

National Horticulture Board
Ministry of Agriculture & Farmers Welfare,
Government of India,
Plot No.85, Sector 18, Institutional Area,
Gurugram – 122 015 (Haryana)
Ph. 0124-2342992, Fax: 2342991, 2341225
Website: www.nhb.gov.in

NHB/CC/PAC Meetings/Policy Decisions/2018-19/

3959

September 01, 2018

CIRCULAR

Project Approval Committee (PAC) of National Horticulture Board in its meetings held during current financial year 2018-2019 (upto August 2018) has decided as under:-

I. PAC decision dated 07.06.2018

1. General Advisory for all the approved Projects, their bankers and NHB centres:

- a) For effective monitoring and evaluation, the lending bank should submit the quarterly report on re-payments, production /operations and profitability.
- b) Beneficiaries should
 - i. Maintain a register of visit of experts and shall submit quarterly advisory received from crop/technology/activity expert preferably from ICAR/SAU/SHU/Other bonafide organization including the action taken on his/her previous advisory.
 - ii. Submit performance of operations viz. Production, productivity in comparison to local average, state average and the best productivity in the country and global average annually to local NHB office.
 - iii. Maintain farm accounts to improve farm/infrastructure operations.

II. PAC decision dated 28.06.2018

1. New decisions/Initiatives:

- a. Crop-wise What'sapp Group may be created making all the crop specific entrepreneurs and experts (ICAR ad SAU/SHU) as members for technical advice and capacity building. **(Action: Shri Bani Singh DD NHB).**
- b. It is observed that every project is displaying the NHB support in different forms with /without NHB insignia limited to English language. Thus PAC requested DMD to prescribe uniform specification of signboard with three language formula of the state, to be displayed at project site for wider awareness about NHB and schemes among farmers. **(Action: DMD NHB).**
- c. A good quality video CD and photographs are mandatory in every project during joint inspection and re-inspection. All the photographs and CDs shall be hosted on the NHB website after SLC, IC and PAC decision. **(Action: All officers of NHB and DD[IS] NHB).**

AJ
01/09/2018

- d. Bank appraisal-Financial and Market viability: Coordination with Banks: In case of major deficiency in a bank appraisal a copy of the letter addressed to the Bank is also to be marked to concerned CMD and CVO of the lending bank.(Action: Concerned Area officers NHB).

2. **Policy decisions in Scheme matters: (Action: All officers of NHB)**

- a. **Correction in cost norms of raisin processing units-** Committee approved insertion of unit (MT) for the existing cost norms. MT capacity was not mentioned in cost norms circular No. NHB/CC/ATR-14th PAC/2010-11/250-10 AP dated 06/07.04.2011.

- b. **Period for claiming subsidy upon completion of projects:** The scheme guidelines states that claims should be submitted soon after the completion of the project. The word soon after was not defined specifically. It is noted in the discussion that there are a number of instances where entrepreneur is submitting claim after 6 or 12 months inviting suspicion. Thus to avoid suspicion PAC decided the following timelines:

i. **Period for claiming subsidy upon completion:**

1. **LOI cases:** Claims complete in all respects as per checklist should be received by NHB on or before 16th August 2018 with reasons for the delayed submission. In case of SCP, TSP and North Eastern state projects where LOI was kept open up to 31st March 2017 and NHB issued LOI or advice to file the subsidy claims, the time limit for claim submission is till 31st December 2018. The cases will be decided on merit basis on case to case. NHB shall issue acknowledgement on its receipt with date.
 2. **Non LOI registered cases:** Claims complete in all respects as per checklist should be received by NHB on or before 16th August 2018 with reasons for the delayed submission. The cases will be decided on merit basis on case to case. NHB shall issue acknowledgement on its receipt with date.
 3. **IPA cases:** Claims complete in all respects as per check list should be received within 3 months from the date of completion. NHB shall issue acknowledgement on its receipt with date.
- ii. In case any claim is incomplete the NHB official concerned shall inform the applicant by an email within 2 working days and shall update the status on website. In response if the applicant provides relevant information / document the NHB official should update the status within 2 working days.
 - iii. The applicants are responsible to ensure that their claim is complete in all respects as per checklist including the correctness and genuineness compliance to items put on query and timely submission within the prescribed time limit.
 - iv. NHB will issue notification in Hindi, English and in 22 schedule language news papers at the earliest.
 - v. Complaints / query relating to completeness of claims if any shall be received by the Area officers concerned who shall dispose of them within 7 days of such complaint.
 - vi. Subsidy approval and claim form shall be modified accordingly.
 - vii. The decision supersedes all the previous decisions on the subject with immediate effect.

Ad
04/09/2018

III. PAC decision dated 12.07.2018

Grounds for rejecting IPA/LOI:

1. The Committee has decided that in the following circumstances IPA/LOI already issued or subsidy claim received stands gets rejected and cancelled at any stage of scheme implementation, under existing NHB scheme guidelines.
 - a) Change of project land, first crop, area, bank etc. without prior intimation to NHB and lending bank before claim of subsidy.
Evidence required: Communication or documentary information either from the applicant or the Bank or from both or from any Government authority.
 - b) Proposal related to primary processing except for fruits, vegetables, flowers, and cashew processing unit as per decision taken and conveyed by DAC&FW vide circular dated 16.05.2018.
 - c) Delay in completion of the project beyond time limit prescribed in scheme guidelines.
 - d) Sanction of term loan without prior appraisal of the project by the bank. In other words bank has appraised the project after sanction of term loan.
 - e) **Land :**
 - a. The project is on a same piece of land on which a scheme's benefit has already been availed.
 - b. Land is already under mortgage to different activity.

Hence on the above circumstances based on evidence, the Center In-charge shall not conduct JIT in case of subsidy claims. Rather he/she shall serve a notice to the applicant by an email (writing to his correspondence address is desirable but not must) that why the project IPA/LOI already issued cannot be cancelled for any one or more of the above grounds found in his case, enclosing the available information in possession and ask the applicant to submit his reply within 15 days. Further he shall specify that non receipt of reply within 30 days including 15 days of grace period, will be construed as an acceptance and existence of the grounds of rejection and thus the IPA/LOI stands terminated or subsidy claim stands rejected and NHB has no liability. In case a reply is not received within 30 days, the applicant shall be informed that his / her IPA/LOI stands terminated or subsidy claim stands rejected. In cases where reply is received but is not satisfactory and could not disprove the grounds of rejection, then too the NHB State / UT unit shall inform the applicant that the IPA/LOI or subsidy claim stands rejected giving the reasons. Even if the State / Unit official fails to inform the rejection after 30 days of notice, the IPA/ LOI or subsidy claim stands cancelled/rejected. However it is mandatory on the part of NHB state/UT in charge to inform as a measure of responsive good governance.

Appellate authority in case of grievance is the concerned Area Officer / Joint Director. The concerned Area officer shall dispose of any grievance within 15 days by a speaking order by giving reasons for his / her decision.

Such rejected cases are not entitled for consideration by SLC/IC/PAC.

NHB shall adopt IT for ease of communication in the matter.

(Action: All Area Officers/Field Officers)

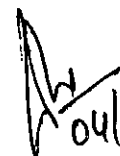
AW
04/09/2018

Clarity in Scheme Provisions:

1. **CA Store:** The very purpose of high cost CA technology is to keep up and retain quality of fruits- Apple, Pears; by subjecting them to controlled conditions, immediately / quickly after harvest and thus to ensure remunerative prices to growers and year round availability of produce to consumers. Minimum time between harvest and storage is essence of CA technology. Any delay after harvest affects the quality of fruits, defeating the very purpose of technology. Thus it is decided that henceforth, CA stores shall be considered by NHB in the production belts only. **(Action: All Area Officers/Field Officers)**
2. **Land ownership/lease:** All project land records should properly be verified/certified by NHB inspecting officer before JIT much in advance **(Action : All NHB Field Officers)**
3. **Bank Appraisal :** During JIT NHB Inspecting Officers shall visit the Bank also and properly verify the appraisal note from bank's record. They should also verify banker's signature and date along with dates of appraisal, sanction and release of term loan, during the visit to bank. **(Action : All NHB Field Officers)**
4. **JIT- photo/videography :** Every field visit should be videographed & photographed irrespective of project cost at the cost of NHB and should be uploaded online in NHB web portal within 48 hrs. All components/activities of projects should properly covered in the video and photographs from different sides/corners. In case of any delay in uploading online, the NHB official shall submit reasons for the delay. Both the bank and applicant have freedom to get videographed and photographed at their own if they so wishes. The NHB Inspecting Officer will responsible and accountable for the truthfulness and contents integrity of video and photographs. Any morphing will be view very seriously. **(Action : All NHB Field Officers/DD[IS])**
5. **Completion Certificate:** Certificate of date of start and completion of the project should be obtained from the concerned lending bank/FI and shall enclose in JIT report. **(Action : All NHB Field Officers).**

Measures to improve Scheme Implementation / decision making:

1. **Hosting minutes of SLC meetings:** Presently NHB is hosting only IC and PAC meeting minutes. Henceforth Area officers concerned are responsible to host SLC meetings. Also they take action to host all the SLC meeting minutes as well in one month time positively. **(Action: All Area Officers)**
2. **Involvement of Crop Expert in Joint Inspection Team (JIT):** Henceforth in case of Scheme No.1 -*Development of commercial Horticulture through production and post-harvest management of Horticultural crops*- crop / component expert drawn either from ICAR Institution or State Agricultural/Horticultural University/ NHB Hq approved institution shall be a part of Joint Inspection Team in addition to the existing JIT composition of NHB official, Banker and Local State Government Horticulture Dept. representative. This will not only helps in proper appraisal of project during the visit but also help both the scientist and entrepreneur. It helps the scientist to appreciate the nuances and challenges of commercial


04/09/2010

horticulture and It helps the entrepreneur to know technology gaps and advisory from the crop / component expert. Overall it helps in promoting commercial horticulture. **(Action: All Area Officers and State/UT officer in charges)**

- 3. Aadhar & NHB Scheme:** All NHB projects including Cold storage scheme should be linked with Aadhar to cross check doubling of subsidy etc. **(Action : All Area Officers/Dealing Officers/Field Officers)**

IV. PAC decision dated 08.08.2018

1. Approval of DPR Model Template for Scheme No.1: PAC dated 28th June 2018 decided that there shall be DPR model templates. Accordingly, the draft DPR Model template for Scheme No.1 was discussed at depth and approved for hosting on NHB website. MD has informed that all ICAR Institutions/NRCs/Directorates have been requested to customize the Model template into crop specific DPR Templates and all assured full cooperation. All the external members highly appreciated the NHB initiative. With one voice all noted that this will herald technological revolution in the country and will empower the applicants for adapting scientific practices and help the NHB in better decision making and thus accomplish objective (iv) of NHB- popularization of identified new technologies/tools/techniques for commercialization, adoption. Accordingly crop specific DPR Model Templates will be hosted as and when received from the ICAR institutions. As a recognition to the contribution of ICAR Institutions, it will be labelled on DPR that it is prepared in collaboration with respective institutions.

2. DPR Model Template for Scheme No.2: PAC dated 28th June 2018 decided that there shall be DPR model templates. Accordingly, the draft DPR Model template for Scheme No.2 was discussed at depth and decided that the draft shall be revised upon wider consultations with different stakeholders by DMD to be assisted by JD (VKS) and DD by 13th August 2018.

3. Prioritization of Applicants outside the SCP/TSP: Criterion among the eligible applicants/ beneficiaries:

NHB scheme guidelines clearly list out eligible beneficiaries **viz.**, "Unless otherwise specified, organizations/ promoters such as Association of Growers, Individuals, group of farmer growers/ consumers, Farmers Producer Organizations, (FPOs), Partnership/ Proprietary Firms, Self-help Groups (SHGSs), NGOs, Companies, Corporations, Cooperatives, Cooperative Marketing Federations, Agricultural Produce Marketing Committees, Marketing Boards / Committees, Municipal corporations /committees, Agro-industries Corporations, SAUs and other concerned R&D organizations are eligible to get assistance under all the NHB Schemes."

During the appraisal of projects, it is observed that there are a good number of individuals / entrepreneurs who have been benefitting from NHB schemes on regular basis by adopting a number of strategies viz., making more number of applications in same year on his/her own name and their family members and also under various forms- partnership firm, proprietor firm, company, society, etc. and by making application every year or alternate year or at regular intervals. It is observed that this amounts to concentration of public wealth in a few individuals/ individual families leading to inequality.

Handwritten signature and date:
02/9/2018

PAC examined the subject in depth and noted that NHB Scheme guidelines are silent on this aspect and thus decided to provide clarity on the issue so as to ensure that benefit of subsidy reaches to more number of beneficiaries and minimize the inequalities.

Thus the PAC adopted the following prioritization criterion in selecting eligible beneficiary and to be reviewed annually based on deprivation and balance development of all States and UTs and Social groups-SC, ST, OBC, Minorities and Women:

PRIORITIZATION OF BENEFICIARIES:

Categories of States based on 13 years subsidy release data:

| Category | Criterion Fund released in Cr Rs. | States / UTs |
|----------|-----------------------------------|---|
| A | >100 | Maharashtra (449), UP (249), Karnataka (211), Gujarat (146), Tamil Nadu (127) and Haryana (105). |
| B | 50-100 | MP (84), Punjab (75), Rajasthan (72), HP (59) |
| C | Below 50 | UK (47), JK (39), TG (36) AP (33), Odisha (33), CH (29), Kerala (29), Assam (18), WB (13), AR (5), JH (5), SK (4), BH (4), MN (3), MZ (3), NL (1.5), Tripura (1.4), Goa (0.5), Meghalaya (0.4), Delhi (15), CH (0.6), AN (0.06), DD (0.04), DNH (0), LK (0), Puducherry (0) |

Categories of Applicants:

| | |
|---|--|
| 1 | First time applicants- who have never availed the benefit under NHB or Central Scheme in the same project. |
| 2 | Applicants who have already benefitted under NHB scheme and <ul style="list-style-type: none"> a. completed 3 Years of gestation period from the date of subsidy release in the last availed project and b. the projects assisted by NHB during the last 10 years have been operationalised successfully; (CA certified Annual Statement of Accounts are to be submitted as an evidence) and c. are continue to be under his ownership and d. are not NPA. <p>But willing to take up project in C-category State.</p> |
| 3 | Applicants who have already benefitted under NHB scheme and <ul style="list-style-type: none"> a. completed 3 Years of gestation period from the date of subsidy release in the last availed project and b. the projects assisted by NHB during the last 10 years have been operationalised successfully (CA certified Annual Statement of Accounts are to be submitted as an evidence); and c. are continue to be under his ownership and d. are not NPA. <p>But willing to take up project in aspirational districts of A&B - category State.</p> |

Handwritten signature and date:
 04/09/2018

Priority in issuing IPA

1. First priority will be to consider category 1 applicants.
2. In the absence of applicants under category 1, the category 2 becomes eligible to be considered for issuing IPA subject to availability of budget. The inter-se seniority will be decided based on the number of gap years.
3. In the absence of applicants under category 1 & 2, the category 3 becomes eligible to be considered for issuing IPA subject to availability of budget. The inter-se seniority will be decided based on the number of gap years.
4. Under the design there shall be one IC/ PAC exclusively for considering these cases of applicant categories 2 & 3 at every 2 months interval.
5. **Family:** Family means husband and wife and dependent minor children. In a family only one person is eligible for benefit either in the name of individual, Group or as a partner of a partnership firm, proprietor, Board of Director of a company etc. in a three year time cycle unless otherwise become eligible at the end of the year. A beneficiary under MIDH or any Central Scheme who has availed subsidy for same project will also be treated as a beneficiary who has already benefitted under NHB scheme unless it is otherwise provided under the NHB scheme.
6. **Budgetary preference outside the SCP and TSP:** In approving the projects, given the low participation of ST, SC, OBC and Minorities in NHB schemes; the sequence of priority is (i) ST, (ii) SC and then (iii) OBC and Minorities on equal basis in the face of budgetary constraint. Within these groups women are accorded priority over men entrepreneurs. However the committee noted that currently there is no such budgetary constraint rather there are no adequate number of proposals from these deprived communities.

| Priority | Applicant category | Gestation period from the date of subsidy release in the last availed project | Eligibility State / UT Category | Meeting schedule |
|----------|--------------------------|---|---|------------------|
| 1 | 1 (First time applicant) | Not applicable | Open to all | Every month |
| 2 | 2 | >3 Years | C -Category States | Every 2 months |
| 3 | 3 | >3 Years | Aspirational Districts of A & B Category States | |

4. Proposed stages in NHB SCHEME IMPLEMENTATION for new IPA Applications of Schemes No.1 &2 during 2018-19:


- a. Currently NHB is seeking applications along with Bank sanction. In cases of rejections, the applicant is made to suffer enormously. The rejection percentage is around 30 %. Given the large percentage it is decided that NHB first approves the technology feasibility. Only upon technology feasibility approval the applicant will be asked to submit the Bank Sanction.

Aw
04/09/2018

- b. Further currently there are no set timelines for processing the NHB applications resulting in inordinate delays having an undue interest burden on the applicant making the projects unviable. Thus it is decided to have set fixed timelines.
- c. Further it is observed that to make projects more successful it is essential that the entrepreneurs should undergo a mandatory training before approvals like that of NHM of Himachal Pradesh.
- d. Considering the above and other observations and that of feedback received, PAC approved the draft circulated listing stages in the proposed NHB SCHEME IMPLEMENTATION for new IPA Applications of Schemes No.1 &2 during 2018-19.
- e. All the members appreciated the stage of Technical feasibility for improving the success rate of projects and to minimize dependence on consultants and to empower applicants of less and least benefitted states and UTs to submit applications.

All concerned may please note the above for necessary compliance.

This issues with the approval of Competent Authority of the Board.


04/09/2018

(D.K. Pal)
Dy. Director(Coord.)

Distribution:

1. All Area Officers, NHB, HQ
2. Joint Director (F&A), NHB, HQ
3. All Centre Incharge, NHB's Centres
4. All DD's/SHO's/HO's, NHB, HQ
5. DD (IS), NHB, HQ

Copy to :

PS to MD/DMD – for kind information.

National Horticulture Board
Ministry of Agriculture, Govt. of India
Plot No- 85, Sector - 18, Institutional Area
Gurgaon - 122 015 (Haryana)
Ph. 0124-2342992 Fax: 2342991, 2348313
Website: www.nhb.gov.in

No.NHB/CC/ATR-14th PAC/2010-11

850-10 AP
Circular

Apr 06, 2011

S/post 7

The Project Approval Committee (PAC) in its 14th meeting held on dated 23.03.2011 while considering the Miscellaneous Agenda Items, has decided as under:

Notification of Cost norms of Fruit Ripening Unit, Button Mushroom Production, Post Harvest Center for Floriculture Unit and Raisin Processing Unit.

Further to published cost norms for various horticulture crops/activities, the Project Approval Committee of the Board (PAC) has approved / confirmed the following Cost Norms for grant of assistance under NHB Scheme "Development of Commercial Horticulture through Production & Post Harvest Management of Horticulture crops".

1. Fruit Ripening Unit:- (For type given below – Pl. refer to Technical Standard No. . published by NHB)

- | | | |
|---|---|--------------------------|
| a. Type 1 (Standard Model) | - | Rs.1.00 lakh/MT capacity |
| b. Type 2 (Advanced Model with centralized ethylene ejection, computerized controlled with RO system) | - | Rs.1.10 lakh/MT capacity |

Note:

- (i) The above cost norms includes the cost of plastic crates @Rs.10,000/- per MT (50 crates each of 20 kg. @ Rs.200/- per crates)
- (ii) Ripening room dimension will depend on number of tiers and number of pallets to be store and on an average 11M³ per MT of banana fruits in ripening unit of 10 MT or larger capacity and 12 M³/MT for ripening unit of less than 10 MT capacity. For this purpose, volume of one chamber is taken in to account i.e. total capacity fruit ripening unit for the purpose of subsidy calculation will be sum of total capacity of all the ripening chamber.
- (iii) Chamber size should not be smaller than 50 Cu M for preventing building up of high concentration of ethylene.
- (iv) Unit to be constructed as per Technical standard approved by NHB.

AK

2. Integrated project on Button Mushroom Production:-

- i. Without Canning Line - Rs.75,000/- per MT capacity
- ii. With Canning Line - Rs.85,000/- per MT capacity

Note:-

- i) For the production of 360 tonnes of fresh button mushroom i.e. 1MT/day, the estimated requirement of built-up area is 2000 M² including corridors i.e. 5.47 M² per MT capacity. Mushroom room dimension will depend upon number of shelves in each row. This calculation is based on six shelves in each row.

3. Post Harvest Centre for Floriculture Unit:-

Cost of Setting up of Cold Room maximum up-to Rs.10.00 lakh with pack-house facility in Integrated Floriculture Units shall be considered over and above the prescribed cost ceiling given in the table below.

Post Harvest Centre:- Since flowers are extremely sensitive and vulnerable, great care should be taken during harvesting and post harvest handling to prevent from contamination. For this purpose, a post harvest center with following infrastructure shall be required.

The cost for Post Harvest Center is as under:-

| Component | Area/numbers | Cost in Rs. |
|--|--------------|---------------------|
| Cold Room able to maintain 4 -10 ⁰ C & 90% humidity made of pre-fabricated RPUF sandwich panel – 60 MM thickness with high quality CFC free refrigeration unit. Hygienic interiors. | 150 Sq. ft | Rs.650000/- |
| Packing & Grading with stone flooring and RCC roof. | 500 Sq. ft | |
| Packing & grading tables | 4 No's | |
| Bunch cutting/shredding machine & other tools | 6 No's | |
| Buckets/crates | 100 No's | |
| Insulated Panels | - | Rs. 300000/- |
| Electrification | - | Rs. 50000/- |
| TOTAL | | Rs.1000000/- |

Eligibility:-

1. Minimum two acre protected area under flowers/vegetables.
2. Admissible Over and above cost ceiling.

(Cost Norms was approved in PAC meeting held on 19.11.2010.)

Signature

B. Cost Norms for Raisin Processing Unit:-

(Approved by IC on 25.02.2011)

- Rs.40,000/- for construction of Raisin Shed only.
- Rs.50,000/- for construction of raisin shed and one of the components i.e grading machine or plastic crates.
- Rs.60,000/- for construction of shed, purchase of grading machine & plastic crates.

Note:-

- i) Production capacity and built up area – Drying shed would have capacity to dry 45 kg fresh grapes in 1 M³ area. With yield of 25%, production of raisin would be 11.25 kg per M³ of drying racks area.
- ii) Racks would be made of steel structure and the covers on top by galvanized sheet of standards quality
- iii) .Copy of Model Project Report is available on our website

Committee also was of the view that norms for Cashew Processing Unit may also be prepared in consultation with SFAC.

All concerned are requested to please note the above decisions of Competent Authority for immediate compliance.

Asykh / 07/11

For Managing Director

Distribution:

All Area Officers:- They are requested to please circulate the above decision of PAC to Centre-in-charges under their jurisdiction for compliance.

All Centre Incharge

All Sr. AD/AD/SHO/HO at Head-office

DD (F&A)- for kind information

Cc to: PS to MD for kind information

PA to AMD for kind information