## Annexure I

# Terms of Reference and Composition of Working Group

No.VSE/9(39)/2006
Government of India
Planning Commission

Yojana Bhawan,Sansad Marg,
New Delhi-110001
Dated: 08 June 2006

## ORDER

**Subject: Constitution of Working Group on Food Processing Industries (FPI) sector for the Eleventh Five Year Plan (2007-2012)**

In the context of the preparation of the Eleventh Five Year Plan (2007-2012), it has been decided to set up a Working Group on on Food Processing Industries. The terms of reference and composition of the Working Group will be as follows:-

I **Terms of Reference:**

i) To critically appraise the policies, programmes and achievements of FPI sector, in relation to production, employment (both direct and indirect) and exports during the Tenth Plan period and to analyse the reasons for shortfalls, if any, and suggest appropriate remedial measures.

ii) To suggest a policy framework for the development of FPIs considering socio-economic objectives, training needs, modernisation, technological upgradation, quality improvement, productivity, employment generation, exports, etc, for the Eleventh Plan and set targets for each year of the Eleventh Plan period. The Working Group may give special emphasis on service units, self-employment, incentives to FPI units including tiny and small units to graduate to medium and large scale, to improve the strengths of the FPI sector to enable them to face global competition in view of the economic liberalisation, WTO regime, SAFTA and Chinese impact on Indian economy.

iii) To suggest measures for increasing the productivity of individual workers/artisans/entrepreneurs through training, improved tools, equipment and processes, common facilities, quality standards, HACCP, GMP, etc. and assess the requirement of tools, equipment and machinery, common facility centres, testing facilities, etc, to meet the suggested targets of production and quality standards, HACCP, GMP, etc.

iv) To suggest measures for dispersal of FPI activities, particularly in relatively backward states/areas, hill areas, rural areas and effective reduction of regional imbalances in industrial growth and utilisation of agricultural and horticultural products of the regions.

v) To set out objectives and suggest schemes and programmes for the promotion of FPI units for their growth during the Eleventh Plan period with a perspective period of 10 years.

vi) In the light of physical targets suggested for the Eleventh Plan period for production, employment and exports, to make estimates of Plan outlays required for promotional/developmental schemes and investment required in the sector to achieve the above targets.

vii) To recommend the role of the government, voluntary and other agencies, particularly small industry associations keeping in view the socio-economic objectives and their strategy for development.

viii) To estimate the requirements of institutional finance/credit and to suggest measures to achieve the flow of required institutional finance. The Working Group should also suggest innovative measures for meeting the requirements of working capital and term loans.

ix) The Working Group may also suggest innovative financial instruments for raising funds from the capital market for meeting the financial requirements of the FPI sector.

x) To review the existing training facilities, entrepreneurship development and estimate the gaps prevalent during the Tenth Plan period and to suggest measures to meet the requirements in quantitative and qualitative terms for the Eleventh Plan.

xi) To estimate the requirements and availability of critical/scarce raw materials and other inputs and make recommendations for meeting them along with required forward and backward linkages.

xii) To recommend effective marketing strategies, including the role of consortia, State Agro Industries Development Corporations, large houses, etc.

xiii) To review the existing planning and monitoring mechanism at Central/State/Local levels and to recommend measures to improve the same to build up a comprehensive data base for FPI sector.

xiv) To review the working of the existing R&D institutions and to suggest measures for their reorganisation, revitalisation and linkages with other R&D establishments in defence, electronics, universities, etc, to meet the objectives of the Eleventh Five Year Plan. The Working Group may also suggest appropriate time-bound R&D programmes and mechanism for their commercial utilisation, dissemination and delivery to the ultimate users of technology.

xv) To recommend a suitable strategy for promotion and augmentation of exports and suggest annual targets for the Eleventh Plan period with a perspective plan for a period of 10 years. The Group may also work out an estimate for indirect exports from the FPI sector.

xvi) To review the growth of mother ancillary units over the Eleventh Plan period and to make recommendations for the Tenth Plan with a 10-year perspective.

xvii) To examine the feasibility and desirability of bringing all SSE products under quality certification by upgradation of quality standards, testing facilities, etc.

xviii) To identify key areas and explore ways for implementing Public-Private Partnership model in identified areas for sustainable development of sector.

xix) To review the existing mechanism of data collection and also suggest measures to improve accuracy and authenticity of data base.

xx) To review the existing coverage of developmental schemes/ programmes for SC/ST/Minorities/Women engaged in the sector and to suggest specific measures for their upliftment and promotion.

xxi) To make such other recommendations as are considered appropriate.

## II Composition of the Working Group

| | | |
|---|---|---|
| 1. Secretary, Ministry of Food Processing Industries | - | Chairperson |
| 2. AS&FA, DARE, Krishi Bhawan, New Delhi-110 011 | - | Member |
| 3. Adviser (I&VSE)/Representative of Planning Commission. | - | Member |
| 4. Joint Secretary, Dept. of Development N.E. Region | | Member |
| 5. Joint Secretary, Ministry of Social Justice& Empowerment | - | Member |
| 6. Joint Secretary, Ministry of Women & Child Devp | - | Member |
| 7. Joint Secretary, Ministry of Minority Affairs | - | Member |
| 8. Secretary, Dept. of Industries, Govt. of Maharashtra, Mumbai | - | Member |
| 9. Secretary, Dept. of Industries, Govt. of Punjab, Chandigarh | - | Member |
| 10. Secretary, Dept. of Industries, Govt. of Kerala, Trivandrum, | - | Member |
| 11. Adviser, Small Scale Industries, North Eastern Council, Shillong | - | Member |
| 12. CMD, Small Industries Development Bank of India, Lucknow | - | Member |
| 13. Joint Secretary, Ministry of Commerce, Udyog Bhawan New Delhi | - | Member |
| 14. Sh. Vijay Lakhanpal,Director PF II , Ministry of Finance,North Block New Delhi | - | Member |
| 15. Chairperson National Dairy Development Development Board,Anand, Gujrat | - | Member |
| 16. Director, CFTRI, Mysore | - | Member |
| 17. CEO, KVIC, Mumbai | - | Member |
| 18. MD, Mother Dairy | - | Member |
| 19. MD, NERAMAC | - | Member |
| 20. Dr. Veena Majumdar | - | Member |
| 21. Director, Indian Institute of Packaging, E-11, MIDC Area, Post Box No.9432, Chakala, Andheri East, Mumbai-93 | - | Member |
| 22. Managing Director, Dabur Foods India Ltd, 22-Site IV, Sahibabad, Ghaziabad-201 010 | - | Member |

## Annexure II

# Terms of Reference of Sub-Groups

S/4 / A
Annex-II

## Terms of Reference for Sub-Groups

### I. Sub-Group on Infrastructure including Supply Chain

While formulating the recommendations, keeping in view the terms of reference indicated in the Order dated 8.6.2006 of the Planning Commission (Annexure-II), the suggested terms of reference for the Sub-Group are as below:

(i) Recasting the Food Park Scheme keeping in view the feedback received.
(ii) Interventions to streamline the supply chain and taking the farmer to market.
(iii) Give a push to investments in the cold chain infrastructure.
(iv) Suggest diversified and cluster-based development of the sector.
(v) Upgrading the safety and quality of infrastructural sector.
(v) To recommend the role of the Government, voluntary and other agencies, particularly small industry associations, keeping in view the socio-economic objectives and their strategy for development,
(vii) To recommend effective marketing strategies including the role of consortia, State Agri Industries Development Corporations, large houses, etc.
(viii) To identify key areas and explore ways for implementing Public-Private Partnership model in identified areas
(ix) To suggest measures for dispersal of FPI activities particularly in relatively backward States/Areas, hilly areas, rural areas and effective reduction of regional imbalances in industrial growth and utilization of agricultural and horticultural products of the region.

(x) To review the existing coverage of developmental schemes/programmes for SC/ST/Minorities/Women engaged in the sector and to suggest specific measures for their upliftment and promotion.

(xi) To make such other recommendations as are considered appropriate.

## II. Sub-Group on R&D, HRD, Lab and Standards/ Food Fortification

While formulating the recommendations, keeping in view the terms of reference indicated in the Order dated 8.6.2006 of the Planning Commission (Annexure-II), the suggested terms of reference for the Sub-Group are as below:

(i) Time bound upgradation of the standards/quality of FPI in association with trade Associations.

(ii) Building capacity of certification and accreditation bodies and promote self-regulation.

(iii) Networking of the laboratory infrastructure to support the Integrated Food Law.

(iv) To suggest policy framework for the development of FPIs considering socio-economic objectives, training needs, modernization, technology upgradation, quality improvement, productivity, employment generation, exports, etc. for the Eleventh Plan and set targets for each year of the Eleventh Plan period.

(v) To suggest measures for increasing productivity of individual workers/artisans/entrepreneurs through training, improved tools, equipment and processes, common facilities, quality standards, HACCP, GMP, etc.

(vi) To review the existing training facilities, entrepreneurship development and estimated gaps prevalent during the Tenth Plan period and

to suggest the measures to meet the requirements in quantitative and qualitative terms for the Eleventh Plan.

(vii) To review the working of the existing R&D institutions and to set measures for their reorganization, revitalization and linkages with other R&D establishments in defence, electronics, universities, etc, to meet the objectives of the Eleventh Five Year Plan and to suggest appropriate time bound R&D programmes and mechanism for their commercial utilization, dissemination and delivery to the ultimate users of technology.

(viii) To examine the feasibility and desirability of bringing all SSE products under quality certification by upgradation of quality standards, testing facilities, etc.

(ix) To suggest measures for dispersal of FPI activities particularly in relatively backward States/Areas, hilly areas, rural areas and effective reduction of regional imbalances in industrial growth and utilization of agricultural and horticultural products of the region.

(x) To review the existing coverage of developmental schemes/programmes for SC/ST/Minorities/Women engaged in the sector and to suggest specific measures for their upliftment and promotion.

(xi) To make such other recommendations as are considered appropriate.

## III. Sub-Group on Taxation/Finance and Trade

While formulating the recommendations, keeping in view the terms of reference indicated in the Order dated 8.6.2006 of the Planning Commission (Annexure-II), the suggested terms of reference for the Sub-Groups are as below:

(i) Provide a uniform, stable and low taxation regime for FPI to offset the inherent volatility of the sector.

(ii) Measures to facilitate greater flow of resources from the banking systems to FPI.

(iii) To suggest a policy framework giving special emphasis on service units, self-employment, incentives to FPI units including tiny and small units to graduate to medium and large scale, to improve the strengths of the FPI sector to enable them to face global competition in view of the economic liberalization, WTO regime, SAFTA and Chinese impact on Indian economy.

(iv) To estimate the requirements of institutional finance/credit and to suggest measures to achieve the flow of required institutional finance. The Working Group should also suggest innovative measures for meeting the requirements of working capital and term loans.

(v) To suggest innovative financial instruments for raising funds from the capital market for meeting the financial requirements of the FPI sector.

(vi) To recommend a suitable strategy for promotion and augmentation of export and suggest annual targets for the Eleventh Plan period with perspective plan for a period of 10 years. The Sub-Group may also work out an estimate for indirect exports from the FPI sector.

(vii) To suggest measures for dispersal of FPI activities particularly in relatively backward States/Areas, hilly areas, rural areas and effective reduction of regional imbalances in industrial growth and utilization of agricultural and horticultural products of the region.

(viii) To review the existing coverage of developmental schemes/programmes for SC/ST/Minorities/Women engaged in the sector and to suggest specific measures for their upliftment and promotion.

(ix) To make such other recommendations as are considered appropriate.

## IV. Sub-Group on F&V Products/Beer & Wine

While formulating the recommendations, keeping in view the terms of reference indicated in the Order dated 8.6.2006 of the Planning Commission (Annexure-II), the suggested terms of reference for the Sub-Group are as below:

(i) Policy framework to support the healthy development of the sub-sector to augment framers' income and investments.

(ii) Upgrade quality and brand equity of wine and beer towards more value additions

(iii) Review of FPO and suggest improvements

(iv) To critically appraise the policies, programmes and achievements of F&VP products/Wine & Beer sector in relation to the production, employment (direct and indirect) and exports during the Tenth Plan period and to analyse the reasons for shortfalls, if any, and suggest appropriate remedial measures.

(v) To set out objectives and suggest schemes and programmes for the promotion of F&V products/beer & wine units for their growth during the Eleventh Plan period with perspective period of 10 years.

(vi) To make estimates for plan outlays required for promotional/developmental schemes and investment required in the sector to achieve the above targets suggested for the Eleventh Plan period for production, employment and exports.

(vii) To estimate the requirements and availability of critical/scarce raw materials and other inputs and make recommendations for meeting them along with required forward and backward linkages.

(viii) To review the existing planning and monitoring mechanism at Central/State/Local levels and to

recommend measures to improve the same to build up a comprehensive data base for FPI sector.

(xii) To review the existing mechanism of data collection and also to suggest measures to improve accuracy and authenticity of data-base

(ix) To review the growth of mother ancillary units over the Tenth Plan period and to make recommendations for the Eleventh Plan with a 10-year perspective.

(x) To identify key areas and explore ways for implementing Public-Private Partnership model in identified areas for sustainable development of sector.

(x) To suggest measures for dispersal of FPI activities particularly in relatively backward States/Areas, hilly areas, rural areas and effective reduction of regional imbalances in industrial growth and utilization of agricultural and horticultural products of the region.

(xi) To review the existing coverage of developmental schemes/programmes for SC/ST/Minorities/Women engaged in the sector and to suggest specific measures for their upliftment and promotion.

(xii) To make such other recommendations as are considered appropriate.

## V. Sub-Group on Meat, Poultry, Fish and Dairy

While formulating the recommendations, keeping in view the terms of reference indicated in the Order dated 8.6.2006 of the Planning Commission (Annexure-II), the suggested terms of reference for the Sub-Group are as below:

(i) Modernisation of existing abattoirs and attract investment in meat processing.

(ii) Improve the regulatory mechanism for the sub-sector including MFPO.

(iii) Synergy with MPEDA, DAH and other agencies to promote investments and safety of food.

(iv) To critically appraise the policies, programmes and achievements of meat, poultry, fish and dairy sector in relation to the production, employment (direct and indirect) and exports during the Tenth Plan period and to analyse the reasons for shortfalls, if any, and suggest appropriate remedial measures.

(v) To set out objectives and suggest schemes and programmes for the promotion of meat, poultry, fish and dairy units for their growth during the Eleventh Plan period with perspective period of 10 years.

(vi) To make estimates for plan outlays required for promotional/developmental schemes and investment required in the sector to achieve the above targets suggested for the Eleventh Plan period for production, employment and exports.

(vii) To estimate the requirements and availability of critical/scarce raw materials and other inputs and make recommendations for meeting them along with required forward and backward linkages.

(viii) To review the existing planning and monitoring mechanism at Central/State/Local levels and to recommend measures to improve the same to build up a comprehensive data base for FPI sector.

(ix) To review the growth of mother ancillary units over the Tenth Plan period and to make recommendations for the Eleventh Plan with a 10-year perspective.

(x) To identify key areas and explore ways for implementing Public-Private Partnership model in identified areas for sustainable development of sector.

(xi) To suggest measures for dispersal of FPI activities particularly in relatively backward States/Areas, hilly areas, rural areas and effective reduction of regional imbalances in

industrial growth and utilization of agricultural and horticultural products of the region.

(xii) To review the existing coverage of developmental schemes/programmes for SC/ST/Minorities/Women engaged in the sector and to suggest specific measures for their upliftment and promotion.

(xiii) To make such other recommendations as are considered appropriate.