

**62**

**STANDING COMMITTEE ON AGRICULTURE, ANIMAL HUSBANDRY  
AND FOOD PROCESSING**

**(2022-2023)**

**SEVENTEENTH LOK SABHA**

**MINISTRY OF FISHERIES, ANIMAL HUSBANDRY AND DAIRYING  
(DEPARTMENT OF FISHERIES)**

**'DEMANDS FOR GRANTS (2023-24)'**

**{Action-taken by the Government on the Observations/Recommendations  
contained in the Fifty-Third Report (Seventeenth Lok Sabha) of the Standing  
Committee on Agriculture, Animal Husbandry and Food Processing  
(2022-23)}**

**SIXTY-SECOND REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI  
AUGUST 2023/SHRAVANA, 1945 (SAKA)**

**SIXTY-SECOND REPORT**

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AND FOOD PROCESSING**

**(2022-2023)**

**SEVENTEENTH LOK SABHA**

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(DEPARTMENT OF FISHERIES)**

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contained in the Fifty-Third Report (Seventeenth Lok Sabha) of the Standing  
Committee on Agriculture, Animal Husbandry and Food Processing  
(2022-23)}**

Presented to Lok Sabha on 10.08.2023  
Laid on the Table of Rajya Sabha on 10.08.2023



**LOK SABHA SECRETARIAT  
NEW DELHI  
AUGUST 2023/SHRAVANA, 1945 (SAKA)**

COA No.

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<b>&lt;CONTENTS&gt;</b>	
	Page No.
<b>COMPOSITION OF THE COMMITTEE (2022-23)</b>	(iii)
<b>INTRODUCTION</b>	(v)

CHAPTER I	Report .....	
CHAPTER II	Observations/Recommendations that have been accepted by the Government	
CHAPTER III	Observations/Recommendations which the Committee do not desire to pursue in view of the Government's replies	
CHAPTER IV	Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee	
CHAPTER V	Observations/Recommendations in respect of which final replies of the Government are still awaited	

**ANNEXURE**

<b>Minutes of the 19th Sitting of the Committee held on 08.08.2023</b>	
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**APPENDIX**

Analysis of Action Taken by the Government on the Observations / Recommendations contained in the Fifty-Third Report (Seventeenth Lok Sabha) of the Standing Committee on Agriculture, Animal Husbandry and Food Processing (2022-23).	
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**COMPOSITION OF THE STANDING COMMITTEE ON AGRICULTURE, ANIMAL  
HUSBANDRY AND FOOD PROCESSING (2022-23)**

**SHRI P.C. GADDIGOUDAR- CHAIRPERSON**

**MEMBERS**

**LOK SABHA**

2. Shri Horen Sing Bey
3. Shri A. Ganeshamurthi
4. Shri Kanakmal Katara
5. Shri Abu Taher Khan
6. Shri Ram Mohan Naidu Kinjarapu
7. Shri Mohan Mandavi
8. Shri Devji Mansingram Patel
9. Smt. Sharda Anilkumar Patel
10. Shri Bheemrao Baswanthrao Patil
11. Shri Shrinivas Dadasaheb Patil
12. Shri Vinayak Bhaurao Raut
13. Shri Pocha Brahmananda Reddy
14. Shri Rajiv Pratap Rudy
15. Mohammad Sadique
16. Shri Devendra Singh *alias* Bhole Singh
17. Shri Virendra Singh
18. Shri V.K. Sreekandan
19. Shri Ram Kripal Yadav
20. VACANT<sup>#</sup>
21. VACANT<sup>\*</sup>

**RAJYA SABHA**

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

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<sup>#</sup> Vacant w.e.f. 10.10.2022 due to demise of Shri Mulayam Singh Yadav on 10.10.2022. [Bulletin-Part II, Para No. 5316 dated 14.10.2022].

<sup>\*</sup> Vacant w.e.f. 29.04.2023 due to disqualification of Shri Afzal Ansari from Lok Sabha Membership from the date of his conviction in terms of the provision of Article 102(1)(e) of the Constitution of India read with Section 8 of the Representation of the People Act, 1951[Notification No. 21/4(6)/2023/TO(B) Dated - 01.05.2023].

**SECRETARIAT**

- |    |                             |   |                      |
|----|-----------------------------|---|----------------------|
| 1. | Shri Shiv Kumar             | - | Additional Secretary |
| 2. | Shri Uttam Chand Bharadwaj  | - | Director             |
| 3. | Shri Ashwaghosh B. Lokhande | - | Executive Officer    |

## **INTRODUCTION**

I, the Chairperson, Standing Committee on Agriculture, Animal Husbandry and Food Processing (2022-23), having been authorised by the Committee to submit the Report on their behalf, present this Sixty-Second Report on Action-taken by the Government on the Observations/Recommendations contained in the Fifty-Third Report (Seventeenth Lok Sabha) of the Standing Committee on Agriculture, Animal Husbandry and Food Processing (2022-23) on 'Demands for Grants (2023-24)' pertaining to the Ministry of Fisheries, Animal Husbandry and Dairying (Department of Fisheries).

2. The Fifty-Third Report (Seventeenth Lok Sabha) of the Standing Committee on Agriculture, Animal Husbandry and Food Processing (2022-23) on 'Demands for Grants (2023-24)' pertaining to the Ministry of Fisheries, Animal Husbandry and Dairying (Department of Fisheries) was presented to Lok Sabha on 13 March, 2023 and laid on the Table of Rajya Sabha on 14 March, 2023. The Action Taken Notes on the Report were received on 22.06.2023.

3. The Report was considered and adopted by the Committee at their Sitting held on 08 August, 2023.

4. An Analysis of the Action-taken by the Government on the Observations/Recommendations contained in the Fifty-Third Report (Seventeenth Lok Sabha) of the Committee is given in **Appendix**.

**NEW DELHI;**  
**08 August, 2023**  
**17 Shravana, 1945(Saka)**

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

## CHAPTER-I REPORT

This Report of the Standing Committee on Agriculture, Animal Husbandry and Food Processing deals with the Action Taken by the Government on the Observations/Recommendations contained in the Fifty-Third Report (Seventeenth Lok Sabha) of the Standing Committee on Agriculture, Animal Husbandry and Food Processing (2022-23) on Demands for Grants (2023-24) of the Ministry of Fisheries, Animal Husbandry and Dairying (Department of Fisheries) which was presented to Lok Sabha and laid on the Table of Rajya Sabha on 13<sup>th</sup> March 2023.

1.2 The Ministry of Fisheries, Animal Husbandry and Dairying (Department of Fisheries) have furnished Action Taken Replies in respect of all the 11 Observations/Recommendations contained in the Report. These Replies have been scrutinised and categorised as under:-

- |   |                         |
|---|-------------------------|
| (i) Observations/Recommendations that have been accepted by the Government:<br>Recommendation Para Nos.1, 3, 4, 7, 8, 10, 11                            | Total 07<br>Chapter-II  |
| (ii) Observations/Recommendations which the Committee do not desire to pursue in view of the Government's replies:<br>Recommendation Para No. 2, 5, 9   | Total 03<br>Chapter-III |
| (iii) Observations/Recommendations in respect of which Replies of the Government have not been accepted by the Committee:<br>Recommendation Para Nos. 6 | Total 01<br>Chapter-IV  |
| (iv) Observations/Recommendations in respect of which final replies of the Government are still awaited:<br>Recommendation Para No. Nil                 | Total 0<br>Chapter-V    |



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

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

**ALLOCATION AT REVISED ESTIMATES STAGE.  
(RECOMMENDATION PARA NO.1)**

1.5 The Committee had observed/recommended:-

The Committee have been informed that the Department has an outstanding carry forward liability of Rs. 2647.53 Crore as on 31<sup>st</sup> January, 2023 on account of projects already approved during the financial years 2020-21, 2021-22 and 2022-23. The Committee note that even with such a substantial carry forward liability, during the financial year 2022-23, the Revised Estimates (RE) of the Department has been reduced to Rs. 1624.18 Crore from Rs 2118.47 Crore at BE stage. Apart from this the RE under the Pradhan Mantri Matsya Sampada Yojana (PMMSY) has also been reduced to Rs. 1410 Crore from Rs. 1879 Crore. The Committee are of the view that reduction in the funds allocated at RE stage needs to be addressed keeping in view the carry forward liability of the Department on account of Projects already approved.

2. The Committee have been apprised that due to change in financial system with regard to release of funds for central schemes and due to the creation of Single Nodal Agency (SNA), there has been some delay in acquiring utilisation certificates from States and as a result there has been less expenditure during the years 2021-23. The Committee are of the opinion that the Department should

take up the issue with States/UTs and devise a mechanism to remove the difficulties/hurdles that States/UTs might have been facing while adhering to the guidelines of the new Financial System/SNA. The Committee are also of the opinion that the Department should facilitate the liquidation of pending Utilisation Certificates so that next instalment could be released seamlessly to optimise funds utilisation. The Committee also desire that once this SNA system is streamlined and becomes synchronised with the financial system, adequate additional funds be sanctioned and released to clear all the outstanding carry forward liability on account of the already sanctioned projects.

1.6 In its Action Taken Reply, the Department has submitted:-

The recommendation of the committee is noted for strict compliance. Training on SNA relates procedures have been imparted to States/UTs and Implementing Agencies. The progress of expenditures out of SNA account are being continuously and closely monitored and necessary guidance is being given from time to time to increase pace of utilization of funds. Specific targets on monthly basis have been fixed with respect to expenditures which will enable the Department to release further installments in time. Plan has been prepared to utilize entire budgeted amount of Rs. 2000 Crore during this FY and also to ask for additional funds during RE.

**1.7 The Committee had raised concerns with respect to Single Nodal Agency Account, Liquidation of pending Utilization Certificates and release of adequate additional funds to clear all the outstanding carry forward liability, once the SNA system is streamlined. In addition, the Committee had also expressed their concern regarding the reduction in the funds allocated to the Department at RE Stage even when the Department has a carry forward liability of Rs 2647.53 Crore on account of projects already sanctioned during the financial years 2020-21, 2021-22 and 2022-23. The Department in its reply is however silent on the same. The Committee, therefore, reiterates that the reduction in the funds allocated to the Department at RE Stage should be addressed to keeping in view the carry forward liability of the Department.**

## **EXPENDITURE BY THE DEPARTMENT.**

### **(RECOMMENDATION PARA NO.2)**

1.8 The Committee had observed/recommended:-

The Committee observe that the expenditure made by the Department during the financial year 2022-23 is Rs. 322.97 Crore as against the allocated amount of Rs. 1624.18 Crore at BE Stage. The Committee have been informed that the pace of expenditure has been slow because of slow utilization by States/UTs due to their limited capacity to absorb the funds and the change in financial system w.r.t release of funds for Central Schemes.

The Committee have been informed by the Department that the State/UTs Fisheries Departments generally start compiling proposals from the districts in 1<sup>st</sup> quarter and after scrutiny during the 2<sup>nd</sup> quarter, same are submitted to Department of Fisheries. Further, the Department processes the proposals for approval during the 3<sup>rd</sup> quarter and thus the States have only the last quarter to implement the projects. In addition, the implementation of Projects in the Fishery Sector is a seasonal activity, which starts post monsoon only.

Considering the above constraints, the Committee recommend that the Department should coordinate with the Ministry of Finance for the relaxation of the fund release guidelines specifically for the Fishery Sector since most of the activities are undertaken after the monsoon only. The Committee also suggest that if need be, the earlier system of release of funds on basis of 50:50 in two instalments may be considered, so that optimum level of utilisation of funds may take place. The Committee would like to be apprised of steps taken by the Department in this regard.

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

The observation and recommendation of the committee has been forwarded to Department of Expenditure Ministry of Finance vide letter of even number dated 23<sup>rd</sup> May, 2023, for their consideration and Department of Fisheries also pursuing the matter with Department of Expenditure for positive consideration in this regard.

**1.10** The Committee had recommended that the Department should coordinate with the Ministry of Finance for the relaxation of the fund release guidelines specifically for the Fishery Sector since most of its activities are undertaken after the monsoon only and also suggested that if need be, the earlier system of release of funds on basis of 50:50 in two instalments may be considered. The Department in its reply has stated that it has forwarded the observation of the Committee to the Department of Expenditure, Ministry of Finance *vide* letter of even number dated 23<sup>rd</sup> May, 2023, for its consideration. Though the Committee appreciate the effort made by the Department in writing to the Department of Expenditure conveying the observation of the Committee, however, at the same time, the Committee would further like to be apprised of the matter as and when the comments/reply of the Ministry of Finance is received.

## **BUDGETARY PLANNING**

### **(RECOMMENDATION PARA NO 3)**

**1.11** The Committee had observed/recommended:-

The Committee note that the proportion of Budgetary Allocation made in favour of the Department of Fisheries out of the total Budget of Government of India at Revised Estimates Stage for the financial years 2021-22 and 2022-23 has been 0.04 percent. In the current financial year also the percentage outlay of Fisheries Sector is 0.04 percent on an average basis at BE Stage. The Committee have been informed that Fisheries Sector contributes around 6.7 percent to the total Agriculture Gross Value Added (GVA) and around 1.24 percent to the National GVA of the country. Further, the contribution of the exports of Fish and Fisheries Products in overall exports of the country is nearly 2%.The Committee, therefore, recommend that the Department should vigorously pursue with the Ministry of Finance so as to increase the Budgetary Outlay of the Department in accordance with the fishery sector's contribution to the National GVA. The Committee think that this could bring a huge change in the production in Fisheries Sector, both Marine and Inland and will, in turn, help to boost the exports and employment.

1.12 In its Action Taken Reply, the Department has submitted:-

The recommendation of the committee is noted for strict compliance. Department of Fisheries is continuously pursuing with Ministry of Finance and will seek additional funds in the Revised Estimate for the year 2023-24.

**1.13 Acknowledging the contribution of Fisheries Sector, which is around 6.7 percent to the total Agriculture Gross Value Added (GVA) and around 1.24 percent to the National GVA of the country along with its contribution of 2% to overall exports of the country, the Committee had recommended that the Department should vigorously pursue with the Ministry of Finance so as to increase the Budgetary Outlay of the Department in accordance with the Fishery Sector's contribution. However, the Department in its reply has stated that they are pursuing with the Ministry of Finance and will seek additional funds in the Revised Estimates and are silent on the issue of enhancing the Budgetary Outlay commensurate with its contribution to the National GVA. The Committee, therefore, reiterates their earlier concern and urge the Department that they should strive hard to get increased the Budgetary Outlay of the Department in consonance with the Fishing Sector's contribution to National GVA.**

#### **EXPENDITURE UNDER SCHEDULED CASTE SUB PLAN (SCSP).**

##### **(RECOMMENDATION PARA NO 6)**

1.14 The Committee had observed/recommended:-

The Committee note that the Government has made provision of funds for implementation of Scheduled Caste Sub Plan (SCSP) under various Schemes/Programmes. The Committee notice that during the financial year 2021-22, out of the total funds allocated to States/UTs under SCSP component of PMMSY, funds to the tune of Rs 20.35 Crore have been surrendered by the Department due to less or no proposals being received from the States/UTs. Further, during the FY 2022-23 only Rs. 12.30 Crore have been utilised by the Department till 10.02.2023, which is only 5.19 percent of the allocated amount.

The Committee observe that the funds allocated to SCSP have remained under utilised by the Department during the current financial year 2022-23. The Committee acknowledge that the proposals under the SCSP are being forwarded by the States/UTs and urge the Department to take measures in coordination and cooperation with the concerned States/UT to raise awareness level regarding the benefits of the Programme/Scheme meant for Scheduled Caste and strive hard toward ensuring that all the funds allocated under the SCSP component are being utilised seamlessly and completely. Further, the States/UTs should be encouraged/pursued or incentivised to send proposals under the SCSP so that the vision/mission of the plan/scheme is achieved and the benefits reach the Scheduled Caste Population of the Country. The Committee would also like to know about the overall progress achieved by the Department w.r.t Cage Fishing in rivers and canals of Punjab, and especially by the Scheduled Caste fishermen.

1.15 In its Action Taken Reply, the Department has submitted:-

During 2022-23, an amount of Rs. 313 crore was allocated to Scheduled Caste Sub Plan beneficiaries being 16.6% of total allocation under PMMSY 2022-23. This figure got reduced to Rs. 216.43 Crore because overall fund availability got reduced to Rs. 1290 Crore during final RE. Out of the earmarked amount of Rs. 216.43 crore, a sum of Rs. 189.83 crore have been released to all the state/UTs and other implementing agencies, representing 87% of the final allocated amount. Further, at present there is no project operational in Punjab in respect of Cage Fishing in rivers and Canals. State Government of Punjab has been asked to send the proposals for cage fishing by SC fishers under PMMSY.

**1.16 The Committee noted that complete utilization of funds allocated for various Schemes/Programmes under the Schedules Castes Sub Plan (SCSP) component of Pradhan Mantri Matsya Sampada Yojana (PMMSY) was pivotal in achieving the well being of the Scheduled Castes population and alleviating their socio-economic and educational status. However, the reply of the Department that during the FY 2022-23, out of the earmarked amount of Rs. 216.43 Crore, a**

sum of Rs. 189.83 Crore has been released to all the state/UTs and other implementing agencies, representing 87% of the finally allocated amount does not seem very encouraging. The Committee, therefore, reiterate their earlier recommendation and urges the Department to take effective measures and oversee that the funds allocated under the SCSP at Budgetary Estimates do not remain underutilized or are surrendered.

## CHAPTER - II

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

- A. Overall Analysis of Demands for Grants 2023-24.  
1. ALLOCATION AT REVISED ESTIMATES STAGE.

The Committee have been informed that the Department has an outstanding carry forward liability of Rs. 2647.53 Crore as on 31<sup>st</sup> January, 2023 on account of projects already approved during the financial years 2020-21, 2021-22 and 2022-23. The Committee note that even with such a substantial carry forward liability, during the financial year 2022-23, the Revised Estimates (RE) of the Department has been reduced to Rs. 1624.18 Crore from Rs 2118.47 Crore at BE stage. Apart from this the RE under the Pradhan Mantri Matsya Sampada Yojana (PMMSY) has also been reduced to Rs. 1410 Crore from Rs. 1879 Crore.

The Committee are of the view that reduction in the funds allocated at RE stage needs to be addressed keeping in view the carry forward liability of the Department on account of Projects already approved.

The Committee have been apprised that due to change in financial system with regard to release of funds for central schemes and due to the creation of Single Nodal Agency (SNA), there has been some delay in acquiring utilisation certificates from States and as a result there has been less expenditure during the years 2021-23. The Committee are of the opinion that the Department should take up the issue with States/UTs and devise a mechanism to remove the difficulties/hurdles that States/UTs might have been facing while adhering to the guidelines of the new Financial System/SNA. The Committee are also of the opinion that the Department should facilitate the liquidation of pending Utilisation Certificates so that next instalment could be released seamlessly to optimise funds utilisation. The Committee also desire that once this SNA system is streamlined and becomes synchronised with the financial system, adequate additional funds be sanctioned and released to clear all the outstanding carry forward liability on account of the already sanctioned projects.



## **REPLY OF THE GOVERNMENT**

The recommendation of the committee is noted for strict compliance. Training on SNA relates procedures have been imparted to States/UTs and Implementing Agencies. The progress of expenditures out of SNA account are being continuously and closely monitored and necessary guidance is being given from time to time to increase pace of utilization of funds. Specific targets on monthly basis have been fixed with respect to expenditures which will enable the Department to release further installments in time. Plan has been prepared to utilize entire budgeted amount of Rs. 2000 Crore during this FY and also to ask for additional funds during RE.

Ministry of Fisheries, Animal Husbandry and Dairying  
(Department of Fisheries)  
OM No. J-23011/1/2023-Fy (E-21738) dated 22<sup>nd</sup> June, 2023

### **Comments of the Committee**

For comments of the Committee please refer to Para No.1.7 of Chapter I of this Report.

### **3. BUDGETARY PLANNING**

The Committee note that the proportion of Budgetary Allocation made in favour of the Department of Fisheries out of the total Budget of Government of India at Revised Estimates Stage for the financial years 2021-22 and 2022-23 has been 0.04 percent. In the current financial year also the percentage outlay of Fisheries Sector is 0.04 percent on an average basis at BE Stage. The Committee have been informed that Fisheries Sector contributes around 6.7 percent to the total Agriculture Gross Value Added (GVA) and around 1.24 percent to the National GVA of the country. Further, the contribution of the exports of Fish and Fisheries Products in overall exports of the country is nearly 2%.The Committee, therefore, recommend that the Department should vigorously pursue with the Ministry of Finance so as to increase the Budgetary Outlay of the Department in accordance with the fishery sector's contribution to the National GVA. The Committee think

**that this could bring a huge change in the production in Fisheries Sector, both Marine and Inland and will, in turn, help to boost the exports and employment.**

## **REPLY OF THE GOVERNMENT**

The recommendation of the committee is noted for strict compliance. Department of Fisheries is continuously pursuing with Ministry of Finance and will seek additional funds in the Revised Estimate for the year 2023-24.

Ministry of Fisheries, Animal Husbandry and Dairying  
(Department of Fisheries)  
OM No. J-23011/1/2023-Fy (E-21738) dated 22<sup>nd</sup> June, 2023

### **Comments of the Committee**

For comments of the Committee please refer to Para No.1.13 of Chapter I of this Report.

#### **4. BUDGET AND CASH MANAGEMENT SCHEME**

The Committee note that during the FY 2022-23, the Actual Expenditure of the Department as on 13.02.2023 was Rs 322.97 Crore as against the RE of Rs 1624.18 for the same financial year. In percentage terms, the Actual Expenditure incurred by the Department for all the four quarters comes to 3.47%,3.64%, 7.89% and 4.87% respectively.

The Committee have been informed that the Quarterly Expenditure Plan/Monthly Expenditure Plan (QEP/MEP) stipulated in the Detailed Demands for Grants directs expenditure of 25% of total expenditure in each quarter. Further, *para IV* of the Guidelines for expenditure control laid down by the Department of Economic Affairs (DEA) *vide* OM No. F.No 12(13)-B (W&M)/2020 dated 25<sup>th</sup> May, 2022 States that “no more than 33% and 15% of expenditure of the Budget estimates during the financial year shall be permissible in the last quarter and last month of the financial year, respectively”.

**The Committee, therefore, observe that the expenditure of allocated funds at present by the Department is not in accordance with the guidelines enumerated under the Quarterly Expenditure/Monthly Expenditure Plan and the expenditure control guidelines of the Department of Economic Affairs. The Committee, therefore, recommend that the Department should first accord attention to optimum fund utilization with utmost coordination with all the stake holders to clear the already carry forward liability of Projects sanctioned in preceding years and at the same time strive to adhere gradually to the guidelines of QEP/MEP so that the expenditure is evenly spread over the duration of the financial year and the implementation of various Schemes/projects of the Fishery Sector are not hampered.**

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

The recommendation of the committee is noted for strict compliance. Department is making sincere efforts in adhering to the quarterly and monthly expenditure progress targets as stipulated in the Detailed Demands for Grants -2023-24.

For 2022-23 the total expenditure incurred was Rs. 1365.24 Crore as against RE of Rs. 1624.18 Crore: expenditure in March, 2023 alone was Rs. 1040.44 crore. This bunching of expenditure happened because the States/UTs could clear their earlier balance during this month only making them eligible for further release. However, Department is already taking efforts to rectify this problem: quarterly and monthly expenditure targets has been fixed for each state/UT. Annual action plan (AAP) for 2023-24 has been prepared and intimated to states. 24 States/UTs out of a total of 36 have already given their Annual Action Plans and the AAPs have been appraised. Action is being taken to approve all AAPs by before 15<sup>th</sup> July. Respective divisions have been given targets and have been asked to monitor its achievements.

Department has also started the practice of appraising new Action plan/projects without waiting for utilization of funds already released. Concerned divisions have been tasked with coordinating with respective states for smooth implementation of sanctioned projects and with review of progress on monthly basis. The Department expects that with these steps, the expenditure will be evenly spread and sufficient funds will be made available to clear the carry over liability and also to meet the need for funds for 2023-24 Action Plan.

## **7. EXPORTS**

The Committee note that Fisheries Sector plays an important role in the National economy with a contribution of 6.7 % in Agricultural Gross Value Added (GVA), 1.24 % in total national GVA and nearly 2 % in overall exports of the country. The Committee have been informed that frozen shrimp constitutes a major item of export in terms of quantity and value accounting to almost 53.18 % of the Fishery Exports. To further enhance the export volume and competitiveness of shrimps, import duty is being reduced on key inputs required for domestic manufacture of shrimp feed such as fish meal (15% to 5%), Krill Meal (15% to 5%) and Alga Prime (Flour) (30% to 15%). The Committee have further been informed that a variety of plant and animal feedstuffs are used in shrimp feed and the major component of protein shrimp diet are wheat flour (35%), soybean meal (20%) and fishmeal (25%) which constitutes almost 80% of shrimp feed. The Committee observe that soybean meal comprises 20% of the shrimp feed and presently the duty levied on it is 30%. The Committee, therefore, recommend that the Department should explore the possibility of reducing GST/import duty on soybean meal to bring down the price of shrimp feed, thereby enhancing export volume and competitiveness of shrimps and achieving the target of 1 lakh Crore of exports by the year 2024-25 ssunder the Pradhan Mantri Matsya Sampada Yojana (PMMSY). The Committee would like to be apprised of the steps taken by the Department in this regard.

## **REPLY OF THE GOVERNMENT**

The recommendation of the committee is noted for strict compliance. Considering the importance of soybean seed/soybean meal in the manufacturing of shrimp/fish seed in India, Department of Fisheries during May 2021 had taken up the matter with Department of Commerce and had already recommended for allowing duty free import of Soyabean seed/Soyabean meal and for taking other necessary measures to address the issue regarding

price hike and availability of the Soaybean seed/Soyabean meal. Department will take up the matter with Department of Commerce again based on advisory of the committee.

In addition, it is submitted that the Government has permitted import of Soya de oiled cake (Non-Food) obtained from Genetically Modified (GM) Soya Seed based on request of DAHD as animal feed is also dependent on availability and price of soya flour, under chapter 23 of ITC (HS) code 2304.0020-oil cake of Soyabean, solvent ex-tracted (defatted) variety and 23040030-Meal of Soyabean, solvent extracted(defatted) variety subject to payment of existing duty tariff and other applicable taxes. Department will take up the matter for further reduction in duty.

Ministry of Fisheries, Animal Husbandry and Dairying  
(Department of Fisheries)

OM No. J-23011/1/2023-Fy (E-21738) dated 22<sup>nd</sup> June, 2023

#### **8. KISAN CREDIT CARDS (KCC)**

**The Committee note that a total number of 1,27,445 Kisan Credit Cards have been sanctioned to Fish Farmers. The Committee have been informed that individuals involved exclusively in allied activities such as Fish Vending, Fish Drying, and Marketing, etc. are not being considered for issuance of KCC. The Committee have also been informed that the new sub scheme announced in the current year's budget viz the Pradhan Mantri Matsya Kisan Samridhi Sah-Yojana (PM-MKSSY) with a corpus fund of Rs. 6000 Crore intends to facilitate access to institutional credit so that people who are in the allied sector such as fish drying and fish vending, who are fishermen but not covered under the Kisan Credit Card are also extended the benefits of KCC. This Committee had earlier in their 39<sup>th</sup> DFG Report (2022-23)recommended that Allied activities in fishery sector should be included for the issuance of Kisan Credit Cards and therefore appreciates this endeavor of the Government. The Committee also observe that a substantial number of KCC applications have been rejected from States/UTs for various reasons and therefore recommend that the Department take concrete steps in coordination with States/UTs in addressing these issues effectively so that the benefits of KCC are availed by the poor needy Fishermen.**

## **REPLY OF THE GOVERNMENT**

It is submitted that as per RBI guidelines issued on 04/02/2019 and modified on 18/05/2022, only fishers and fish farmers are eligible for KCC. Therefore, the department will facilitate access to institutional credit of persons engaged in occupations allied to fisheries sector such as fish drying and fish vending under PMMKSSY. The department has taken note of KCC applications being rejected by banks and accordingly, in association with DAHD & Department of Financial Service has been organizing 'Nationwide FAHD-KCC Campaign' throughout the country. The campaign ran from 15/11/21 to 31/03/22 and again from 15/09/22 to 31/03/23. During this Campaign, District level KCC Camps were organized on weekly basis by KCC Coordination Committee coordinated by Lead District Manager (LDM) for on-the-spot scrutiny of applications and for quick sanction. The said campaign has been re-launched from 1<sup>st</sup> May, 2023 to 31<sup>st</sup> March, 2024. In addition, the department has been creating awareness about the KCC scheme among the fishers/fish farmers in its awareness programs. Further, the fisheries departments/directorates of all the States/UTs, have been asked to translate all the important guidelines and eligibility criteria related to the KCC into regional languages and to circulate among all the fishers and fish farmers through pamphlets, banners etc.

Ministry of Fisheries, Animal Husbandry and Dairying  
(Department of Fisheries)

OM No. J-23011/1/2023-Fy (E-21738) dated 22<sup>nd</sup> June, 2023

### **B. SCHEME-WISE ANALYSIS**

#### **10. PRADHAN MANTRI MATSYA SAMPADA YOJANA (PMMSY)**

The Committee note that Pradhan Mantri Matsya Sampada Yojana is the Flagship Scheme of the Department and almost 85 percent of the total Budgetary Allocation of the Department is being shared by PMMSY. The Committee notice that during the financial year 2022-23, the Department has utilized Rs. 118.49 Crore under the PMMSY against the sanctioned allocation of Rs. 1410 Crore. The Committee also note that out of the many interventions that PMMSY aims to undertake, improving Post-Harvest Infrastructure like establishment of Fishing

**Harbours/Fish Landing Centres and enhancing contribution to Agriculture Gross Value Added (GVA) and Exports are significant so as to achieve the target of Fish Production to 22 MMT and Rs1 Lakh Crore exports of Fishery Products by the year 2024-25. The Committee have been informed that to achieve these targets various activities are being promoted under PMMSY. However, the Committee observe that the performance in achieving these targets needs to be relooked afresh as only 52 Ha. of land has been under brackish water aquaculture against the target of 1300 Ha during the FY 2022-23. Further, the number of new fishing harbours/fish landing centres developed during the FY 2020-21 and 2021-22 has been nil with only 03 having been developed during the current financial year 2022-23. The Committee, therefore, recommend that the Department must take concrete measures to achieve these targets in a time bound manner.**

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

During 2022-23 department utilized Rs. 1172 Crore out of Rs. 1290 Crore sanctioned under final RE (during 2020-21 to 2022-23) under PMMSY representing 91% of the sanctioned funds. The department has sanctioned 43 no. of projects for development/expansion/modernization of Fishing Harbour/Fish Landing Centres with central assistance of Rs. 973.326 crore. These projects are at various stages and once completed will result in reduction of post-harvest losses, in improvement of price realization to fishers and in improving export competitiveness as the importing countries take note of such infrastructure. Regarding expansion of fisheries output fish production increased from 14.7 Million ton in 2020-21 to 16.2 Million ton in 2021-22 and is expected to reach 17.54 million ton in 2022-23 as per preliminary estimates, showing in CAGR of 8%. Various initiatives in PMMSY are aiding this growth and if the same CAGR is maintained for next two years, it is possible to achieve 22 million ton by end of 2024-25. Regarding expansion of Brackish water aquaculture which is crucial growth of exports (as 40.98 % of exports constitute farmed shrimp), the Department has set a target of bringing additional (2.02 lakh HA) of area under Brackish water aquaculture and set individual targets for each coastal state/UT. States have also been advised to take funding from PMMSY if necessary for expansion of Brackish water aquaculture. In

addition, department in coordination with Department of Commerce is trying to expand export markets, to get the non-tariff barriers removed and to increase the percentage of value addition so as to achieve export target of 1 lakh crore. To increase share of value addition, processing sector is being encouraged to expand through PMMSY and scheme of MoFPI & MPEDA.

Ministry of Fisheries, Animal Husbandry and Dairying  
(Department of Fisheries)

OM No. J-23011/1/2023-Fy (E-21738) dated 22<sup>nd</sup> June, 2023

#### **11. RESERVING OF DAMS/WATER BODIES FOR FISHERMEN COOPERATIVES.**

The Committee note that harnessing of fisheries potential in a sustainable, responsible inclusive and equitable manner and emphasis on Social, Physical and Economic Security for Fishers and Fish Farmers are some of the important aims of Pradhan Mantri Matsya Sampada Yojana (PMMSY). The Committee have been informed that the Department of Fisheries is laying a lot emphasis on the development of Fishery Cooperatives and have also issued an advisory to State Governments to ensure that water bodies are given to Cooperative Societies on lease. The Committee have also been informed that dam is a State Subject and many States have a policy that bigger dams may be given to the cooperatives as their first choice and if no cooperatives are available then they are given to private persons. The Committee, therefore, recommend that to ensure the well being and economic security of all those fishermen communities (SC/ST, Koli, Bhoi etc.), who have been residing alongside rivers on which big or small dams have been constructed and who have been fishing in those rivers traditionally for generations should be encouraged and assisted to form Fishermen Cooperatives so that they can lease big/small dams and water bodies to undertake fishing/fish farming activities and thereby earn meaningful livelihood. The Department may take necessary measures in this regard and the Committee may also be apprised of the progress achieved by the Department on this count.



## **REPLY OF THE GOVERNMENT**

The Department has noted the observation of the Standing Committee and has advised all concerned state/UT Governments to take necessary measures to ensure the well being and economic security of all those fishermen communities (SC/ST , Koli , Bhoi etc.) who have been residing alongside rivers on which big or small dams have been constructed and who have been fishing in those rivers traditionally for generations by encouraging them and assisting them to form Fishermen Cooperatives so that they can take on lease big/small dams and water bodies to undertake fishing/fish farming activities in a profitable manner. Department has also taken up the tasks of developing 2000 existing fishermen cooperatives into FFPOs at a total outlay of Rs. 451 crores under PMMSY. In addition, department is taking up river ranching and stocking of reservoirs under PMMSY to improve yield for these fishermen. Under the scheme of Ministry of Cooperation to form fishermen cooperatives in areas having large water bodies, the department has planned to form 12000 new cooperatives which will help improving the livelihood of fishers living along the rivers/water bodies.

Ministry of Fisheries, Animal Husbandry and Dairying  
(Department of Fisheries)

OM No. J-23011/1/2023-Fy (E-21738) dated 22<sup>nd</sup> June, 2023

## CHAPTER - III

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

#### 2. EXPENDITURE BY THE DEPARTMENT

The Committee observe that the expenditure made by the Department during the financial year 2022-23 is Rs. 322.97 Crore as against the allocated amount of Rs. 1624.18 Crore at BE Stage. The Committee have been informed that the pace of expenditure has been slow because of slow utilization by States/UTs due to their limited capacity to absorb the funds and the change in financial system w.r.t release of funds for Central Schemes.

The Committee have been informed by the Department that the State/UTs Fisheries Departments generally start compiling proposals from the districts in 1<sup>st</sup> quarter and after scrutiny during the 2<sup>nd</sup> quarter, same are submitted to Department of Fisheries. Further, the Department processes the proposals for approval during the 3<sup>rd</sup> quarter and thus the States have only the last quarter to implement the projects. In addition, the implementation of Projects in the Fishery Sector is a seasonal activity, which starts post monsoon only.

Considering the above constraints, the Committee recommend that the Department should coordinate with the Ministry of Finance for the relaxation of the fund release guidelines specifically for the Fishery Sector since most of the activities are undertaken after the monsoon only. The Committee also suggest that if need be, the earlier system of release of funds on basis of 50:50 in two instalments may be considered, so that optimum level of utilisation of funds may take place. The Committee would like to be apprised of steps taken by the Department in this regard.

#### REPLY OF THE GOVERNMENT

The observation and recommendation of the committee has been forwarded to Department of Expenditure Ministry of Finance vide letter of even number dated 23<sup>rd</sup> May, 2023,

for their consideration and Department of Fisheries also pursuing the matter with Department of Expenditure for positive consideration in this regard.

Ministry of Fisheries, Animal Husbandry and Dairying  
(Department of Fisheries)  
OM No. J-23011/1/2023-Fy (E-21738) dated 22<sup>nd</sup> June, 2023

### **Comments of the Committee**

For comments of the Committee please refer to Para No.1.10 of Chapter I of this Report.

#### **5. STATUS OF UTILIZATION CERTIFICATES**

The Committee note that during the FY 2021-22, the pending Utilization Certificates from all the States/UTs increased to Rs. 570.79 Crore as compared to Rs. 136.17 Crore in FY 2020-21. The Committee have been informed that the Pradhan Mantri Matsya Sampada Yojana scheme was introduced in 2020-21, however, actual release of funds started in last quarter and again funds allocated during the year 2021-22 were released to respective states/UTs, which are also included in the figures of unspent balances indicated in the year 2021-22. It is also informed that most of the activities under PMMSY are infrastructure based seasonal activities which take time for grounding and the release of State's share of funds in time is one of the major limitation for grounding of the Schemes/Projects.

The Committee observe that the Department has a total carry forward pending liability of Rs. 2647.53 Crore on account of Projects already approved during the previous financial years, which will be released based on the submission of Utilisation Certificates by the concerned States/UTs. The Committee, therefore, recommend the Department to take concrete steps and liaise with the States/UTs and pursue them to liquidate the Utilisation Certificates at the earliest so that the pending liability on account of already approved Projects also gets reduced and the Schemes/Projects are completed well in time.

## REPLY OF THE GOVERNMENT

Department of Fisheries is continuously and closely monitoring utilization of the funds already released so as to ensure their utilization within the stipulated time frame and to ensure that the schemes/projects are completed in time. To this effect, department has tasked the respective division to liaise closely with State/UTs, to sort out issues if any, to train them on SNA procedures and to monitor progress of expenditures on weekly basis.

Ministry of Fisheries, Animal Husbandry and Dairying  
(Department of Fisheries)

OM No. J-23011/1/2023-Fy (E-21738) dated 22<sup>nd</sup> June, 2023

### 9. **CENTRAL INSTITUTE OF FISHERIES NAUTICAL AND ENGINEERING TRAINING (CIFNET)**

The Committee note that with the Introduction of sophisticated Deep Sea Fishing Vessels in Indian Fishery Sector, there is a great demand for qualified and certificated personnel for manning them. Central Institute of Fisheries Nautical and Engineering Training (CIFNET) is the only national institute in the country to meet the training requirements of such technical and certificated personnel. The Institute also focuses on skill development and training of fishermen in deep sea fishing. The committee have been informed that the country has an estimated harvestable potential of 5.31 Million Metric Tonnes (MMT) in its Exclusive Economic Zones (EEZ) which includes deep sea resources of 3.30 MMT and Government of India is responsible for the development and regulation of fisheries in the EEZ waters between 12 and 200 Nautical Miles. The Committee find that almost 50% of the Administrative/Technical/Scientific posts in CIFNET are lying vacant and many posts have been abolished because they were not filled up for a long time, though the Department is pursuing with the Department of Expenditure for revival of such abolished posts. Keeping in view the huge harvestable deep sea potential of the EEZ, the Committee observe that the vacant posts in an important institute such as CIFNET bestowed with the responsibility of providing training for deep sea fishing is antithetical to its

**purpose and therefore recommend that the Department should take measures to fill up the vacant posts of CIFNET at the earliest.**

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

Out of 279 sanctioned posts of CIFNET, 143 are currently filled up, 30 have been sent to UPSC & SSC for filling up, 61 sent to DoE for revival and action is being taken to revive the remaining further posts.

In last two years, 39 no. of posts of CIFNET have been filled up through UPSC & SSC. Department will take steps to get all necessary posts filled up in consultation with UPSC, SSC, DoPT & DoE.

Ministry of Fisheries, Animal Husbandry and Dairying  
(Department of Fisheries)  
OM No. J-23011/1/2023-Fy (E-21738) dated 22<sup>nd</sup> June, 2023

## CHAPTER - IV

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

#### 6. EXPENDITURE UNDER SCHEDULED CASTE SUB PLAN (SCSP)

The Committee note that the Government has made provision of funds for implementation of Scheduled Caste Sub Plan (SCSP) under various Schemes/Programmes. The Committee notice that during the financial year 2021-22, out of the total funds allocated to States/UTs under SCSP component of PMMSY, funds to the tune of Rs 20.35 Crore have been surrendered by the Department due to less or no proposals being received from the States/UTs. Further, during the FY 2022-23 only Rs. 12.30 Crore have been utilised by the Department till 10.02.2023, which is only 5.19 percent of the allocated amount.

The Committee observe that the funds allocated to SCSP have remained under utilised by the Department during the current financial year 2022-23. The Committee acknowledge that the proposals under the SCSP are being forwarded by the States/UTs and urge the Department to take measures in coordination and cooperation with the concerned States/UT to raise awareness level regarding the benefits of the Programme/Scheme meant for Scheduled Caste and strive hard toward ensuring that all the funds allocated under the SCSP component are being utilised seamlessly and completely. Further, the States/UTs should be encouraged/pursued or incentivised to send proposals under the SCSP so that the vision/mission of the plan/scheme is achieved and the benefits reach the Scheduled Caste Population of the Country. The Committee would also like to know about the overall progress achieved by the Department w.r.t Cage Fishing in rivers and canals of Punjab, and especially by the Scheduled Caste fishermen.

#### REPLY OF THE GOVERNMENT

During 2022-23, an amount of Rs. 313 crore was allocated to Scheduled Caste Sub Plan beneficiaries being 16.6% of total allocation under PMMSY 2022-23. This figure got

reduced to Rs. 216.43 Crore because overall fund availability got reduced to Rs. 1290 Crore during final RE. Out of the earmarked amount of Rs. 216.43 Crore, a sum of Rs. 189.83 crore have been released to all the State/UTs and other implementing agencies, representing 87% of the final allocated amount. Further, at present there is no project operational in Punjab in respect of Cage Fishing in rivers and Canals. State Government of Punjab has been asked to send the proposals for cage fishing by SC fishers under PMMSY.

Ministry of Fisheries, Animal Husbandry and Dairying  
(Department of Fisheries)  
OM No. J-23011/1/2023-Fy (E-21738) dated 22<sup>nd</sup> June, 2023

**Comments of the Committee**

For comments of the Committee please refer to Para No.1.16 of Chapter I of this Report.

**CHAPTER - V**

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

**NIL**

**NEW DELHI;  
08 August, 2023  
17 Sravana, 1945 (Saka)**

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



**ANNEXURE**

**STANDING COMMITTEE ON AGRICULTURE, ANIMAL HUSBANDRY AND FOOD  
PROCESSING BRANCH**

**(2022-23)**

**MINUTES OF THE NINETEENTH SITTING OF THE COMMITTEE**

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*The Committee sat on Tuesday, the 08 August, 2023 from 1500 hrs. to 1530 hrs. in Hon'ble Chairperson's Chamber, Room No. 103, 1st Floor, Block - B, PHA Extn., New Delhi.*

**PRESENT**

*Shri P.C. Gaddigoudar, Chairperson*

**MEMBERS**

**LOK SABHA**

2. Shri A. Ganeshamurthi
3. Shri Mohan Mandavi
4. Shri Devji Mansingram Patel
5. Smt. Sharda Anilkumar Patel
6. Shri Bheemrao Baswanthrao Patil
7. Shri Shrinivas Dadasaheb Patil
8. Mohammad Sadique
9. Shri Devendra Singh *alias* Bhole Singh
10. Shri Virendra Singh
11. Shri V.K. Sreekandan

**RAJYA SABHA**

12. Smt. Ramilaben Becharbhai Bara
13. Shri Masthan Rao Beeda
14. Dr. Anil Sukhdeorao Bonde
15. Shri Kailash Soni
16. Shri Ram Nath Thakur
17. Shri Vaiko

## SECRETARIAT

- |    |                            |   |                      |
|----|----------------------------|---|----------------------|
| 1. | Shri Shiv Kumar            | - | Additional Secretary |
| 2. | Shri Uttam Chand Bharadwaj | - | Director             |
| 3. | Shri Prem Ranjan           | - | Deputy Secretary     |
| 4. | Shri N. Amarathiagan       | - | Under Secretary      |

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

\*(i) XXXX                      XXXX                      XXXX                      XXXX;

\*(ii) XXXX                      XXXX                      XXXX                      XXXX;

(iii) Draft Action Taken Report on Action-taken by the Government on the Observations / Recommendations contained in the Fifty-Third Report of the Committee on 'Demands for Grants (2023-24)', pertaining to the Ministry of Fisheries, Animal Husbandry and Dairying (Department of Fisheries);

\*(iv) XXXX                      XXXX                      XXXX                      XXXX;

\*(v) XXXX                      XXXX                      XXXX                      XXXX;

\*(vi) XXXX                      XXXX                      XXXX                      XXXX;

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

**The Committee then adjourned.**

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**\* Matter not related to this Report.**

## APPENDIX - I

*(Vide Para 4 of Introduction of the Report)*

### ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON THE FIFTY-THIRD REPORT OF STANDING COMMITTEE ON AGRICULTURE, ANIMAL HUSBANDRY AND FOOD PROCESSING (2022-23) (17<sup>TH</sup> LOK SABHA)

(i)	Total number of Recommendations	11
(ii)	Observations/ Recommendations that have been Accepted by the Government Para Nos. 1,3,4,7,8,10 and 11 Total	07
	Percentage	63.63%
(iii)	Observations/ Recommendations which the Committee do not desire to pursue in view of the Government's replies Para Nos. 2, 5 and 9 Total	03
	Percentage	27.27%
(iv)	Observations/ Recommendations in respect of which replies of the Government have not been accepted by the Committee Para No. 6 Total	01
	Percentage	09.09%
(v)	Observations/ Recommendations in respect of which Final replies of the Government are still awaited Para No. NIL Total	00
	Percentage	00.00%