietary foods and such other articles of food which the Central Government may notify in this behalf.

Explanation. – For the purposes of this section,–

(1) “foods for special dietary uses or functional foods or nutraceuticals or health supplements” means:

(a) foods which are specially processed or formulated to satisfy particular dietary requirements which exist because of a particular physical or physiological condition or specific diseases and disorders and which are presented as such, wherein the composition of these foodstuffs must differ significantly from the composition of ordinary foods of comparable nature, if such ordinary foods exist, and may contain one or more of the following ingredients, namely:-

(i) plants or botanicals or their parts in the form of powder, concentrate or extract in water, ethyl alcohol or hydro alcoholic extract, single or in combination;

(ii) minerals or vitamins or proteins or metals or their compounds or amino acids (in amounts not exceeding the Recommended Daily Allowance for Indians) or enzymes (within permissible limits);

(iii) substances from animal origin;

(iv) a dietary substance for use by human beings to supplement the diet by increasing the total dietary intake;

(b) (i) a product that is labelled as a “Food for special dietary uses or functional foods or nutraceuticals or health supplements or similar such foods” which is not represented for use as a conventional food and whereby such products may be formulated in the form of powders, granules, tablets, capsules, liquids, jelly and other dosage forms but not parenterals, and are meant for oral administration; (ii) such product does not include a drug as defined in clause (b) and ayurvedic, sidha and unani drugs as defined in

clauses (a) and (h) of section 3 of the Drugs and Cosmetics Act, 1940 (23 of 1940) and rules made thereunder;

(iii) does not claim to cure or mitigate any specific disease, disorder or condition (except for certain health benefit or such promotion claims) as may be permitted by the regulations made under this Act;

(iv) does not include a narcotic drug or a psychotropic substance as defined in the Schedule of the Narcotic Drugs and Psychotropic Substances Act, 1985 (61 of 1985) and rules made thereunder and substances listed in Schedules E and EI of the Drugs and Cosmetics Rules, 1945;

(2) “genetically engineered or modified food” means food and food ingredients composed of or containing genetically modified or engineered organisms obtained through modern biotechnology, or food and food ingredients

produced from but not containing genetically modified or engineered organisms obtained through modern biotechnology;

(3) “organic food” means food products that have been produced in accordance with specified organic production standards;

(4) “proprietary and novel food” means an article of food for which standards have not been specified but is not unsafe:

Provided that such food does not contain any of the foods and ingredients prohibited under this Act and regulations made thereunder.

**MINUTES OF SEVENTEENTH SITTING OF THE COMMITTEE ON ESTIMATES (2016-17)**

The Committee sat on Monday, the 30<sup>th</sup> January, 2017 from 1430 hrs. to 1500 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

**PRESENT**

Dr. Murli Manohar Joshi – Chairperson

**Members**

2. Shri George Baker
3. Shri Dushyant Chautala
4. Shri Ashwini Kumar Choubey
5. Shri Ram Tahal Choudhary
6. Col. Sonaram Choudhary
7. Shri P. Kumar
8. Shri K.H. Muniyappa
9. Shri Ravindra Kumar Pandey
10. Shri Jugal Kishore Sharma
11. Shri Gajendra Singh Shekhawat

**SECRETARIAT**

- |    |                     |   |                      |
|----|---------------------|---|----------------------|
| 1. | Shri Devender Singh | - | Additional Secretary |
| 2. | Shri N.C. Gupta     | - | Joint Secretary      |
| 3. | Shri Vipin Kumar    | - | Director             |
| 4. | Shri R.C. Sharma    | - | Deputy Secretary     |

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee. The Committee took up for consideration the draft Action Taken Report on the recommendations/observations contained in the 9<sup>th</sup> Report of the Committee on Estimates (16<sup>th</sup> Lok Sabha) on the subject 'National Project on Organic Farming' pertaining to the Ministry of Agriculture, Cooperation and Farmers Welfare (Department of Agriculture, Cooperation and Farmers Welfare).

3. The Committee adopted the above mentioned Action Taken Report without any modification.

**The Committee then adjourned.**

## **Appendix II**

### **ANALYSIS OF THE ACTION TAKEN BY GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE 9<sup>TH</sup> REPORT OF THE COMMITTEE ON ESTIMATES (SIXTEENTH LOK SABHA)**

(i)	Total number of recommendations/observations	18
(ii)	Recommendations/Observations which have been accepted by the Government (Sl. Nos. 2, 3, 5, 10, 11, 13, 14, 15, 16, 17, & 18)	11
	Percentage of total recommendations	61.11%
(iii)	Recommendation/Observation which the Committee do not desire to pursue in view of the Government's reply	Nil
	Percentage of total recommendations	0%
(iv)	Recommendations/Observations in respect of which Government's replies have not been accepted by the Committee  (Sl. Nos. 6, 8 & 9)	3
	Percentage of total recommendations	16.66%
(v)	Recommendation/Observation in respect of which final replies of Government is still awaited  (Sl. No. 1, 4, 7 & 12)	4
	Percentage of total recommendations	22.22%