- (ख) यदि हो, तो क्या सरकार ने इस सम्बन्ध में कोई योजना तैयार की है; ग्रीर
- (ग) यदि हां, तो तत्सम्बन्धी ब्यौरा क्या है ?

संसदीय कार्य तथा निर्माण और झावास संबी (भी मीष्म नाराण सिंह) : (क) जी, हां।

(ख) भौर (ग) . सरकार ने पहले ही नई दिल्ली में उन देशमक्तों की याद में शहीद स्मारक स्थापित करने का फैसला किया है जिन्होंने 1857 से 1947 की अविध के दौरान स्वतंत्रता संग्राम में शहीद हुए। यह स्मारक विल्गंडन कीर्सेंट, नई दिल्ली के पास इसके लिए चुने गए स्थल पर शीध्र ही बनाया जायगा।

Drinking Water for Bundelkhand Region of U.P.

8926. SHRI RAM NATH DUBEY: Will the Minister of WORKS AND HOUSING be pleased to state:

- (a) whether Government are aware of the acute scarcity of drinking water in a large number of villages in the Bundelkhand region of Uttar Pradesh, particularly during the ensuing summer season;
- (b) if so, what steps are being taken by Government to meet the demand of the people for drinking water; and
- (c) the amount earmarket to solve the problem urgently?

THE MINISTER OF PARLIAMEN I-ARY AFFAIRS AND WORKS AND HOUSING (SHRI BHISHMA NARAIN SINGH) (a): Yes, Sir.

(b) The State Govt. has reported that 1237 problem villages have been covered with drinking water supply up to 31-3-1980. According to the proposals of the State Govt. another 139 villages would be covered with water supply during 1980-81, and yet another 180 villages during 1981-82.

(c) The State Government proposes to spend Rs. 276 lakhs during 1981-82 on Rural Water Supply Schemes.

Dr. S. R. Sen's Committee on Cost of Cultivation Estimates

8927. SHRI BALASAHEB VIKHE PATIL: Will the Minster of AGRICULTURE be pleased to state:

- (a) the recommendations of Dr. S. R. Sen's Committee on cost of cultivation estimates;
- (b) whether Government have examined their implications; and
- (c) if so, the action taken or proposed to be taken by Government thereon?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND RURAL RECONSRUCTION (SHRI R. V SWAMINATHAN): (a) The recommendations made by the Special Expert Committee on Cost of Production Estimates (Dr. S. R. Sen's Committee) are given in the Annexure.

(b) and (c). On some of the recommendations of the Committee, action has been initiated, while other recommendations are under consideration of the Government.

Recommendations of the Special Expert Committee on Cost of Production Estimates

Design of study

- 1. Keeping the limitations of the existing scheme in view, a modified sampling design has been recommended.
- 2. The new series of studies may be undertaken statewise, as at present. The basis of sampling will now be a crop-complex so that the sample is representative of a group of crops rather than a single crop.
- 3. There will be no increase in sample size.
- The same villages/clusters will be kept under survey for a period of three years.

5. In cases when some minor/localised crops or varieties of crops raised in small areas do not find adequate representation in the sample it will be necessary to supplement the existing sample.

Arrangements for processing/analysis of data

- 6. The processing of basic data for generating cost estimates will be the responsibility of the Directorate of Economics sand Statistics whereas the implementing agencies and other research organisations may undertake studies on farm business and input-output analysis based on the data collected in the scheme.
- 7. All the data received by the Directorate will be transferred on magnetic tapes. Cost estimates will be derived as per scheme at Appendix III, index numbers will be computed as scheme at Section VII and the results will be communicated to the Agricultural Prices Commission. Simultaneously, the Directorate should publish a report giving the summary tables and mail copies of the same to all implementing agencies. The implementing agencies will also be supplied with a copy of the computer listing as is done presently.
- 8. The implementing agency will undertake the input-output analysis in depth and bring out annual reports giving an agreed minimum analysis.
- 9. All the data on tapes shall be available to any research workers or research institution for further research.
- 10. The work may be assigned to an autonomous all-India Institute (like the Central Agricultural Economic Research Institute under consideration in the I.C.A.R.) with this scheme as the nucleus, if the suggested arrangements do not bring about the desired improvements.
- 11. Annual workshops consisting of officers-in-charges of the scheme, the officers of the Directorate of Economic

and Statistics and Agricultural Prices
Commission should be held regularly.

Cost concepts.

- 12. The hired human labour—attached or casual—be charged at the actual paid-out cost.
- 13. The cost of family labour may continue to be imputed at the wage rate of the attached farm labour whenever sufficient and reliable data for the latter are available. In other cases, cost family labour may imputed on the basis of the wage rate for casual labour obtaining during the period of operation. Whenever family labour does any skilled job like a tractor driver, the ruling wages of the latter may be taken into account but only for the hours or days for which such skilled work is undertaken.
- 14. A weighted average interest rate from various sources, institutional and non-institutional obtained from the survey data itself may be used for working out interest on owned fixed capital. The weighting diagram should be based on source-wise loans taken by the sample cultivators. The weighting diagram may be revised every five years or so.
- 15. A similar exercise may be undertaken to compute the interest on working capital by taking a weighted averge rate based on the short term bans taken by the sample farmers.
- 16. Regarding the period for which the interest on working capital should be charged, a weighted average period, taking value of inputs used during different months as weights, be computed from the survey data for such crop separately and interest be charged accordingly.
- 17. The rent on owned land should be computed on the basis of market rents. In cases where renting is not very common, data on actual rents paid by other cultivators in the sample village/cluster may be used and, if necessary, the schedules may be suitably modified to collect this information. In cases where this is not adequate, a

five year average of the actual rents may be taken for this purpose.

Written Answers

- 18. The actual time spent on managerial function may be evaluated family labour rates. If actual expenses incurred are added, it will approximate total expenses on managerial function. A factor K, as a ratio of such managerial expenses to Cost A1 may be used as a proxy for allocating the total managerial expenses between enterprises.
- 19. No allowance may be added to the total cost on account of risk and uncertainly as these are supposed to be covered by profit.
- 20. All joint costs may be allocated on the basis of use, where it is not posible to determine the use-time, the cost may be allocated on the basis of value of gross produce.
- 21. Rents should be allocated proportion to the value of gross output of each crop to the value of the total gross output of all the crops raised, where these are not specified for each crop separately.
- 22. In case of mixed crops, while the indentifiable direct costs should be charged to the concerned crop. joint costs may be apportioned between them on the basis of the proportionate contribution to the aggregate value of gross output made by each of the mixed crops.
- 23. The proportionate method of allocation of costs between the main product and by product be followed.
- 24. Transport and marketing charges form part of distribution costs and not of cost of production.
- 25. It may be useful to estimate for analytical purpose alternative costs, after subjecting the actuals to statutory limits regarding wages, rent and interest as may be in force.
- 26. The following classification of costs be adopted.
- Cost A: All actual expenses in cash and kind incurred in production by owner operator.

- Cost A1+rent paid for leased-in-Cost A2 land.
- Cost At+interest on value of Cost B: awned capital assets (excluding land).
- Cost B1+rental value of owned Cost B2 land (net of the land revenue) and rent paid for leased in land.
- Cost B1+imputed value of family Cost CI labour.
- Cost C2 Cost B2+imputed value of family labour.

Arrangements for reducing delays

- 27. The ratio of 10:1 between the sample farmers and fieldmen is reasonable. However, in areas where terrain is difficult, distances are long and communication and transport poor, appropriate adjustments may be made.
- 28. The Committee recommends holding cluster approach. A village will be selected in the manner the nucleus village is being selected at present. A second or a third village may be added only if the total number of holdings in that village is less than 200.
- 29. A bicycle may be provided to the fieldmen or an appropiriate cycle allawance be ranted in all cases where the coverage is spread over more than one village.
- 30. There should be one field supervisor for every five fieldmen.
- 31. There should be one computer for every fifty sample farmers.
- 32. The analytical unit at the centre may be adequately strengthened to cope with the enlarged coverage expedit iously.
- 33. The concurrence of the State Government need not be sought while finalising cost estimates.

Advance estimates of costs

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- 34. The Committee recommends the generation of advance estimates of costs.
- 35. Attempt can be made to generate absolute cost estimates on the basis of current data.
- 36. For constructing the index numbers, a three year based period, appropriately chosen, will be better than a single year based period. This period may be uniform for all the crops.
- 37. The three year period, 1975-76 to 1977-78, may be taken as the base period. This may be revised every five years or so in the light of changing technology and changing economic structure.
- 38. For the present, it should be enough to prepare index numbers for the principal crops for which there is currently a felt need.
- 39. In view of the difficulties in using the absolute cost estimates as a guide for price fixation, annual, State-wise and all-India index numbers of Cost A1 and Cost C2 may be prepared. The former may be replaced by the later as and when available.
- 40. The index number of Cost A1 may be applied to the average harvest price for the base year of the relevant crop for computing "extrapolated prices" at the first instance. This may be replaced by "extrapolated prices" based on index number of Cost C2, when available.
- 41. The following index numbers may also be constructed.
- (1) Index number of physical quantities of inputs used.
- (2) Index number of physical quantities of output.
- (3) Index number of prices paid for materials and labour used.
- (4) Index number of prices received.
- (5) Index number of gross value of output.

- (8) Index number of Cost A1 and Cost C2 (advance and final estimates).
- (7) Index number of farm business income.
- 42. The index number series may be published regularly.

Coverage

43. There should not be any further extension of territorial coverage of the scheme for the present.

Parity index

- 44. It is desirable to construct parity index of prices paid and prices receiceived by the farmers. The index should be used to keep an overall watch on the income terms of trade between the agricultural and industrial sectors.
- 45. To begin with, the parity index may be based on the index of prices received and the index of prices paid for production inputs.
- 46. The index of Cost A1 should provide a reasonable proxy for the basic purpose for which the parity index has to be kept in view.
- 47. The Committee does not favour any mechanical application of parity formula for price fixation.

Production cost estimates and administered prices

- 48. The Committee does not favour any automatic or mechanical use of the cost data in the fixation of prices.
- 49. The procurement price may be fixed around the "extrapolated price".
- 50. The support price may be normally fixed at a level somewhat below, say, the three year moving average of the "extrapolated price".
- 51. A maximum price, if necessary, may be fixed at a similar level, higher than the "extrapolated price".