

**ESTIMATES COMMITTEE
(1962-63)**

SEVENTH REPORT

(THIRD LOK SABHA)

**MINISTRY OF FOOD AND AGRICULTURE
(Department of Food)**

Action taken by Government on the recommendations contained in the Hundred and Twenty-Sixth and Hundred and Twenty-Seventh Reports of the Estimates Committee (Second Lok Sabha) on the Ministry of Food and Agriculture

- (1) Department of Food**
- (2) Directorate of Sugar and Vanaspati and National Sugar Institute, Kanpur.**



**LOK SABHA SECRETARIAT
NEW DELHI**

December, 1962/Agrahayana, 1884 (Saka)

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ESTIMATES COMMITTEE

1962-63

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*Elected *w.e.f.* 15th November 1962, *vice* late Shri B. J. Singh.

**Elected *w. e. f.* 18th August, 1962 *vice* Shri Shivram Rango Rane resigned.

INTRODUCTION

I, the Chairman of the Estimates Committee, having been authorised by the Committee, present this Seventh Report on action taken by Government on the recommendations contained in the Hundred and Twenty-sixth and Hundred and Twenty-seventh Reports (Second Lok Sabha) of the Estimates Committee on the Ministry of Food & Agriculture (i) Department of Food; and (ii) Directorate of Sugar and Vanaspati and National Sugar Institute, Kanpur, respectively.

2. The Hundred and Twenty-sixth and Hundred and Twenty-seventh Reports of the Estimates Committee were presented to the Lok Sabha on 7th April 1961 and 12th April 1961 respectively. Government furnished their replies indicating action taken or proposed on the recommendations contained in the Hundred and Twenty-sixth Report between the 26th October, 1961 and the 23rd February, 1962. They furnished their replies in respect of recommendations contained in the Hundred and Twenty-seventh Report between the 17th October, 1961 and 17th February, 1962. These replies were considered by the Study Group 'E' of the Estimates Committee on the 26th March, 1962 who desired further information to be called from Government on certain points arising out of their replies. Further information received in respect of those points was considered by the Study Group 'D' of the Estimates Committee on the 29th August, 1962. The draft Report on action taken on all the recommendations contained in the Hundred and Twenty-Sixth and Hundred and Twenty-Seventh Reports was considered by the Study Group on the 6th September, 1962. The draft Report was adopted by the Committee on the 10th December, 1962.

3. The Report has been divided into the following four Chapters:

I. Report

II. Recommendations that have been fully accepted by Government.

III. Replies of Government that have been accepted by the Committee.

IV. Replies of Government that have not been accepted by the Committee.

4. An analysis of the action taken by Government on the recommendations contained in the Hundred and Twenty-Sixth and Hundred and Twenty-Seventh Reports (Second Lok Sabha) of the Estimates Committee is given in Appendix VII. It would be observed

therefrom that out of 47 recommendations made in the Hundred and Twenty-Sixth Report, 29 recommendations i.e. 61·7 per cent have been fully accepted by Government while 3 recommendations i.e. 6·4 per cent have been partly accepted. Of the rest, replies of Government to 10 recommendations i.e. 21·3 per cent have been accepted by the Committee, while those in respect of 5 recommendations i.e. 10·6 per cent have not been accepted by the Committee. As regards the Hundred and Twenty-Seventh Report, out of 53 recommendations made therein, 38 recommendations i.e. 71·7 per cent have been fully accepted by Government, while 4 recommendations i.e. 7·5 per cent have been partly accepted. Of the rest, replies of Government to 9 recommendations i.e. 17 per cent have been accepted by the Committee, while those in respect of 2 recommendations i.e. 3·8 per cent have not been accepted by the Committee.

NEW DELHI—I,
 December 14, 1962
 Agra-hayana 23, 1884 (Saka)

H. C. DASAPPA,
 Chairman,
 Estimates Committee.

C H A P T E R I

I. HUNDRED AND TWENTY-SIXTH REPORT

The Estimates Committee are glad to state that the points brought out in their Hundred and Twenty-sixth Report (Second Lok Sabha) on the Ministry of Food and Agriculture (Department of Food) have been replied to by Government generally to their satisfaction. There are, however, five recommendations replies to which have not been accepted by the Committee and which have been commented upon in Chapter IV of this Report.

II. HUNDRED AND TWENTY-SEVENTH REPORT

The Estimates Committee are glad to state that the points brought out in their Hundred and Twenty-seventh Report (Second Lok Sabha) on the Ministry of Food and Agriculture (Department of Food)—Directorate of Sugar and Vanaspati and National Sugar Institute, Kanpur, have been replied to by Government generally to their satisfaction. There are, however, two recommendations replies to which have not been accepted by the Committee and which have been commented upon in Chapter IV of this Report.

CHAPTER II

RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY GOVERNMENT.

Serial No. (as in Appendix to the Report.)	Reference of Paragraph No. of the Report	Summary of Recommendation/Conclusion.	Reply of the Government.
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2 1—*Hundred and Twenty-sixth Report on Department of Food.*

The Committee suggest that: in view of the reduction in the internal procurement work, Government may examine the need for the existence of two separate posts *viz.* Director (Procurement) and Under Secretary (Procurement) and other staff for handling procurement work in the Secretariat of the Department and effect economy.

The Action has already been taken to re-distribute the work connected with procurement and a separate post of Under Secretary (Procurement) has been abolished. All policy matters concerning procurement are now being dealt with by one of the existing Under Secretaries (Policy). The field work is being supervised by the Director (Procurement). The Under Secy. (Administration) —I now deals also with administration matters concerning the procurement units.

[*Ministry of F & A (Department of Food) O.M. No. 2(88) 61-62/BFC. I dt. 26-10-61*]

- 6 16 The Committee are surprised to find that out of 851 watchmen and 122 stitchers in the office of Regional Director (Food), Western Region, Bombay, as many as 351 and 53 respectively were recruited when they had exceeded the normal age limit for entry into Govt. service. The Committee were informed by the Ministry that prior to 1957, Deptt. of Food functioned as a temporary department and it had not prescribed rules for recruitment to the various categories of posts. Further, there was no definite bar to the appointment of persons who were above 25 years of age so long as the Deptt. of Food was a purely temporary department. The Committee are of the view that it should have been possible to frame the rules of recruitment earlier so as to afford necessary guidance in the matter to the subordinate appointing authorities.
- 8 21 The Committee feel that the problem of achieving self-sufficiency in foodgrains is not incapable of solution, for India has potentially rich physical resources to which must be added human ingenuity and effort.
- 9 22 The Committee feel that the problem of family planning no less than that of food production
- The remarks of the Estimates Committee have been noted. The Recruitment Rules were notified on 6th September, 1960.
- [Ministry of F & A (Department of Food) O.M. No. 2(88) 61/62/BFC I dt. 26-10-61.]
- The Third Plan has been formulated with the aim of achieving self-sufficiency in foodgrains by the end of the Plan period 1965-66.
- [Ministry of F & A (Department of Food) O. M. No. 2(88) 61-62/BFC I dt. 26-10-61]
- The matter was taken up with the Ministry of Health whose remarks together with a note on

should constitute a key programme for the Third and subsequent Five Year Plans.

family planning programme received therewith are contained in the Annexure (Appendix I)

[*Ministry of F & A (Department of Food) O.M. No. 2(88) 61-62/BFC I dt. 26-10-61*]

24

The Committee have every hope that the quantum of foodgrains to be kept in the buffer stock would be determined most carefully in the light of past experience and having regard to the trends of indigenous production and requirements.

The size of the reserve stock has necessarily to be related to a number of factors like the magnitude of the variations in production from year to year, the inflationary pressures in the economy due to the stepping of the development outlay, the available storage capacity and the likely turnover of stocks. It has been the experience that vagaries of the weather could bring about a variation in production of as much as 10%. Considering this and the increase in incomes and increase in population, it was decided to build up a reserve stock of 5 million tons of foodgrains, consisting of 4 million tons of wheat and one million tons of rice. It is appreciated that when internal production goes up, difficulties in the turnover of such a big reserve may manifest themselves. It is, therefore, necessary to take a pragmatic view of the size of the reserve stock to be built up. Govt. will continue to examine the position of production trends and requirements. The

have not been confirmed. In their view, if trading in foodgrains is taken up by a State, it ought not in any case be used as a means of making profit.

The attention of the State Government has again been invited to this recommendation.

[*Ministry of F & A (Department of Food) O.M. No. 2(88) 61-62/BFC I dt. 26-10-61*]

17 The Committee consider that it would be desirable for the Central Government to keep themselves informed of the results of State Trading.

A circular letter inviting the attention of the State Governments to the recommendation of the Estimates Committee has been issued on 30th May, 1961, and they have been requested to supply complete information about the profits made or losses incurred in connexion with the Procurement operations undertaken by them for each year commencing from 1958-59.

[*Ministry of F & A (Department of Food) O.M. No. 2(88) 61-62/BFC I dt. 26-10-61*]

18 It is obvious that licensing by itself is of little value unless the conditions of licence are enforced. The importance of checking and analysing the returns of stocks which are submitted by wholesalers and millers to the respective State Governments cannot be over-emphasised.

The suggestion of the Committee has been forwarded to the State Governments, *vide* copy of the circular letter attached. (Appendix II)

[*Ministry of F & A (Department of Food) O.M. No. 2(88) 61-62/BFC I dt. 26-10-61*]

4. The Committee are of the view that co-operative societies, gram panchayats, wherever they are efficient, should be given preference for running fair price shops. They suggest that the Government of India may commend this principle to the State Governments.

46 The Committee suggest that the number of Fair Price Shops Inspectors employed under the Regional Directors (Food) may be reduced further, in accordance with the decision of the Govt. taken in April, 1959 that the inspection carried out by the Regional Directors should be in the nature of test inspection.

[Further information called for by the Committee].

Final position may kindly be intimated to the Committee.

[L.S.S. O.M. No. 32(1)61 EC dated 3-3-1962]

The suggestion is being commended to the State Governments.

[Ministry of F & A (Department of Food) O.M. No. 2(88) 61-62/BFC I dt. 26-10-61]

The recommendation is being examined in detail and the final position will be intimated to the Estimates Committee later.

[Ministry of F & A (Dept. of Food) O.M. No. 2(88) 61-62/BFC I dated 26-10-61].

The organisation for test inspection of Fair Price Shops has been reviewed in the light of the Estimates Committee's recommendations and the following steps are being taken with a view to rationalization and economy:—

- (i) The number of posts of Fair Price Shop Inspector in the Western Region will be reduced by 13.
- (ii) The number of posts of Fair Price Shop Inspector in the Northern Region will be reduced by 7.
- (iii) There are at present no arrangements for test inspection of Fair Price Shops in

the Southern Region. It is proposed to set up a small organisation with the minimum number of staff in this Region.

(iv) The feasibility of reducing a few more posts in the Northern Region will be examined.

(v) A study will be made shortly of the actual requirements of staff for test inspection in certain areas of the Eastern Region where a preliminary review has indicated that it may be feasible to effect some reduction in the posts of Fair Price Shops Inspector. This study will be carried out shortly and reduction of posts effected wherever feasible.

[Ministry of F & A (Deptt. of Food) O.M. No. 2(88) 61-62/BFC I dated 10-5-1962].

22 48 The Committee suggest that Government may ensure that the price lists of articles with sealed samples are duly displayed by fair price shops.

It is believed that in most of the States this is already being done. The State Govts. have been advised to bring this recommendation of the Committee to the notice of all concerned and to take necessary steps to ensure that this is invariably done by all fair price shops selling foodgrains issued from Government stocks.

[Ministry of F & A (Department of Food) O.M. No. 2(88) 61-62/BFC I dt. 26-10-61].

- 23 53 The Committee suggest that the desirability of carrying out tests on landing of imported foodgrains in India to make sure that the nutritional value is intact and has not been adversely affected either by long storage in exporting countries or transit may be examined.
- 25 55 The Committee are surprised to find that it takes a total period of 2 to 3 months after the unloading of foodgrains from steamer to complete inspection of its quality, coordinate the results and to arrive at necessary decision. There is consequential delay in lodging of claims as also in the disposal of damaged foodgrains. The Committee suggest that Government may take immediate steps to expedite the process of inspection.
- 26 56 It is obvious that the delay in reaching decision about the disposal of damaged foodgrains is apt to result in their further deterioration and consequent depression in price. The Committee consider it unfortunate that long delays should have been allowed to occur in the disposal of damaged foodgrains in the cases referred to in para 56. The Committee recommend that if the system of rate running contractors which is being introduced by the Department at Bombay, is found to be successful, it may be extended to other places.
- Tests on nutritional value are carried out by laboratories of repute in the exporting country. Carrying out of such tests needs elaborate laboratory facilities. These are now being made available so that the tests may be repeated in India, as desired, by the Estimates Committee.
- [Ministry of F & A (Department of Food) O.M. No. 2(88) 61-62/BFC I dt. 26-10-61].
- Necessary steps have been taken and the period has been reduced to 4—6 weeks.
- [Ministry of F & A (Department of Food) O.M. No. 2(88) 61-62/BFC I dated 26-10-61].
- The delay in the disposal of damaged foodgrains has occurred primarily on account of our anxiety to prevent adulteration of foodgrains for human consumption with the damaged foodgrains. We have, therefore, been offering the damaged foodgrains to Government Farms first and on their refusal to other *bona fide* consumers. On occasions, the offers have been extraordinarily low and the grains have had to be put up to successive tender/auctions. This process has naturally been time consuming.

2. Owing to larger imports and the utilisation of tankers, the quantities of damaged grains have gone up. Our procedures have been reviewed and we have taken steps to decentralise the disposal with a view to expedite it. Regional laboratories have now been set up in three of the regions, so that the damaged grains can be categorised locally (except those chemically contaminated). It will no longer be necessary to send samples for analysis to Delhi. Regional Director (Food), have also been authorised to form teams of local officers to inspect the damaged grain and to decide about its disposal. The damaged grains will now be offered simultaneously to Government Farms and for tenders and if no bids are received repeatedly, the RDFs will have the discretion to dump the damaged stocks.

3. The rate running contract has not yet been finalized at Bombay. After gaining some experience at Bombay, the question of extending it to other parts will be considered.

[Ministry of F & A (Department of Food) O.M., No. 2(88) 61-62/BFC I dated 26-10-61].

30 64 The Committee would suggest that effective measures may be taken to improve the movement of foodgrains from Vizagapatnam.

3. The Railways have sometimes not found it possible to provide the required number of wagons for daily clearance of the agreed figure of 1000 tons. The reasons have been as follows:—

(a) Open or damaged wagons used for mineral ore export from Vizag. are not suitable for foodgrains.

(b) Perishables, like mangoes during the seasons enjoy the highest priority; and

(c) This line is liable to breaches and interruption of traffic during the rains.

4. Attempts are being made to increase storage capacity at Vizag. so that stocks can be held there when movement is slowed down. The Movement Directorate keeps continuously in touch with the Railway Board for sufficient supply of wagons. On rare occasions of needs, foodgrains have been moved by coastal shipping.

5. The recommendation of the committee has been brought to the notice of the Railway Board.

[Ministry of F. & A. (Department of Food) O.M.
No. 2(88)/61-62/BFC I dt. 26-10-61].

68 There has to be intimate co-relationship between the quantum of foodgrains required for buffer stock, the need for its disposition in various parts of the country and the storage accommodation required for this purpose. In this context, the Committee would like to refer to the following observations of the Foodgrains Enquiry Committee (1957) :—

“Reserve stocks.....should be maintained at certain special points. In our view, these points in order of preference should be (a) ports and metropolitan areas, (b) chronically deficit areas (c) areas generally affected by floods and drought and (d) important centres from the point of view of transport”.

The Committee hope that all such points will be taken into account by the Government in deciding its storage programme.

71 The Committee recommend that the long term requirements should be fully taken into account in determining the size and nature of storage/handling facilities to be provided in the silos. The Committee further suggest that the desirability of making provision for equipping the Silo-cum-elevators with permanent built-in-temperature indicating apparatus for facilitating supervision of grain storage may also be examined.

Points mentioned by the Foodgrains Enquiry Committee have been kept in view in deciding the centres for construction of godowns. Additional centres will also be decided with due regard to those points.

[Ministry of F. and A. (Department of Food) O. M. No. 2(88)/61-62/BFCl, dated 26-10-61].

The long term requirements relating to the size and handling facilities for the silos have been kept in view. Silo-cum-elevators erected at Hapur and Calcutta have been provided with bulk handling equipment, aeration, weighing and bagging facilities and facilities for quick loading and unloading of grain. All these silos have been provided with permanent built-in temperature indicators. These observations will also be borne in mind in the future construction programme of silos and other bulk storage.

[Ministry of F. and A. (Department of Food) O.M. No. 2(88)/61-62/BFCl, dated 26-10-61].

35 The Committee suggest that Government may consider the possibility of raising the stacks, wherever possible to 20 bags as is stated to be the practice in sugar factories. Further, the standard fixed in respect of height of government godowns may be reviewed giving due consideration to all the relevant factors such as additional cost, storage accommodation, arrangements required for stacking etc.

Instructions were issued about a year ago to raise the height of stack of 20 bags in the case of wheat. These have already been implemented in a large number of cases wherever possible.

2. Two difficulties have stood in the way in following this practice at all places :

- (a) The low ceilings, and
- (b) The unwillingness of labour.

In the case of several private godowns, particularly the Jute Mills, the ceilings are low, often not exceeding 15' in height. A twenty bags stack stands 15-1/2' high. It would require at least 4' to 5' of space on top of the stack for convenience of operations. In the case of Government godowns on the basis of 15' high stacking the wall height was previously fixed at 17'. We are now stacking upto 18 high. It is not possible to go any higher. After going into the question of the comparative additional costs for higher walls and savings by high stackings, it has now been decided to raise the walls to 20' height. In the newer government godowns, 20 high stacking is being enforced.

3. The unwillingness of labour can be attributed to two reasons—

- (i) Slower turnover as you go up higher and
- (ii) Physical incapacity to carry such heavy loads so high which is more pronounced in some parts of the country than in others.

It has now been decided to ask for rates for stacking into slabs upto 16 and from 17 to 20 and the form of tender is being revised accordingly.

[*Ministry of Food and Agriculture (Department of Food) O.M. No. 2(88)/61-62/BFCI, dated 26-10-61.*]

36

During their visit to the Food Department storage godowns at Sewri, the Study Group of the Committee noticed that in two instances the entries in the Stack Card regarding the date of arrival of foodgrains in godowns had not been correctly made. As such records are of vital importance, the Committee recommend that Government may take necessary steps to ensure that there is no slackness in the maintenance of stack cards in storage godowns.

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The Committee consider that foodgrains storage godowns should be subjected to strict sanitation laws and inspections and suggest that suitable instructions should issue in the matter.

73

Necessary instructions have been issued.

[*Ministry of F. & A. (Department of Food) O.M. No. 2(88)/61-62/BFCI dt. 26-10-61.*]

- 98 The Committee consider that it would be useful if a brief mention of the programme of work of the Grain Storage Research and Training Centre, Hapur and the progress made by it during the year is made in the Annual Report of the Ministry of Food and Agriculture—Department of Food.
- 74 This will be done when the next report is prepared. [Ministry of F. & A. (Department of Food) O.M. No. 2(88)/61-62/BFCI dt. 26-10-61].
- 39 The Committee consider that it might be useful if a short course on methods of preservation of foodgrains is introduced in agricultural colleges and included in the syllabus for agricultural graduates. They suggest that the feasibility of this proposal may be examined.
- 77 This suggestion has been taken up with the Ministry of Scientific Research which deals with technical education including agricultural education. [Ministry of F. & A. (Deptt. of Food) O.M. No. 2(88)/61-62/HCFI dated 26-10-61.]
- [Further information called for by the Committee.]
- Action taken by the Ministry of Scientific Research and Cultural Affairs on this suggestion may be stated.
- (L.S.S. O.M. No. 32(1)61/EC dated 3-3-1961)
- The I.C.A.E. Ad-hoc Committee for revision of syllabus for degree courses in Agriculture, in the meeting on the 7th August, 1961 observed that training in the subject has already been included in the approved syllabi. The Committee further suggested that short courses could also be organised in the Agricultural Colleges in the same way as the courses on extension and refresher courses in several subjects which are being conducted on the lines sponsored by the I.C.A.E. Extension Directorate.

The Department of Agriculture of the Ministry of F. & A. could sponsor such short courses, select colleges where such courses should be instituted and render the necessary assistance for this purpose.

[Ministry of F. & A. (Deptt. of Food) O.M. No. 2(88) 61-62/BFCI dated 10-5-1962].

The observations of the Committee are noted.

[Ministry of F. & A. (Department of Food) O.M.No. 2(88)/61-62/BFCI dated 26-10-61.]

The Committee suggest that Government may take necessary steps to see that the two units one each at Bombay and Madras which are being set up for the production of edible groundnut flour start functioning very early and that simultaneously effective publicity is done amongst the consumers to encourage consumption of such subsidiary foods.

The Committee suggest that Government may consider the desirability of carrying out further detailed experiments on the suitability of the use of rubber cones in the rice mills in India for shelling the different varieties grown in different areas and publicise the results for the information of all concerned.

The Committee would like to draw attention to their recommendation in para 59 of their 83rd Report on the adoption of the technique developed in the Central Food Technological Research Institute, Mysore for parboiling of paddy and suggest that the adoption of the new technique throughout the country might be given high priority.

As suggested by the Estimates Committee action is being taken to carry out further experiments and trials.

[Ministry of F. & A. (Department of Food) O.M. No. 2(88)/61-62/BFCI dated 26-10-61.]

Improved techniques for the parboiling of rice have been developed both at the Central Food Technological Research Institute, Mysore and at the Jadaavpur University, Calcutta. The technique developed at Mysore is largely an improvement of methods already in use. This technique is ready for application and it is proposed to get a number of demonstration units set up in the

various States during the Third Five Year Plan. As regards the technique developed by the Jadavpur University, it is a continuous process of a more highly mechanized nature, and includes drying. It is necessary that this technique should be tried out in a pilot plant on a semi commercial scale, before it is adopted industrially on a large Scale. The Jadavpur University has approached the Food Department with a request for financial assistance for getting the necessary equipment fabricated and for undertaking the trial of the technique on a semi commercial scale, and this is under consideration. In the meanwhile funds have been placed at the disposal of the Jadavpur University and Calcutta University jointly for enabling them to undertake further studies on certain aspects of the par-boiling of rice, and the continuance of similar research at the CFTRI, Mysore, is also under consideration in consultation with the Council of Scientific & Industrial Research.

Once the soundness of the new techniques is established and made known by the demonstration units (of the CFTRI type) proposed to be set up and by the proposed trial of the Jadavpur techniques on a semi-commercial scale, the stage will

II. Hundred and Twenty-seventh Report on Directorate of Sugar and Vanaspati, and National Sugar Institute, Kanpur

1 4 The Committee learnt with concern that the strength of the Directorate had not been reviewed by the special Re-organisation Unit or by any other body since its inception in 1954. Even with the increase in the activities of the Directorate, the Committee do not consider that such a large increase in the staff was justified. A detailed review is bound to bring to notice scope for economy.

2 5 The Committee recommend that Government may employ the internal economy unit, which is understood to be functioning in the Department of Food to review the organisation from time to time with a view to effecting rationalisation and reduction in staff as also improving efficiency.

The strength of the Directorate of Sugar and Vanaspati has been reviewed by the Departmental Work Study Unit who have recommended a net reduction of 35 posts. This recommendation has now been implemented.

[Ministry of F. & A. Department of Food O.M. No. 9-1/61-S. Admn. dt. 5-2-62].

To undertake the detailed review of the staff-strength and of procedure both of the Department proper and its Attached and Subordinate Offices, this Department has recently set up Work Study Units. One of the Work Study Units has already examined in detail the working of the Directorate of Sugar and Vanaspati and has recommended certain changes in the procedure as well as in the set up of the Directorate which are being implemented. The Work Study Units will be employed to undertake the review of the type mentioned by the Committee from time to time.

[Ministry of F & A (Department of Food) O.M. No. 9-1/61-S-Admn. dt. 16-1-62].

The Committee are of the view that it may be better if the two sets of Inspectors are combined and utilised for both types of work. The Government should ensure that each sugar factory is inspected by the Inspectors at least once a year, if not more often. This may also result in saving both time and expenditure on travelling.

The question of the strength of Inspectors in the Directorate has been reviewed. With a view to intensify inspection of sugar factories, it has been decided that six Inspectors heretofore employed on sugar movement work should be employed on inspection of factories. Accordingly, all sugar factories in India have been divided into 10 zones and one Inspector has been posted in each zone.

[Ministry of F. & A. (Department of Food) O.M. No. 9-1/61-S. Admn. dt. 23-1-62].

(1) The Committee are surprised to note that 3 Technical Assistants and 2 Junior Technical Assistants have been provided in the Typing and Despatch Section. There seems to be hardly any justification for staff qualified in accounts or statistics being put on routine and non-technical work of this nature. They cannot help concluding that the provision of Technical and Junior Technical Assistants has not been determined on any rational basis.

The work of the Typing and Despatch Section consisted of

- (i) Typing of allotment orders from particulars given in the applications for allotment after conversion of quantities given in maunds into quantals;
- (ii) Comparing and checking of allotment orders with reference to these particulars; and
- (iii) Issue of allotment orders.

(2) The Committee are also of the view that the designation of Technical/Junior Technical Assistants for persons employed on non-technical work is wrong and misleading and needs to be revised to something more apt and therefore, suggest that the feasibility of progressively replacing such Technical Assistants and

One Technical Assistant was posted to this Section to guide the Typists in giving correct particulars and to supervise the work of the Section as a whole. It may be mentioned that to save time allotment orders were typed not from any prepared drafts, but straight away from particulars given in the allotment applica-

Junior Technical Assistants in the Directorate by Upper Division Clerks and Lower Division Clerks respectively may be examined

tions. Two Junior Technical Assistants were provided to compare the typed allotment orders with reference to particulars given in the applications. As all this work was of a contractual nature, it was considered necessary to have this work done by and under the supervision of competent persons. As recommended by the Committee, however, it was decided to replace them as soon as an Assistant and two Upper Division Clerks became available for which a requisition was made.

The other two Technical Assistants were employed on compiling statistics factory-wise, state-wise and District-wise of allotments made every day. With the removal of controls over sugar and discontinuance of the system of allotment of sugar on the basis of applications, however, this Typing and Despatch Section has now been disbanded.

As regards the designation of Technical Assistants and Junior Technical Assistants, the matter has been reviewed and the posts of Technical Assistants and Junior Technical Assistants Accounts and Statistics have been redesignated as Accounts Assistants, Statistical Assistants, Junior Accounts Assistants and

Junior Statistical Assistants. Technical Assistant (Hindi) has also been redesignated as Hindi Assistant.

[Ministry of F. & A. (Department of Food) O.M.No. 9-1/61-S. Admn. dt. 26-10-61].

8 13 14 9

The Committee find that several Sections of the Directorate are provided each with one Daftry and one Peon. The Committee consider this provision as excessive and recommend that the strength of Class IV staff may be reduced by adjustment on the basis of 1 Daftry and 1 peon for two Sections. In this connection, the Committee would like to draw attention of the Ministry to recommendation made on the subject in para 24 of their 76th Report on the Ministry of Scientific Research and Cultural Affairs—Part I (Council of Scientific & Industrial Research).

The Work Study Unit has recommended the introduction of Messenger Service System in the Directorate of Sugar & Vanaspati and have allotted one Daftry to two Sections. This recommendation is being implemented by Directorate of Sugar and Vanaspati.

[Ministry of F. & A. (Department of Food) O.M. No. 9-1/61-S. Admn. dt. 5-2-62].

The Committee feel that as the Office of the Chief Director (Sugar & Vanaspati) is situated at Delhi and the work relating to the National Sugar Institute is only of administrative nature, there may not be adequate justification for employing 1 Under Secretary, 2 Section Officers, 8 Assistants and 8 Lower Division Clerks in the Ministry on Sugar and Vanaspati work. They suggest that the position in this respect may be carefully reviewed by the Ministry with a view to effecting economy.

The staff requirements of these Sections have been reviewed by O.&M. Unit of the Ministry and strength has been reduced to the maximum extent possible i.e. by two Assistants and two Lower Division Clerks.

[Ministry of F. & A. (Department of Food) O. M. No. F. 9-1/61-S. Admn. dt. 17-10-61].

10 The Committee suggest that the question of providing sufficient and more convenient accommodation to the Directorate may be taken up without delay.

This recommendation was forwarded to the Ministry of Works, Housing and Supply, but it has not been possible for that Ministry to provide any additional accommodation. They have, however, noted the requirement of the Directorate for consideration as and when suitable accommodation becomes available.

[Ministry of F. & A. (Department of Food) O.M.
No. F. 9-1/61-S. Admn., dt. 17-10-61].

24

11 The Committee consider it important that an assessment is made early of the cost of production of sugarcane in different areas in order to fix the minimum price of sugarcane to be paid to the producers having regard to the provisions of clause 3(r) of the Sugarcane (Control) Order, 1955.

The Indian Central Sugarcane Committee took up in February, 1953 the organisation of survey to ascertain the cost of cultivation of sugarcane in important sugarcane producing states. These surveys have been taken up in U.P., Bihar, Punjab, Andhra Pradesh, Bombay and Mysore. A tentative report for the States of U.P. and Bihar has been compiled and is under consideration of the Government. The reports of the States of Bombay, Punjab and Andhra Pradesh are under preparation. The survey is continuing in the State of Mysore.

[Ministry of F. & A. (Department of Food) O.M.
No. F. 9-1/61-S. Admn. dt. 17-10-61.]

- 12 The Committee suggest that the Tariff Commission may be requested to expedite the submission of the Report as much as possible.
- 15 The Committee suggest that the question of relaxing controls on sugar may be expeditiously examined. They would, however, like to emphasize that if a decision is taken to relax the controls, careful watch may be kept on its repercussions to ensure that no scare about shortage of sugar is again created in the market.
- 16 The Committee recommend that it may be ensured that releases of sugar are made at regular intervals so as not to cause inconvenience to the sugar factories.
- 17 The Committee recommend that the reasons for the sugar quotas not being lifted by the allottees in time or in full may be gone into.
- 21 The Report of the Tariff Commission has since been received and is under examination.
- [*Ministry of F. & A. (Depts. of Food) O.M. No. F. 9-1/61-S. Admn. dt. 17-10-61*].
- 29 The control on prices and distribution of sugar has recently been withdrawn.
- [*Ministry of F. & A. (Department of Food) O.M. No. F. 9-1/61-S. Admn., dt. 17-10-61*].
- 30 The recommendation of the Committee is noted. The release of sugar is regulated after taking into consideration the supply, demand and price position. The interval between one release and the next has generally been about one month.
- [*Ministry of F. & A. (Department of Food) O.M. No. 9-1/61-S. Admn., dt. 26-10-61*].
- 31 The matter was considered in consultation with the State Governments. It appears that the non-lifting or delay in lifting of sugar quotas by some nominees of the State Governments was generally due to slow offtake of sugar already in stock with them and also with a view to avoiding
-

investment for long periods. With the removal of controls on distribution of sugar, the system of allotment of sugar to State nominees has been discontinued.

[Ministry of F. & A. (Department of Food) O.M. No. 9-1/61-S. Adm., dated 26-10-61].

18 32 The Committee hope that it will be possible to evolve an arrangement whereby there is no attempt on the part of the State Governments to make profits on the sale of an essential commodity like sugar.

The Government of India agree that State Governments should not attempt to make profits on distribution of an essential commodity like sugar. The matter was taken up with the State Governments concerned. The Maharashtra Government had already discontinued the levy of the charge from the 11th October, 1960. The Government of Punjab also recently discontinued (from 1st September, 1961) its scheme for distribution of sugar at a uniform price throughout the State, under which a surcharge was recovered. With the removal of controls on distribution of sugar, the question of State Governments making profit on sales of sugar would not now arise.

[Ministry of F. & A. (Department of Food) O.M. No. 9-1/61-S, Adm., dated 26-10-61].

19 33 The Committee suggest that in view of improvement in the production of sugar, the need for

The system of allotment of sugar including that on f.o.r. destination price basis to Calcutta and

facture of sugar, the Committee would suggest that close and intimate collaboration should be effected between the National sugar Institute, Kanpur and other Institutes dealing with development of sugarcane such as Indian Institute of Sugarcane Research, Lucknow, Sugarcane Breeding Institute, Coimbatore and other Institutes functioning under the Indian Central Sugarcane Committee.

Sugar Institute, Kanpur, invariably attends the meetings of the Indian Central Sugarcane Committee which deals with the development of sugarcane, while Director Indian Institute of Sugarcane Research, Lucknow or his representative invariably attends the meetings of Development Council for Sugar Industry dealing with the development of sugar. Besides, there are representatives of the Indian Central Sugarcane Committee on the Development Council for Sugar Industry and *vice versa*.
[Ministry of Food & Agriculture (Department of Food) O.M. No. F.9-1/61-S. Admn., dated 17-10-61].

25 42 The Committee consider it unfortunate that there has been a shortfall in the additional capacity of sugar industry planned to be raised during the First and Second Plan periods. Now that the plant and machinery are being manufactured indigenously, there should be no difficulty in making good the shortfall in the Third Plan period.

26 44 If the target of sugar production for the third Plan is to be achieved, it is necessary that applications for grant of licences are processed expeditiously.

The observations made by the Estimates Committee have been noted. It is expected that there would be no difficulty in future in the establishment of new capacity in the sugar industry.

[Ministry of Food & Agriculture (Department of Food) O.M. No. F.9-1/61-S. Admn.; dated 17-10-61].

With a view to ensuring speedy establishment of additional capacity in the sugar industry against the Third Plan target, it was decided to commence the licencing work in advance and a Negotiating Committee set up to examine the applications. The Committee cleared all applications

for establishment of new factories received upto the end of December, 1959 by the middle of April, 1960. A further batch of applications received upto the end of March, 1960 was cleared by the end of November, 1960. Some time is inevitably taken for ascertaining availability of cane suitability of the proposed site, and for examining competing claims of other applicants for the same site and the effect of the proposal on the existing factories, if any, in the area. In view of the difficulties which have arisen over surplus production of sugar and the need for reviewing what capacity is actually required to reach the target, it has been decided not to license for the time being any further capacity and the consideration of applications received after 31st March, 1960 has been deferred.

[Ministry of F. & A. (Department of Food)
O.M.No. F.9-1/61-S. Admn., dated 15-11-61].

27 49 The Committee feel that a co-operative, being a joint endeavour of a number of people, could not come up so readily or easily as a joint stock company and placing the two on a par is not likely to encourage co-operative development. The Committee would like a more positive approach in the matter so that preference to cooperatives is really effective. There should not be too great a readiness to prefer joint stock companies on the ground that co-operatives were taking time in coming up.

The observations made by the Estimates Committee have been noted. Co-operative factories are actually preferred and ordinarily Joint Stock factories are licensed only if there is no possibility of organising a cooperative in that area in the near future. Of the 74 new factories, so far licenced against the First, Second and Third Plan targets, 53 are co-operative factories.

[Ministry of F. & A. (Department of Food) O. M. No.
F. 9-1/61-S. Admn. dated 17-10-61]

28 The Committee are of the opinion that the policy for location of new sugar factories needs to be carefully laid down. Both regional considerations and suitability of the particular sites may guide the choice of location.

51 As explained to the Estimates Committee, new sugar factories have been licensed having regard largely to the suitability of proposed sites and consistent with this, also on regional considerations. The following figures would show that new factories have been licensed mostly either in States which are deficit in sugar or in States where the acre yields and sugar recovery are high:—

	States	Number of new factories licensed
1.	Assam	1
2.	Bihar	1
3.	West Bengal	1
4.	Orissa	1
5.	Punjab	7
6.	Uttar Pradesh	6
7.	Maharashtra	21
8.	Gujrat	3
9.	Andhara Pradesh	10
10.	Kerala	2
11.	Madras	13
12.	Mysore	4
13.	Pondicherry	1
	TOTAL	71

2. In view of ease in sugar production in 1959-60 and 1960-61, and accumulation of heavy stocks in sugar factories, Government have decided not to license any more capacity in the sugar industry for the present. However, the observations of the Estimates Committee have been noted and will be kept in view while formulating the policy when it is decided to resume the licensing work.

[Ministry of F. & A. (Dept. of Food) O. M. No. 9-1/61-S. Admn. dt. 31-1-62]

29

52

The Committee are concerned at the inordinate delay in the finalisation of the case relating to the payment of compensation to 40 sugar factories in respect of sugar requisitioned from them in 1953-54 and recommend that their disposal may be expedited.

31

The recommendation of the Estimates Committee is noted. Out of the 40 cases, 37 cases have already been finalised and the remaining 3 cases are also expected to be finalised in the near future.

[Ministry of F. & A. (Department of Food) O. M. No. F. 9-1/61-S. Admn. dt. 17-10-61]

31

58

The Committee feel that stern action is called for against manufacturers of vanaspati whose samples fail to conform to the prescribed specifications repeatedly so as to act as a deterrent.

In cases of repeated failures, stern action, including prosecution etc., is being taken.

[Ministry of F. & A. (Department of Food) O. M. No. F. 9-1/61-S. Admn. dt. 17-10-61]

32 The Committee would also urge the Vanaspati Manufacturers' Association of India to exercise its influence to see that the member manufacturers do not contravene the prescribed specifications for the manufacture of vanaspati.

33 There is stated to be a gap between the law for prevention of adulteration of ghee with vanaspati and its enforcement inasmuch as Baudouin test is not being enforced for detecting adulteration of ghee and culprits were not being brought to book. The Committee recommend that suitable steps may be taken for the rigorous enforcement of the law.

The recommendation has been brought to the notice of the Vanaspati Manufacturers' Association of India.

[Ministry of F. & A. (Dept. Food) O. M. No. F. 9-1/61-S. Admn. dt. 17-10-61]

This matter had been taken up by us with the Ministry of Health and the Central Committee for Food Standards at its 6th Meeting held in Calcutta in January, 1960, recommended inclusion of the required additional specification for ghee. A copy of the Estimates Committee's recommendation was forwarded to the Ministry of Health for effective further action. That Ministry has since advised that under the Prevention of Food Adulteration (Second Amendment) Rules, 1961, notified by them under No. G.S.R. 1134, dated 5th September, 1961, the standard for ghee prescribed in Appendix D to the Prevention of Food Adulteration Rules, 1955 under Item A. 11.14 has been amended *inter-alia*, to include the following additional specification:—

“Baudouin Test shall be negative.”

[Ministry of F. & A. (Department of Food) O.M. No. 9-1/61-S. Admn. dt. 5-1-62]

34

The Committee recommend that effective measures may be taken to see that industrial hard oil does not become available for adulteration of ghee.

61

In addition to the measures already in force for preventing the misuse of Industrial Hard Oil for adulterating ghee (such as its manufacture being allowed under special permit and its utilisation *ordinarily* under excise supervision), it has been decided to restrict the supply of Industrial Hard Oil only to such industrial users as have obtained a licence therefor from the Central Excise Authorities; this will ensure utilisation of the product *invariably* under excise supervision alone. The cooperation of the Central Board of Revenue has also been sought in effectively implementing this decision.

[Ministry of F & A (Department of Food) O.M. No. F. 9-1-61-S. Adm. dt. 17-10-61]

35

The Committee suggest that the problem of stability of vanaspati may be investigated in detail. In any case, it would be helpful to the consumers if the dates of manufacture of vanaspati and the date before which it should be used as required to be done in the case of some other articles of consumption are indicated suitably on container.

63

(a) The suggestion regarding detailed investigation of the problem of stability of vanaspati has been referred to the Ministry of Scientific Research and Cultural Affairs for necessary further research and advice.

(b) As regards noting the date of manufacture of vanaspati on the containers, the position is that the factories are required under the law to note the month and year of manufacture of Vanaspati on the tin containers *vide* Clause 14(1)(vii) and 14(2) of the Vegetable Oil Products Control Order, 1947 extracted below:—

“14(1).—Every container in which vegetable oil product is packed shall, at the time of sale

by the producer or dealer, bear the following particulars in English or Hindi (Devnagri script)—

(vii) the batch number, month and year of manufacture.

(2) Every particular or declaration required under sub-clause (1) shall be either printed on the label affixed to the container or lithographed thereon and unless otherwise provided in this Order shall be in a type size of not less than $\frac{1}{8}$ th of an inch;

Provided that in the case of particulars relating to the batch number, month and year of manufacture it shall be sufficient if such particulars are affixed by means of a rubber stamp on the label or embossed or stamped with indelible ink on the top or bottom of the container.”

The proper implementation by factories of the above provisions is being checked-up by the Inspectors of the Directorate during their periodical visits to the factories. The date of manufacture displayed on the container should indicate to the purchaser how fresh or old it is.

bean oil may be watched and if the results of manufacture of vanaspati out of soyabean oil are promising it may be desirable to encourage the growth of soyabean and production of soyabean oil within the country.

put into use in the manufacture of Vanaspati, but results regarding its acceptability are awaited.

[Ministry of F&A (Department of Food) O.M. No. F. 9-1/61-S.Admin. dt.17-10-61]

43

The Committee consider that it would be desirable if the Advisory Board of the National Sugar Institute meets twice a year to approve the research programme and to review the progress of work done at the Institute.

The Order constituting the Board already provides for holding two meetings in a year. The Board has been asked to comply with the order in future.

[Ministry of F&A (Department of Food) O.M.No. 9-1/61 S.Admin. dt. 26-10-61].

44

The Committee consider that it is not desirable that the Director should be burdened with routine administrative duties as those are bound to mitigate against his devoting full attention to technical and research problems. The Committee hope that the Director would be relieved of such routine duties at the earliest.

The Director, National Sugar Institute is already being assisted by a Development and Liaison Officer and another Administrative Officer for dealing with routine technical and administrative matters respectively. As work is expanding, a proposal to create a post of Chief Technical Officer in lieu of the Development & Liaison Officer and a post of Registrar in lieu of Administrative Officer is under consideration which when implemented, should further relieve the Director.

[Ministry of F&A (Department of Food) O.M. No. 9-1/61-S.Admin. dt. 26-10-61].

46 The "Off-Season Courses" could not hitherto be started mainly due to lack of laboratory space and hostel accommodation. It is proposed to start these courses, when the Institute moves to its new building.

[Ministry of F&A (Department of Food) O.M. No. 9-1/61-S.Admn. dt. 26-10-61].

35 The Committee consider it unfortunate that there has been inordinate delay in implementing the recommendations made by the Expert Committee as long back as 1955, regarding the starting of five "Off-Season" courses at National Sugar Institute. They recommend that "Off Season" courses particularly for categories for which there is dearth of trained personnel, be started without further avoidable delay.

47 The Committee cannot over-emphasise the importance and necessity of stepping up the technical efficiency of the sugar industry in India to the level of the advanced countries. They recommend that the Government should address themselves to this task and meet fully the demand of the sugar industry for technical advice.

88 The technical efficiency of the Sugar Industry can be stepped up by providing—

(i) proper qualified technical personnel and by training men already in the industry at all levels, who are actually handling production;

(ii) by rendering technical advice on day-to-day production difficulties relating to the process and equipment;

(iii) by assisting in modernisation of the industry;

(iv) by improving the efficiency of equipment by modifying designs;

(v) by training and servicing in instrumentation and automation; &

(vi) by collecting, collating various technical data and information in the entire sugar world and making the same available to the industry.

The National Sugar Institute, Kanpur is trying to cover all these aspects. In view of the growth of the Sugar Industry in recent years, a Committee has been appointed to examine and recommend in what ways the facilities at the Institute need to be expanded or enlarged. The recommendations of the Committee are awaited.

[Ministry of F&A(Department of Food) O.M. No. 9-1/61S.Admin. dt. 26-10-61].

48 The Committee are of the opinion that it would be desirable to review the cost of service rendered under the Fuel Economy-cum-Extension Service Scheme in conjunction with the representatives of the sugar industry and the financial authorities. They recommend that an early decision may be taken. The need for the decision becomes more urgent as no fees are being accepted at present on the plea of the matter being under review.

92 The cost of service rendered under the Fuel Economy-cum-Extension Service Scheme was recently reviewed by the Development Council for Sugar Industry who took the view that the Scheme should be made self-financing by increasing the fees from factories in a phased manner during the Third Five Year Plan. This recommendation is under the consideration of Government.

[Ministry of Food & Agriculture (Department of Food) O. M. No. 9-1/61-S. Admin. dated 26-10-1961].

[Further information called for by the Study Group]

The decision taken, if any, by Government on this recommendation may please be stated.

(Lok Sabha Secretariat O.M. No. 32(2)-61/EC. II, dated 3-3-1962).

The suggestion of the Committee has been carefully examined in consultation with the Director, National Sugar Institute and the Financial Adviser. It has been decided to enhance the fee from Rs. 5,000/- to Rs. 10,000/- per factory and enrol a limited number of factories on 'first-come first-served' basis for survey in 1962-63.

[Ministry of Food & Agriculture (Department of Food)
O. M. No. 9-24/61-S. Admn. dt. 11-5-1962].

51

The Committee cannot understand why the National Sugar Institute has not been able to replace the old machinery of the Experimental Sugar Factory so long and suggest that its early replacement by a modern plant may be considered. The sugar excise yields a substantial amount of Rs. 50 crores and it ought not to be difficult to find the necessary resources for the same. Since the sugar plant is manufactured indigenously it may not even necessitate much of foreign exchange. Meanwhile, the Committee suggest that every effort may be made to minimise the loss on running the present factory as far as possible.

98

The question of replacing the present old Experimental Factory by a modern plant is under consideration. Such a plant installed today will have necessarily to be versatile, covering the latest developments in equipment, instrumentation etc. and suitable for training, research and demonstration purposes. As the installation of such a unit would take time, it is proposed to balance and modernise the existing plant when it is shifted from the present premises to the new premises at Kalyanpur. Necessary instrumentation will also be provided so that training and research work continues un-interrupted. A provision of Rs. 10 lakhs has been made for this purpose.

The Experimental Factory being very small and meant only for training and investigation purposes is necessarily bound to involve losses. Steps are however, being taken to minimise such losses, consistent with the needs of training and research.

[*Ministry of Food & Agriculture (Department of Food) O. M. No. 9-1/61 S. Admn. dated 26-10-61*].

52 99 The Committee consider that the decision on the question of starting regional research stations under the guidance of the National Sugar Institute for the study of regional problems may be expedited.

The question of starting regional research stations was considered by the Development Council for Sugar Industry. The view held was that it was not desirable to start separate regional institutions in the country. It is understood that the Achievement Audit Committee has also come to the conclusion that it would be wrong to set up separate regional institutions.

Industrial research to be effective requires considerable resources in men and equipment, which can be available only at a Central Institute, the advantage of which should be taken by all regions. If and when there are any special local problems which should better be investigated locally, the National Sugar Institute should set up field units for the purpose as and when necessary.

[*Ministry of F. & A. (Department of Food) O. M. No. 9-1/61-S. Admn. dated 26-10-61*].

53 The Committee consider that the Ministry should ensure that the outstanding annual reports of the National Sugar Institute are published without delay and that in future reports are brought out in time.

100 The Director has since compiled the reports for the years 1958-59, 1959-60, and instructions have also been issued for early publication of the report for 1960-61.

[Ministry of Food & Agriculture (Department of Food) O.M. No. F.9-1/61-S. Admn. dated 17-10-61].

CHAPTER III

REPLIES OF THE GOVERNMENT THAT HAVE BEEN ACCEPTED BY THE COMMITTEE

Sl. No. as in Appendix to the Report	Reference of paragraph No. of the Report	Summary of recommendation and conclusion	Reply of the Government
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1—Hundred and Twenty-Sixth Report on the Department of Food

3 9 Considering that the number of staff, whose administration work has to be dealt with at the Secretariat level is not very large, the Committee feel that there is not adequate justification for employing five Under Secretaries for this work. They would, therefore, suggest that the Department may examine this matter at an early date with a view to effect economy.

3 9 Statement enclosed (Appendix II).
[Ministry of F & A (Department of Food) O.M. No. 2(88)/61-62 BFC/dated 26-10-61].

5

11

As the Department of Food was last reviewed by the Special Re-organisation Unit in 1952, the Committee consider that it is time to have an early date with a view to effect economy.

A statement indicating the measures for strengthening the Administration was laid on the tables of the Lok Sabha on the 10-8-61 and the Raja

other review carried out early, particularly in the context of the decision to place the Department on a permanent footing.

Sabha on the 24th August, 1961, copy enclosed. (Appendix IV). The new arrangements envisage continuous work studies by the internal Work Study Cells of the Ministries. The orders relating to the enlarged financial powers delegated to this Department *vide* Ministry of Finance O.M. No. F. 10(8)—E(Coord) 61, dated the 14th September, 1961 require the establishment of competent Work Study Unit in each of the Ministries concerned. This Unit will examine all proposals relating to procedures and staff. Such a unit is being organised. The advice of the S.R.U. will be available continuously to this internal Unit, which may also call for their assistance in the examination of any particularly complex problems, as and when considered necessary.

[*Ministry of F & A (Department of Food) O.M. No. 2(88) 61-62 BFCI dated 14-11-61*].

7 17 During the course of evidence an impression was given to the Committee that there was greater room for coordination than existing at present between the Union Ministry of Food and Agriculture and its counterparts in the various State Governments, which is so necessary to deal with the food problem and connected questions. It was also given out by some non-official witnesses that not infrequently the Food and Agriculture portfolio would not be held by the more important Ministers in the States. While not wishing to comment on the subject, the Committee desire to lay special emphasis on the paramount need for placing the subject in the hands of

On the food side there is on the whole fairly close coordination between the Centre and the States. The State Governments submit fortnightly reports, giving important features of the food position. At the beginning of the year, the deficit States broadly assess their requirements of foodgrains, and these are then discussed between the Centre and the States. From month to month, the deficit States put in their demands for foodgrains, which are considered in the light of the crop prospects, reserve stocks and off-take, etc. In questions of major policy like creation of Zones, the State Governments are invariably consulted and their views are given due weight. High level meetings between the

the more experienced and competent of the Ministers and the need for the Centre to assure itself of the fullest co-ordination at the State levels.

Secretaries of State Governments and the Food Secretary are held, whenever necessary. The State Ministers of Food also keep in touch with the Minister for Food and Agriculture, and they have an opportunity of discussing matters of policy at the meetings of the National Development Council.

The suggestion of the Committee that the Food portfolio should be placed in the hands of more experienced and competent Ministers in the States is for consideration by the State Chief Ministers.

[Ministry of F. & A. (Department of Food) O.M. No. 2(88)/61/BFC 1 dated 26-10-61].

10 It is obvious that all efforts to achieve self-sufficiency in foodgrains have essentially to be related to the consumption requirements and therefore the necessity for compilation of such data cannot be over-emphasised.

23 So far no Scientific surveys on consumption have been carried out in India. In fact as stated in Appendix IV of the Report, under the conditions of de-control it is difficult to assess accurately the consumption requirements of a country. However, efforts have been made from time to time to estimate the amount of cereals available for consumption in the country. For calculating the availability for consumption the net imports and the changes in Government stocks are taken into account. There are, however, no data on variation in trade stocks. Availability may be

either gross or net. In the case of gross availability, the actual production is taken into account and net availability is arrived at by excluding wastage and the quantity used for feed and seed purposes which is generally taken to be 12½% of the production. Thus net availability broadly represents the availability for human consumption. Future consumption requirements are also estimated from time to time based on the current consumption levels, expected increase in population and incomes and the extent of urbanisation. Thus, as indicated in Appendix IV, the demand for foodgrains in 1961 has been estimated at about 80 million tons. For the Third Plan the target of foodgrains production has been tentatively fixed at 100 million tons. In fixing this target also, all the above factors have been kept in view.

[*Ministry of F. & A. (Deptt. of Food) O.M. No. 2(88)/61-62/BFC 1 dated 26-10-61.*]

The Committee are not unaware of the difficulties in the way of arriving at generalisations from any enquiry into the cost of production of foodgrains in the different parts of the country but yet they feel that the demand for such an enquiry which is insistent may yield very useful and interesting data for assessing the cost of production in the different areas fairly approximately on which to base the prices.

Some surveys have been conducted in the past with a view to ascertaining the cost of production of agricultural commodities. A pilot survey into the cost of production of cotton, jowar and groundnut in Akola district of Maharashtra was carried out by the Indian Council of Agricultural Research during 1953-54 with a view to providing data on methodological problems. Recently, the Directorate of Economics and Statistics, Ministry of Food and Agriculture have been conducting studies into

the economics of farm management which throw light on the cost of production of foodgrains. These studies have been conducted in various regions of U. P., Punjab, West Bengal, Bombay, Madras and Madhya Pradesh (now Maharashtra) between 1954-55 to 1956-57. Such studies are also being conducted in the States of Andhra Pradesh, Bihar and Orissa from 1957-58 and in Mysore since 1958-59. The particulars regarding the crops for which data relating to cost of production are available from farm management studies conducted in different regions of the country are given in Annexure (Appendix V). During the Third Plan period farm management studies are proposed to be conducted in 18 regions, covering all the States of the Indian Union.

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Besides the above, the Directorate of N.S.S. have also collected some data through survey method of investigation on some aspects of cost of cultivation of certain important crops like paddy, wheat, jowar, bajra, maize, etc. But these data relate only to certain input items of cost and not to all items that normally enter into cost of production.

It has to be recognised, however, that in fixing prices other factors such as demand for the

Commodity in domestic and foreign markets, relationship between the prices of competing crops etc. must be taken into account. It may also be mentioned that there are difficulties in estimating the cost of production in agriculture, especially subsistence agriculture. These difficulties arise largely from such factors as diversity of agricultural practices from area to area, variations in the size of the farm, items to be included in the cost of cultivation, evaluation of certain items of cost like owned labour, land and capital, changes in technology, etc.

[Ministry of F. & A. (Department of Food) O.M. No.2(88)/61-62/BFC1 dated 26-10-61].

14 The Committee consider that it might be worthwhile evolving a scheme for giving incentives to the cultivator for stepping up production of foodgrains.

In this context, the Committee would like to refer to the following observations made in the Report on 'India's Food Crisis and Steps to meet it' by the Agricultural Production Team sponsored by the Ford Foundation.

"As a beginning, we suggest that minimum price be established only for rice and wheat The floor price should be announced to cultivator before sowing time and remain in effect for one full year".

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Government have already given an assurance to the cultivators in June, 1957 by the issue of a Press Note, a copy of which is attached (Appendix VI), that the prices of foodgrains and other agricultural commodities would not be allowed to fall below economic levels and that Government would take suitable steps from time to time to achieve this end. Government have been keeping a close watch over the price situation and taking necessary measures to keep price at reasonable levels both from the standpoint of the producer as well as of the consumer. The Third Five Year Plan has recognized that "a policy designed to prevent sharp fluctuations in prices and to guarantee a certain minimum level is essential in the interest

It is obvious that if the floor price of food-grains is meant to provide an incentive for increasing food production, the announcement should be made sufficiently before the sowing season.

of increased production". The Plan also has recognised that "it is important that the appropriate measures or policies should be enunciated and announced well in time to ensure that the benefit accrues to the farmer".

[*Ministry of F. & A. (Department of Food) O.M. No.2(88)/61-62/BFC I dated 26-10-61*].

15 35

The Committee suggest that Government may explore ways and means of reducing the loss incurred in trading operations particularly on the indigenously procured rice.

The loss incurred in State trading in foodgrains can be reduced either by reducing the purchase price or by enhancing the issue prices. So far as imported foodgrains are concerned we are mostly making purchases in the foreign markets of common qualities of foodgrains at the lowest available prices and it is not, therefore, possible to reduce these prices any further. As regards purchases in the internal markets, we are purchasing only rice in the States of Punjab and Madhya Pradesh. The Governments' purchase prices are not considered high—in fact there are demands to raise these purchase prices. It is not considered feasible to reduce the existing purchase prices.

As regards the question of enhancement of the Government's issue prices, the position has been examined carefully. The issue price of Rs. 16/- per maund for common rice is considered to be a reasonable price and any enhancement of

this price will, on the one hand, push up the prices of rice in the open market and, on the other, will hit hard the vulnerable section of the consumers who receive supplies of this common rice from Government stocks? It is not, therefore, considered desirable to increase the issue price of common rice. As regards finer varieties of rice, the issue prices for these varieties have already been fixed at fairly high levels. We are, however, finding it difficult to put into consumption the medium and fine varieties of rice at the present prices. In the present conditions it does not seem possible to raise the issue prices.

So far as wheat is concerned, practically no loss is now being incurred in trading operations in imported wheat.

[*Ministry of F. & A. (Department of Food)*
O.M.No. 2(88)/61-62/BFC1 dated 26-10-61].

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The Committee suggest that the Government of India may consider the desirability of laying down guiding principles for determining the retail prices of foodgrains supplied to the State Governments. In this context the Committee would like to draw attention to the Sugar Price Control Order (G.S.R. 501/Ess.Com. dated the 23rd April, 1960) which lays down the margin for fixation by District Magistrates of retail prices of sugar supplies to the authorised dealers from sugar factories in controlled areas.

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Except for a few hill areas and other isolated areas foodgrains are, as a general rule, issued locally to the retailers either from the Central depots direct or from the State Government's godowns for sale to consumers through fair price shops. Sugar, on the other hand, moves from the mill centres over long distances to the consuming areas and for that reason the Sugar Price Control Order lays down that the sale price shall not exceed the aggregate sum of (i) the ex-factory price; (ii) the actual transport charges incurred by the dealer; (iii) any octroi or other

The Committee feel that if margins are similarly laid down for fixation of retail price of foodgrains ex-fair price shops, it would obviate the chance of anyone making undue profits out of stocks supplied by the Central Government.

taxes paid or payable by the dealer; and (iv) a sum not exceeding Re. 1/- per maund for dealer's profit and any incidental charges. As the foodgrains are issued locally to the retailers the question of adding transport charges to the issue price does not generally arise. The retailers are allowed a margin varying from 25 nP. to 50 nP. per maund in different States except for a few big cities such as Calcutta and Bombay where the margin allowed is Re. 1/- per maund. Thus under the existing arrangements margins allowed to the retailers are already fixed and the consumers also are aware of the real prices at which the fair price shops are required to sell food grain. There is, therefore, little likelihood of a retailer making undue profit on the sale of stocks of foodgrains supplied by the Central Government in consequence of any confusion about the retail price that he was allowed to charge.

[Ministry of F. & A. (Department of Food) O.M.
No. 2 (88)/61-62/BFC I dated 26-10-61].

24 The Committee suggest that an analytical study may be made of the common defects and shortcomings which are noticed in the imported foodgrains with a view to revising the specifications and thereby ensuring that such defective foodgrains do not find their way into India.

54 The exporting countries have their own grades and specifications prepared on the basis of prevailing conditions and availability. These countries also supply grain on these specifications to a number of other countries. We choose the grades or qualities which suit our needs, keeping in view

the prices that have to be paid, for the particular grades chosen. Complaints arise not out of defective specifications but only for some reason or other that the quality deviates from the agreed specification and these are invariably taken up.

[*Ministry of F. & A. (Deptt. of Food) O.M.No. 2(88) 61-62/BFC I dated 26-10-61.*]

The need for revision has not arisen. We have found grades and specifications to be generally satisfactory and suitable. Our complaints have only been ensuring conformity to them.

[*Ministry of F. & A. (Deptt. of Food) O.M. No. 2(88) 61-62/BFC I dated 10-5-1962.*]

(*Further information called for by the Committee.*)

It may please be stated whether any modifications or revisions in the specifications of the foodgrains have been sought for by India from exporting countries (excluding those referred to in para 54 of the Report) and if so, the particulars thereof together with the results of efforts made may be stated.

[L.S.S. O.M. No. 32(1) 61/EC dated 3-3-1962.]

There is need for saving extra expenditure incurred in transporting and loading food-grains from rail-heads instead of despatching them direct from docks. In this connection, the Committee suggest that where the despatch of the entire cargo of foodgrains to out-stations direct from the docks is not possible and part of it has to be sent from other rail-heads, it may be ensured that it is not routed through the local godowns unless absolutely necessary, since it involves additional expenditure.

The observations made by the Committee are kept in view in moving the cargo from the wharfs. It is, however, not always possible to despatch the entire quantity from the docks, without taking it either to other rail-heads or to our storage depots. The conditions differ at different ports and are explained below :—

Bombay. The loading capacity at the port is limited. We can load only 80 to 100 wagons at the docks. When the arrivals are heavy and larger quantities have to be moved, then there is no option but to move the wagons from other rail-heads like Wadi

Bunder and Carnac Bridge. We utilize to the full the loading capacity of the docks and only the balance is moved by road to the other rail-heads for despatch.

Another factor that has to be taken into account is the condition of stocks. The Food Department has now built up some reserves. Some of these stocks which have been in storage for considerable periods, require turnover. It, therefore, becomes necessary to take the fresh stocks from docks into storage and to issue the old stocks for consumption to the mills or to the fair price shops.

Sometimes it also happens that there is not enough storage space in the upcountry depots, while storage is available in the port areas. Stocks have, therefore, to be moved to the local godowns from which they may later be issued either for local sale or despatch to the mills or other depots outside.

Madras. The problems at Madras are similar to those of Bombay. The port capacity is limited and about 50 wagons can be loaded per day. The railways, are, however, prepared to offer more wagons at the neighbouring railway stations at Rayapuram and Salt Cotaurs. Whenever arrivals

extremely costly. As a result of the efforts made at Calcutta, Government have been able to obtain land from the Port Trust for construction of 92,600 tons of godowns at Jinrapool of which, 32,000 tons have been completed and land for another 30,000 tons is expected shortly. Further work at Jinrapool has been held up, because of the collapse of the shell type godowns, otherwise progress of construction would have been even better. Land for 10,000 tons silo was also obtained from the Port Trust. The silo has been completed and is now being expanded to over 20,000 tons. Orient Jute Mills godowns of 50,000 tons capacity have been purchased. In the land available at the Orient Jute Mills, it is planned to construct godowns of another 50,000 tons capacity. At Kalyani, it is programmed to construct about 2.5 lakh tons of godowns of which 32,000 tons are under construction. Land is under acquisition at the Union South Jute Mills for construction of about 18,700 tons of godowns. There are a number of other centres in and around Calcutta, where the programme of construction is being planned.

3. At Bombay, the position has been even more difficult. Our attempts to locate and acquire suitable sites for our own godowns have not met with

much success. We are building godowns of 75,000 tons capacity at Wadala, General Motors and G.I.G. and Sewri respectively. Negotiations are in progress for transfer of some land at one or two other places. In view of the extreme difficulty of obtaining land in Bombay, we have decided to develop Borivilli and Manmad as very large storage centres for serving Bombay and its suburbs and the neighbouring areas. The capacity planned at Borivilli and Manmad is 2.45 lakh tons and 2.73 lakh tons respectively of which 0.94 lakh tons has already been completed in Manmad and 0.89 lakh tons and 1.07 lakh tons is under construction at Borivilli and Manmad respectively.

[*Ministry of F. & A. (Department of Food) O.M. No. 2(88) 61-62/BFC I dated 26-10-61.*]

42 82 55

The Committee feel that it would be desirable for the Scientific Food Advisory Panel to meet more often than at present to make recommendations for and review the progress made regarding the production, conservation and effective utilisation of subsidiary foods.

The Scientific Food Advisory Panel consists of eminent scientists from all over the country. It is difficult for such a body of scientists drawn from different parts of the country to meet very frequently. Moreover, a good deal of business is transacted at each meeting of the Panel, and the recommendations of one meeting supply enough material for action for several months. It may not be necessary for a body such as this to meet oftener than twice a year. However, if any specific problems arise on which the advice of the Panel is felt to be required, a meeting will certainly be convened as and when necessary.

[*Ministry of F. & A. (Department of Food) O.M. No. 2(88) 61-62/BFC I dated 26-10-61.*]

47 88 The Committee, while appreciating the aid that is being given by voluntary agencies of U.S.A. and the need for providing certain concessions by way of exemptions from duty etc. to the aid goods, are also anxious that any doubts which may be in the minds of the people regarding the uses they are put to should be removed. It is for this reason that the Committee would recommend that the revision of the Indo-U.S. Agreement of 9th July, 1951 regarding relief supplies should not be delayed.

The question of revising the Agreement has been carefully considered by the Government. It is one of the essential articles of the Agreement that the gifts donated by the United States non-profit relief agencies shall be distributed through voluntary relief and rehabilitation organizations, including branches of these agencies in India. Although complaints are occasionally received about the 'misuse' of these gifts by the distributors of the Receiving Agencies, these are inquired into and brought to the notice of the Agencies which take suitable action in specific cases. The arrangements made in connexion with the Agreement include certification by the State Government concerned to the effect that the gifts have been properly distributed and this ensures the distribution of the gifts in the manner contemplated in the Agreement. The Government is satisfied that the Agreement has been working well, on the whole, since it was executed in the interests of the poor and the needy, and it is not considered necessary to revise the provisions of the Agreement.

Hundred and Twenty-Seventh Report on the Directorate of Sugar and Vanaspati and National Sugar Institute Kanpur

4 7 The Committee suggest that it may be examined whether the Coordination Section and Export/Parliament/Policy Section which do not appear to have sufficient work load could be combined into one Section.

The question was examined by the Departmental Work Study Unit who have recommended that in the interest of efficient functioning of the Directorate, a separate Coordination Section is necessary, but in addition to Coordination and O. & M. work, this section should be entrusted with the work relating to library and record room.

The Departmental Work Study Unit have also recommended separation of Export Section from Parliament and Policy Work and placing it under Officer on Special Duty (Exports).

With regard to Policy and Parliament work, the Departmental Work Study Unit have recommended the abolition of Sugar & Vanaspati Section, dealing with policy matters in the Department of Food proper, and its merger with staff dealing with similar work in the Directorate. The policy Section in the Directorate will also deal with all legislative and parliamentary work with which they may be concerned.

The above recommendations have been accepted and implemented.

[Ministry of F. and A. (Department of Food)
O.M. No. 9-1-61/S. Admn., dated 17-2-62].

5 8 It seems to the Committee that there is avoidable duplication of efforts between the Directorate of Sugar and Vanaspati on the one hand and the National Sugar Institute on the other in as

The matter has been examined. The work connected with new sugar cooperative factories, can be broadly divided into two categories, viz., (i) work requiring to be done during the period such newly

much as one of the functions of the Cooperation Section of the Directorate and the National Sugar Institute is to render assistance to sugar factories in operation with a view to improving their efficiency. The Committee consider that this is a matter which deserves examination.

licensed cooperative factories are under erection *i.e.*, before they go into production, and (ii) work connected with subsequent improvement in efficiency of cooperative factories after they go into production. The former category of work comprises selection of sites, scrutiny of specifications of plant and machinery, procurement of materials, securing of loans from the Industrial Finance Corporation, recruitment of skilled personnel etc. This is partly of an administrative nature and assistance in this regard can more easily be rendered from Delhi where the other concerned offices of the Industrial Finance Corporation, Department of Cooperation and the Development Wing are also located. Advisory work however for improving the working efficiency of cooperative factories in operation is work of a specialised nature and could best be handled by experts at the National Sugar Institute, Kanpur. Orders have been passed that the Cooperation Cell of the Sugar and Vanaspati Directorate would confine its activities only to rendering of assistance to newly licensed cooperative factories during the period of their establishment and that the National Sugar Institute would render advice for improving efficiency of cooperatives in operation at all subsequent stages.

[Ministry of F. & A. (Department of Food) O.M. Nos 9-1-61/S. Adm., dt. 20-12-61].

22 The Committee feel that the example of Maharashtra and Gujarat where the sugar factories are able to pay a higher price for sugarcane than the statutory price is worth emulating by sugar factories in other regions.

The price of sugarcane is fixed under the provisions of the Sugarcane (Control) Order, 1955. The price fixed comprises (i) the minimum price and (ii) deferred price. The minimum price is payable within a prescribed period from the date of delivery of the sugarcane. The deferred price is determined on the basis of a formula and is based, *inter-alia*, on the *ex-factory* realisations for sugar. This is payable at the close of the year after the accounts have been finalised. The sugarcane (Control) Order also provides that the general provisions regarding the deferred price may be varied or may not be applied in any state in consultation with the State Government.

The position in regard to the sugar factories in the States of Maharashtra and Gujarat is that they have a higher recovery and also have been enjoying a freight advantage over factories in the surplus states of U.P. and Bihar. With a view to passing the benefits of these advantages on to the growers, on the recommendations of the State Governments, a higher all inclusive price has been fixed for sugarcane in these States so as to cover both the minimum price as well as the deferred price. In the case of the other Southern States, which also enjoy freight advantage, no such system has been suggested by the States Government concerned, presumably because the general system of payment of a minimum price and

a deferred price based on actual sale realisations has been considered satisfactory. The reasons for which it has been possible to fix higher all-inclusive prices in Maharashtra and Gujarat do not obtain in U.P. and Bihar and therefore it does not seem possible to introduce a similar system in these states.

[Ministry of F. & A. (Department of Food) O.M. No. 9-1-61/S. Admn., dated 1-11-61].

14 The Committee do not see adequate justification for allowing rebate in excise duty to sugar factories which are comparatively new for, in their case, the benefit would have seemingly been gained under fortuitous circumstances at the expense of the public exchequer. The Committee suggest that the matter may be carefully reviewed.

The position is that new factories have been allowed rebate of excise duty only on such production as was in excess of a basic quantity, which the new factories were expected to produce under normal circumstances, *i.e.*, had there been no incentives. The Director, National Sugar Institute, Kanpur, examined the working results of new factories established during the past four years and found that due to initial teething troubles, etc., new factories were not able to attain normal production during the first three years of their working. On the basis of the data available, three formulae were devised to calculate the normal productions of new factories during their first, second and third years of working under normal conditions. The rebate in excise duty was allowed on such production of new factories as was in excess of the basic production calculated according to these formulae. It may be mentioned in this connection that

Government have decided to withdraw the incentives during the year 1961-62.

[*Ministry of Food & Agriculture (Department of Food) O.M. No. 9-1-61/S.Admm., dated 15-11-61.*]

36 The desirability of bringing down the price of sugar in India to the price obtaining in international market is important not only from the point of view of exporting sugar but also for the purposes of making possible increase in the export of fruit preservatives where sugar is an important raw material. India is already becoming surplus in its sugar and with the many irrigational projects the prospects are indeed bright for the sugar industry. The surpluses are going to be quite large. It would be difficult to prevent the farmers from resorting to a commercial crop like sugar along with the food-grains. In such circumstances, the need for approximating the indigenous price of sugar to that in the international market cannot be over-emphasised.

37 The Committee would urge the Government to indicate to the industry the various ways of bringing about approximation in price between Indian and International prices of sugar.

61 It is agreed that all possible steps should be taken to reduce the cost price of sugar. It does not however seem practicable to bring it down to the level of international prices which are generally much lower than the prices at which sugar is sold for domestic consumption in exporting countries. The cost price of sugar in U.P. and Bihar which generally determines the price of sugar throughout the country works out to Rs. 25.15 f.o.r. per maund after excluding the excise duty of Rs. 10.70 and State Cane-cess of Rs. 2/- per maund. In this amount, the cost of cane used in producing one maund of sugar works upto as much as Rs. 17.61 nP. The balance represents manufacturing charges and gross return on capital, allowed under the schedules prepared by the Tariff Commission (after a study of the working costs of a number of representative factories in the various regions). For any appreciable reduction in the cost price of sugar we have to see how the cost of cane can be reduced. Development schemes to achieve larger yields and better recovery are in progress in most of the sugar producing States and these are being intensified during the Third Plan period.

[Ministry of F. & A. (Department of Food) O.M.
No. 9-1-51/S. Admn., dt. 1-11-51].

23 38 Though the average of yield of cane as well as the average of recovery per cent is low in India as a whole, it has to be noted that in certain parts of India notably the Western region (Maharashtra and Gujarat) both the yield of cane recovery are high enough and in individual cases could even compete with the world's best. The Committee see no reason why the results obtained in the Western region could not be reproduced by the same methods of cultivation in other parts of the country.

The acre yields of sugarcane and its sugar content depend on climatic factors in the areas where the sugarcane crop is grown, irrigation facilities available, application of manures, cultural practices etc. As these vary from area to area, yields also vary accordingly. The yield of about 62 tons per acre in Hawaii as compared to 17 tons in Cuba which is the largest exporting country of the World, lends support to the above observation.

In India sugarcane is grown in two distinct regions namely the sub-tropical area comprising mainly of the States of Punjab, U.P. and Bihar and the tropical area comprising the States of Maharashtra, Andhra Pradesh, Mysore and Madras. District climatic and soil characteristics largely account for the present disparity in the acre yields and it may not be feasible to equalise the acre yield at the highest level everywhere. There is of course scope for improvement in acre yields particularly where they are low. It is proposed to intensify the development schemes for sugarcane cultivation during the Third Five Year Plan.

[Ministry of F. & A. (Department of Food) O.M.
No. 9-1-61/S. Admn., dt. 26-10-61].

36 The Committee feels that in view of the large number of items of work entrusted to the Development Council, it would be desirable if it meets more than once a year. To obviate any ambiguity, it would be better if the constitution laid down for the Development Council specifically provided for the minimum number of meeting for the body. Such a provision could also with advantage be made in the constitution of similar bodies etc. in the Department.

54 The question of amending the procedural Rules has been considered in consultation with the Ministry of Commerce and Industry, as the Rules of business for all Development Councils including the Development Council for Sugar Industry have been framed by that Ministry. The existing Rules of all the Development Councils provide for holding of as many meetings as may be necessary in the light of the business of each Council. It is felt that an amendment of the Rules prescribing a uniform minimum number of meetings for every Council may not be appropriate. So far as the Sugar Development Council is concerned, the Estimates Committee's suggestion has been noted. The Development Council for Sugar Industry has actually met twice during the past 12 months.

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[Ministry of F. & A. (Department of Food) O.M.
No. 9-1-61/S. Admn., dt. 26-10-61].

37 The Committee would urge that research work on the subject of effect of Vanaspati on health may be intensified so as to reach a conclusive finding at an early date.

65 The suggestion has been forwarded to the Ministry for necessary action and advice. Reports received to date, however, indicate that the effect of Vanaspati on health is not harmful.

[Ministry of F. & A. (Department of Food) O.M.
No. F. 9-1-61/S. Admn. dated 17-10-61].

- 38 The Committee suggest that the matter relating to the alleged delays in the issue of quotas of tin plate, coal, chemicals, equipment etc. to the Vanaspati manufacturers may be looked into by the Ministry of Food and Agriculture in conjunction with the Ministry of Commerce and Industry and remedial measures taken.
- 67 Due care is being exercised to avoid delays in making recommendations to the concerned authorities for issue of quotas of tin plate, coal, etc. or of import licences for chemicals and equipment; no specific complaint alleging such delays has been received in this Ministry either from individual factories or from the Vanaspati Manufacturers Association of India.
- [Ministry of F. & A. (Department of Food) O. M. No. F. 9-1-61/S. Admn., dt. 17-10-61].
- 39 The suggestion has been taken up with the Ministry of Commerce and Industry.
- [Ministry of Food & Agriculture (Department of Food) O.M. No. F. 9-1-61/S. Admn., dated 17-10-61].
- 68 The Committee suggest that the feasibility of the proposal to relate the quota of tin plate which is allotted to Vanaspati factories, to the production of Vanaspati for the year as a whole rather than in one quarter may be examined by Government.
- (Further information called for by the Committee)
- The decision taken, if any, by Government on this recommendation may please be stated.
- [L. S. S. O. M. No. 32(2)/61-EC. II, dated 3-3-1962].
- The suggestion was taken up with the Ministry of Commerce and Industry. That Ministry has since advised that there would be no objection

to allotting tin plate to Vanaspati Factories on the basis of their total production during the preceding year, provided that the difference between the two methods (*i.e.* that based on the last quarter of the preceding period and that based on the whole of the preceding year) is not much. It has been stated that if there is a substantial difference between these two methods of arriving at certified packing requirements, to that extent the percentage of indigenous tin-plate that would be available for allocation would be lower, and, therefore, in order to bridge the gap between the certified packing requirements and the indigenous allocation, more imports of tin-plate would have to be allowed thereby resulting in more expenditure of foreign exchange, which it would be difficult to meet in the present circumstances.

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[*Ministry of Food and Agriculture (Department of Food) O.M. No. 9-1/62-Sugar dated 1-6-1962*].

49 94 The Committee recommend that concrete steps may be taken to step up the progress of the Cane Price Scheme in the North and its wider adoption throughout the country. The results obtained from this scheme may also furnish valuable data for determining the price linking formula.

The question of the implementation of the scheme relating to the "Payment of Cane Price on Quality Basis" was last considered by the Development Council for Sugar Industry at its meeting held on the 11th July, 1961. The Committee was in favour of adoption of payment of cane price on quality basis throughout the country. As the introduction of this system of payment in place of the age old system involves a detailed examination of the various related matters, such as, floor price of cane, price differential for the quality above the floor price, organisational requirements,

education of the farmer to the new system, etc., a sub-Committee has been appointed to examine the question in greater details. The Sub-Committee's report is awaited.

[*Ministry of F. & A. (Department of Food) O.M. No. 9-1/61-S. Adm. dt. 26-10-61*].

50 The Committee consider that it would be desirable to provide suitable incentives to the research staff of the National Sugar Institute.

95 The general question of providing incentives to all scientific staff was considered by the Second Pay Commission. They have recommended higher rates of pay for such workers, relaxation in the age of retirement upto 60 years, and introduction of the scheme of merit promotions and advance increments in Scientific and Research organisations. The actual implementation of these recommendations of the Pay Commission in so far as National Sugar Institute, Kanpur are concerned, is under consideration of the Ministry of Finance.

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[*Ministry of F. & A. (Department of Food) O.M. No. 9-1/61-S. Adm. dt. 26-10-61*].

CHAPTER IV

REPLIES OF THE GOVERNMENT THAT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

Serial No. as in Appendix to the Report	Reference to Para number of the Report	Summary of recommendation/ conclusion	Reply of the Government	Comments of the Committee
1	2	3	4	5

L. HUNDRED AND TWENTY-SIXTH REPORT ON THE DEPARTMENT OF FOOD

1	6	<p>The Committee fail to see the need for papers to pass through four to five supervisory officers in the Secretariat of the Department of Food. They apprehend that a set up providing for too many supervisory levels lends itself to delay in disposal and even evasion of responsibilities at lower levels rather than</p>	<p>Practically since the inception of the Food Department, the benefits of the system of level jumping have been largely secured by the system of regular meetings. In its very nature, the work of the Food Department generally requires immediate attention, so that there is no hold up anywhere in the supply line of the dis-</p>	<p>The Committee reiterate that Assistant Directors and Section Officers should not normally be treated as two different levels since both are in a fairly similar time scale of pay so as to warrant the presumption that either of the two categories could be in a position to take up and discharge by itself the responsibility and</p>
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making for efficient functioning. The Committee suggest that the number of supervisory levels may be reduced and that level jumping may also be resorted to in greater measure. In particular, there appears to be little justification for Section Officers in the scale of Rs. 350—900 submitting files through the Assistant Directors in the scale of Rs. 400—950. If it is considered desirable to have Assistant Directors in the headquarters of the Department so as to enable them to gain Secretariat experience, sections could well be placed directly under their charge.

tribution system. A discussion in the presence of all the concerned officers quickly resolves the bottlenecks and lays down a clear line of policy to be followed, thus cutting out not one intermediate level but several, at one stroke.

Apart from this, level jumping in dealing with files has been introduced to the extent practicable, e.g., in several types of cases Section Officers have been authorised to put up cases direct to Deputy Director or Assistant Director direct to Director.

The observation of the Estimates Committee that there is little justification of Section Officers submitting files through A.Ds. and where A.Ds are provided they should be placed directly in charge of Sections, has been carefully examined. As already mentioned, Section

supervision expected of that rank. In undertaking the proposed work study, this aspect may be kept in view.

Officers have been authorised to submit papers direct to Deputy Directors wherever it has been found possible and desirable. In some cases, it is considered desirable that the higher officers should have the benefit of advice from both the Section Officer and the Assistant Director whose knowledge and experience is somewhat different. The work done in the Directorates at headquarters, where both Section Officers and Assistant Directors are provided, involves on the one hand examination and application of general rules and regulations, and on the other, the examination of operational difficulties and necessities in any given situation so that a final decision can be taken at a suitable level, which would be the best having regard to the general as well as the operational aspects of the problem. The Section Officers provide the necessary experience and ability for examination of the general aspects while the

Assistant Directors provide the experience of operational aspects. The system of work has evolved under changing circumstances and may be regarded as having stood the test of time. However, the recommendations of the Estimates Committee have been noted and wherever possible the need for avoiding both the level of Section Officer and Assistant Director dealing with the same file would be kept in view, when work study is undertaken.

[*Ministry of Food and Agriculture (Deptt. of Food) O.M. No. 2(88)/61-62/BFCI dated 14-11-61.*]

4 The Committee would urge the Department to examine the strength of Class IV staff in the light of the recommendations made in para 24 of their 76th Report to the effect that

The requirements of the Department of Food assessed on the basis of the number of officers and sections work out to over 200 peons. The number of daftries on the basis of one

The Ministry of Food and Agriculture may consider the question of reducing the Class IV staff by readjustment in the light of the recommendation of the Estimates Committee and

the strength of such staff may be reduced by adjustment on the basis of 1 daftri and 1 peon for two sections to be-
gia with.

daftry per section work out to 75. The corresponding figures of the existing staff are 149 peons (plus a leave reserve of 16) and 49 daftries. Adjustments have actually been made from May, 1957, and no additional posts of peons or daftries have been created subsequently although there has been an increase in the strength of the Food Department to the extent of 17 officers and 16 sections since that date. The work has been managed by redistribution of duties and the introduction of the Messenger System. The yardstick recommended by the Estimates Committee has been taken note of and it is proposed to continue as long as possible the present practice of meeting increased requirements by redistribution of work and allowing the posts of peons and daftries which fall vacant by retirement to remain unfilled.

[*Ministry of Food and Agriculture*
(*Dept. of Food*) *O.M. No.*
2(88)/61-62/BFC1, dated
26-10-61).

intimate to the Ministry of Home Affairs the numbers that are surplus to their requirements so that the latter Ministry may meet any additional requirements of other Ministries as and when they arise out of this surplus.

12 The Committee suggest that Government may expedite decision on the question of setting up the agricultural commodities Advisory Committee and the Farmers' Advisory Panel.

31 The proposal for the formation of Agricultural Commodities Advisory Committee is engaging the attention of the Government.

[*Ministry of Food and Agriculture (Department of Food) O.M. No. 2(88)/61-62/BFC, dated 26-10-61.*]

The decision may be expedited.

40 The Committee are constrained to observe that sufficient interest has not been shown in the past in dealing with the matter relating to the production and consumption of subsidiary foods in India. The importance of taking effective measures for encouraging the production and consumption of subsidiary foods to the maximum possible extent cannot be too strongly emphasised, considering the heavy imports of foodgrains

79 The Committee's observations are noted. If much progress has not been made in the past it is primarily because of the magnitude of the task and the difficulties involved.

A Working Group was set up in 1958 to formulate proposals in respect of subsidiary foods, protective foods for inclusion in the Third Five Year Plan. On the basis of the report of the Working Group certain programmes were drawn up

The Committee note with concern the substantial reduction in the financial outlay provided in the Third Plan for the development and popularization of subsidiary foods. They hope that the amount that is now made available for this purpose will be utilised in full to the best advantage.

and consequent drain on foreign exchange.

The Committee consider that effective measures are necessary to curb the tendency for consumption of cereals by education and publicity so that the imbalance in diet is lessened. They note with regret that no serious efforts have been made so far to effect this desirable and imperative reform. It almost looks as though there is a feeling of resignation that the task is too big to be undertaken.

for implementation in the Third Five Year Plan, and tentatively a sum of Rs. 10 crores was earmarked for these programmes, which was later reduced to Rs. 8 crores; later still, however, in view of the overall shortage of funds the Planning Commission agreed to earmark only Rs. 2.5 crores in the Central Plan for the development and popularization of subsidiary and protective foods. In addition to this, small provisions have been made in the Plan of a number of State Governments which add up to a total of Rs. 1.5 crores in the State Plans. Even in the Third Five Year Plan, therefore, the funds available for programmes for popularization of subsidiary & protective foods and the diversification of the Indian dietary are very limited, and spectacular progress cannot be expected. It is, however, hoped that the programmes which are now being taken up will make a definite impact

1	2	3	4	5
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on the problem during the
Third Five Year Plan period.

[*Ministry of Food and Agriculture
Department of Food*
O.M. No. 2(88)/61-62/BFC,
dated 26-10-61].

11. Hundred and Twenty-Seventh Report on the Directorate of Sugar and Vanaspathi,³ and National Sugar Institute, Kanpur.

3 6 The Committee suggest that the number of tiers of supervisory levels obtaining in the Directorate may be reduced and that level jumping may also be resorted to in respect of matters which require attention at higher levels.

 The different grades of officers are required but it is not suggested that every case should pass through all the levels. In fact in certain items of work the system of 'level jumping' obtains. To what extent this can be further increased will be examined by the work study unit.

[*Ministry of Food & Agriculture (Dept. of Food) O.M. No. F. 9-1/61-S. Adm. dt. 17-10-61*].

45 82 As the National Sugar Institute undertakes research on problems useful to the industry, the Committee suggest that the desirability of securing contributions from the sugar industry for the research activities of the Institute may be considered by the Government as is the common practice in some of the developed countries.

75 The reasons advanced for not asking the sugar industry to contribute to the National Sugar Institute are not convincing. The fact that there are some national institutes like Central Food Technological Research Institute, Central Metallurgical Institute, Central Leather Research Institute etc. which do not get any contribution from the respective industries cannot be a sufficient justification for not requiring the well-organised sugar industry to make a reasonable contribution to this Ins-

tly contribute towards this Institute maintained by the Government, the Government derives a revenue of about Rs. 40-50 crores annually through this industry in the shape of excise duty. Just as excise duty is ultimately a burden on the consumer, since it is reflected in the sugar price, if the industry is required to pay for the Institute, this will increase the cost of production of sugar and will ultimately be reflected in the sugar price. In view of this, it is considered that the present system of financing the Institute should be allowed to continue. It is agreed, however, that when any particular research project is undertaken by the institute in a factory at its instance, the factory should usually be required to pay for it.

[*Min. of Food & Agriculture (Deptt. of Food) O. M. No. 9-1/61-S. Adm., dated 28-11-61*].

tute conducting researches to the advantage of the industry. The far better comparison with sugar industry would be the Ahmedabad Textile Industries Research Association, Bombay Textile Research Association and South India Textile Research Association where the Textile Industry is bearing a reasonable burden of the expenditure. The fact that the Sugar Industry contributes to the revenues by way of excise duty Rs. 40-50 crores could equally be no justification because the Textile Industry contributes to the revenues even more. After all the contribution by the Sugar Industry as a whole of about 50% of the expenditure will be negligible and there would be no fear that it will have any impact on the price of sugar.

NEW DELHI;

December 14, 1962.

Agrahayana 23, 1884 (Saka).

H. C. DASAPPA

Chairman,

Estimates Committee

APPENDIX I

NOTE ON FAMILY PLANNING

[Vide S. No. 9 Chapter II]

FAMILY PLANNING

Ministry of Health agrees with the views on family planning expressed by the Estimates Committee.

The programme for family planning in the Third Plan has been intensified and provides for—

- (a) education and motivation for family planning,
- (b) provision of services including sterilization,
- (c) training,
- (d) supplies,
- (e) communication and motivation research,
- (f) demographic research, and
- (g) medical and biological research.

The emphasis now is on extension of the family planning programme particularly in rural areas by conducting family planning orientation camps of short duration and short-term training courses through mobile teams. Contraceptives are given free to low income groups in urban area namely to those whose income is Rs. 300 p.m. and below and free in rural areas irrespective of income. Government servants are given special leave for six days for undergoing sterilisation operations. The State Governments of Andhra Pradesh, Madras, Maharashtra, Mysore, Gujarat and Kerala are giving cash allowances to those who offer themselves for sterilization. The Government of India have offered 100% financial assistance for strengthening of staff for sterilization operations in hospitals in the States and also for the expenditure on conveyance of the patients from their homes to district hospitals and back where transport of the Primary Health Centres for carrying them to the hospital is not available.

A note on family planning programme is attached.

FAMILY PLANNING PROGRAMME

"In the Chapter on Long-term Economic Development (of Third Five Year Plan), certain provisional estimates of increase in population over the next fifteen years have been cited, and it has been

stated that the objective of stabilising the growth of population over a reasonable period must be at the very centre of planned development. In this context, the greatest stress has to be placed in the Third and subsequent Five Year Plans on the programme of family planning. This will involve intensive education, provision of facilities and advice on the largest scale possible and widespread popular effort in every rural and urban community. In the circumstances of the country, family planning has to be undertaken, not merely as a major development programme, but as a nation-wide movement which embodies a basic attitude towards a better life for the individual, the family and the community".

2. During the Second Five Year Plan period efforts were made to set up an organisational base over which to build a four-fold "Service, Education, Training and Research" programme. It was soon evident that emphasis should be on education and action research. The Central Family Planning Board was formed in September, 1956, Madras Government had appointed a State Board three months earlier and Bihar Government had formed a Family Planning Committee in 1954. Gradually State Boards were formed; Andhra Pradesh, Bombay, Himachal Pradesh, Kerala, Mysore, Rajasthan, Uttar Pradesh and West Bengal during 1957, Assam, Madhya Pradesh, Orissa and Punjab during 1958 and Jammu & Kashmir during 1960. The next step was to form District Committees in each State. They are now being formed with Government of India assistance. Family Planning Officers have been appointed in most States. Some still work part-time for family planning in addition to their other duties. For effective and expeditious implementation of the family planning programme it is essential that the State Boards and District Committees should intensify their efforts and where District Committees are not formed, they should be formed immediately. Government of India has already offered assistance for this purpose. The appointment of whole time State Family Planning Officers and the developing of State Family Planning Bureaux are equally essential.

3. There are now three expert committees in the Ministry of Health *viz.*, the Demographic Advisory Committee, the Committee on Scientific Aspects of Family Planning of the Indian Council of Medical Research (deals with medical and biological aspects) and the Communication Motivation Action-Research Committee. *Ad hoc* Committees are formed for special subjects like oral contraceptives, Third Five Year Plan, Competitions, and Awards.

4. In the field of education attempt was made to collect information on factors which were responsible for community attitudes,

beliefs and behaviour pattern, to identify natural group leaders and use them as channels of communication, and to test and prepare basic materials and methods for mass, community groups and individuals. The studies at Ramanagaram and Delhi showed that 70.5 per cent to 75.8 per cent persons were in favour of family planning. The Bangalore Study indicated that 82.8 per cent males and 27.7 per cent females knew one or the other methods of family planning. They did not seem to have adequate knowledge of physiology of human reproduction and family limitation. Some studies showed that they did not have sufficiently strong motivation to continue an initially accepted method. Well designed studies without education programme did not yield the desired results. This led to the formation of Family Planning Communication Action Research Programme.

5. Ford Foundation has offered assistance for communication research and training. The general goals of this programme are to provide better understanding of basic factors which influence the acceptance of family planning and use of this understanding plus the educational knowledge and skills already available to develop a more effective family planning programme. Such a programme will enable us to know more about some of the problems which will help in extending the programme. We will get a better picture of groups, rural and urban, who plan their families and who do not, of what are the reasons for not persisting in the method accepted at the first visit to the clinic, their hopes, needs, anxieties, values and goals.

6. Funds have been placed at the disposal of State Governments to produce education material suitable to culture and background of the people in their respective areas. They should be fully utilised. Any proposal they may have for developing this aspect of the programme may be sent to the Ministry of Health.

7. The methods which are being used to promote the movement vary in scope from simple talks with friends and neighbours to group meetings, film shows, advertisements and more elaborate family planning clinic services. Among the methods which have been used, one which has appeared to be of considerable value is family planning orientation camps. After a number of pilot studies with orientation camps which have turned out favourably, the Government of India recently have offered financial assistance for the holding of such camps throughout India. Subsidy is now available for further camps at the rate of Rs. 10.00 per participant, for a family planning orientation camp of three days duration. State Governments may now hold such camps according to a regular phased programme. Orientation teams one to each State are being posted. They can help in advising on methodology of holding such camps.

8. Honorary Family Planning Education Leaders have been appointed. Such group leaders help considerably in creating the background of acceptance of Family Planning. They address meetings, arrange group discussions, motivate people, mobilize public opinion and form a net-work of local voluntary group in different places to carry the message. They have done valuable work. The response is enthusiastic and exhilarating. A stage is reached that such Leaders may be appointed at the District Level.

9. The Central Health Council at Jaipur in October, 1960 observed, "The Central Council of Health noting with satisfaction the progress made in the implementation of the family planning programme in the various States, reiterates the need for extending the family planning services by an intensification of the family planning education campaign and by the enlistment of the active help and co-operation of all health agencies, voluntary and special welfare organisations and the agencies of the Community Development, Agriculture and Education Departments. The Council further recommends that the training centres in each State should be rapidly developed for the training not only of those working directly in this field but also of all medical and health workers employed under the Community Development and Welfare Department, etc. The Council having considered further the proposal for the creation of demographic cells in the State recommends (i) the creation of such cells in the States' Health Statistical Bureau and Headquarters of District Health Organisation, and (ii) the training of personnel sponsored by the State Governments at the Demographic Training Centre.

10. The training programme began with *ad hoc* courses. There are training centres directly under the Government of India and also regional training centres under the State Government. Touring Training Teams are being posted to each State. They should be fully utilised for training doctors and medical auxiliaries in their respective stations.

The number of persons trained|undergoing training in family planning methods upto March, 1961 as per information available is as follows:—

	First Plan	Second Plan Trained/ undergoing training during June, 1961	Total
	(1)	(2)	(3)
(1) Family Planning Training and Research Centre, Bombay	—	509	509

	(1)	(2)	(3)
(ii) Family Planning Training Demonstration & Experimental Centre, Ramanagram	—	329	329
(iii) Family Planning Training Centre, Delhi	—	78	78
(iv) Touring Training Teams	—	475	475
(v) Regional Training Centres	—	1,265	1,265
(vi) Others	67	1,113	1,180
Total	67	3,769	3,836

11. In the field of services, we started with research on safe periods. Soon after foam tablets were offered. Now all available methods including sterilization are offered. The decision to accept one or the other method is left entirely to the discretion of the individual family. The point of view of conscientious objectors is respected and appreciated. The programme is developed as peoples' programme with Government assistance seeking co-operation of all parties and religious groups and steering clear of religious, ideological and political controversies. The demand for contraceptives has increased considerably, at one time heavy demands created shortage in supplies, orders had to be placed abroad in bulk. Their manufacture in the country has been expedited. Foam tablets, jellies and sheaths are now manufactured in India. Public demand for services including sterilization facilities gradually increased.

12. A statement showing the number of regular Family Planning Clinics and the medical/health centres providing family planning services State-wise is at Enclosure 'A'. The number of rural and urban family planning centres and other medical and health centres giving advice in family planning reported to have been opened upto June, 1961 is as follows:

REGULAR CLINICS				
	First	Second Plan (1956 to June 1961)	Other Medical Health Clinics giving advice in family planning	Total
Rural	20	1,101	1,864	2,985
Urban	125	441	330	896
Total	145	1,542	2,194	3,881

13. Contraceptives are issued free as well as at subsidised rates. Those who receive contraceptives free can, however, contribute to a Welfare Voluntary Contribution Box which can be kept in each clinic. Funds thus collected can be utilised for the welfare of mothers and children. All types of contraceptives can be distributed free in

rural areas irrespective of income. Sheaths can be issued by non-medical personnel and foam tablets can be distributed through Public Health Nurses, Health Visitors and Auxiliary Nurse midwife. It has been recommended that the family planning services should form an integral part of the medical, health and welfare services. National Extension and Community Development Organisations are gradually covering the entire country and each block will have a primary health centre. In rural areas the clinics are, therefore, being mainly associated with primary health centres.

14. The Central Family Planning Board recommended the inclusion of sterilization operation in the family planning programme on the merit of each case after careful examination by a qualified doctor with the consent of both husband and wife. In hospitals and institutions where facilities exist the Government of India have sanctioned extra personnel to strengthen the staff of some of the hospitals directly under them, and grant of special casual leave not exceeding six working days to Government servants who undergo sterilization operation, and has also offered assistance to State Governments to strengthen staff of hospitals upto Taluk level for sterilization operation, for training and mobile units. The patients from primary health centres can thus normally be referred to the Sub-Divisional, Taluk, District Hospitals where sterilization teams can normally operate. These teams can also go to primary health centres where operating facilities exist. The assistance offered by the Government of India has been availed by some States. Other States should also fully avail of the offer so that the sterilization programme should be rapidly extended. It may be desirable to lay down targets for sterilization operation, e.g., Gujarat State proposes to perform 400 sterilization operations per Community Development Block per year on the assumption that the population has increased to 80,000 in each Block.

15. "Various studies suggest that there is already considerable awareness of the need for family limitation and desire for practical help and guidance. This does not mean that the difficult problems of communication and motivation have been overcome or that in terms of advice and organisation much more than a beginning has been made, in particular, in approaching rural communities. It is to these aspects that much greater attention should be given in the Third Plan. The intensification of the education programme is crucial to the success of the entire movement. Family Planning education, being part of education for a better life, has to be interwoven with other constructive activities, especially the work of the primary health centres, community development blocks and voluntary organisations. Information has to be made available on the largest

possible scale and conditions created in which individuals can freely resort to family planning. Family Planning Services have to be made available much more widely than at present. In this, the central feature must be the integration of family planning with the normal medical and health services, specially those rendered through the primary health centres. To an extent such services might also be made available through centres maintained by voluntary agencies, mobile units and industrial and other establishments. According to the tentative programmes drawn up for the Third Plan, the number of family planning clinics is likely to increase from 1645 at the end of the Second Plan to about 8200. Of the latter, about 600 clinics may be in rural areas and 2100 in urban areas. Distribution of simple contraceptives and general advice could be entrusted in a much larger measure to voluntary organisations, to paramedical personnel and to dais specially trained in family planning work. The additional personnel and other expenditure required for enabling every primary health centre to provide family planning services is proposed to be incorporated in an integral manner into the programme for primary health centres. The main difficulty here is of securing the requisite trained personnel specially women workers. For expanding training facilities, it is essential to organise a large number of intensive short-term courses. In the urban areas, it is proposed that greater use should be made of private medical practitioners in providing advice, distributing supplies and, to the extent possible, in undertaking sterilisation.

16. "A large-scale family planning programme has to be supported necessarily by indigenous manufacture of contraceptives. In this respect, although there has been some progress, the situation cannot be said to be satisfactory. The estimates of supplies, which have been current hitherto, are based on a programme of very small dimensions. In view of the nature of the programme, it is considered that it will be necessary for the Government to take initiative in prescribing standards and specifications, determining prices, and also participating increasingly in production. In the early stages and for certain sections of the population provision of supplies free of cost and at subsidised rates will also be necessary. It is recommended that detailed plans for the production of contraceptives, both by Government and by private firms, should be drawn up as a matter of high priority, keeping in view the objective that, as rapidly as possible, supplies will in fact become available on the scale needed.

17. "It is visualised that during the Third Plan facilities for sterilization will be extended to district hospitals, sub-divisional hospitals and to such primary health centres as have the necessary facilities for surgical work. With the help of mobile units, these facilities can

be extended further." 7823 sterilization operations (2,333 male and 5,490 female) were performed during 1956 which increased to 37,951 (25,957 male and 11,994 female) in 1960. The number of sterilization operations conducted since 1956 as per information available is as follows:—

Year	Male	Female	Total
1956	2,333	5,490	7,823
1957	3,671	9,859	13,530
1958	9,072	16,801	25,873
1959	13,925	21,797	35,722
1960	25,957	11,994	37,951
(June) 1961	8,808	2,347	11,155
Total :	63,766	68,449	1,32,215

18. The Director, Indian Council of Medical Research has requested all members of the Advisory Committee on Scientific Aspects of Family Planning, Officers-in-charge of Indian Council of Medical Research, Medical Colleges, Research Institute and Universities, Administrative Medical Officers and Medical Associations and Societies in India to send research schemes for consideration in (i) development of suitable oral contraceptives either synthetic or extract from indigenous plant material, (ii) development of more effective local contraceptive, (iii) follow-up of sterilization cases both male and female to investigate possible after-effects in such cases, (iv) investigation of the mechanism of spermatogenesis and ovulation, fertilization and cytological studies, (v) other studies in the physiology of human reproduction such as fertility, (vi) development of studies of human genetic and (vii) investigations on sterility.

19. The much debated subject of use of progestational steroids has also been considered. An Expert Committee on oral contraceptives makes recommendations to the Government of India regarding the action that may be taken for their research and use in the country. This Committee has recommended that (i) in view of the delicate hormonal balance in the human body and the harmful effects that may flow from upsetting such a balance over a prolonged period by the administration of these steroids and in the absence of adequate evidence that the use of these steroids for prolonged periods is harmless, the stage has not yet been reached to permit the sale of these steroids for control of conception, (ii) in view of the available evidence of effectiveness of these drugs for disturbances of menstruation, threatened abortion and sterility, for which their use is for short duration, their sale for the therapeutic purposes on medical

prescription may be permitted and this question may be considered by the Drugs Controller (India) in the normal course, [The Drugs Controller (India) will no doubt consider the restrictions and precautions that should be imposed while permitting the sale of these products] and (iii) the Government of India may have no objection to the use of these products for research purposes as regards their anti-fertility effect by competent workers under rigid controlled conditions.

20. The emphasis in the demographic research is on (i) continuous survey of population situation in India including estimated projections of population structure, (ii) studies in internal migration with special reference to industrialization and urbanization, (iii) *ad-hoc* field studies on regional basis on attitudes and motivation and affecting family size, on methods of communication on base line data on attitudes towards family size and knowledge and practices of family planning methods, and evaluation of family planning programme, (iv) studies on inter-relationship between social, economic and population changes, fertility and mortality patterns in different regions, national income and *per capita* income and vital statistics, (v) development of existing training and research centres and demographic training in universities and (vi) dissemination of information on population problem and co-ordination in the field of demography.

21. A regular fellowship programme in India and abroad is being developed. Demographic Training and Research Centres have been established. The Ford Foundation and the Population Council, New York, is giving valuable assistance.

22. The effect of the programme on birth rates is not likely to be evident still for a number of years. But a study of Contributory Health Scheme Clinics Patients of Delhi by Demographic Research Centre, Delhi University, has shown that the pregnancy rate for non-contraception use period ranged between 62 and 66; for contraception use period without clinics service it was 35.2 and for the post-clinic contraception-use-period it was 10 for diaphragm and jelly and 12.6 for all the prescribed contraceptives. This shows that by using contraceptives under clinic guidance, it is possible to reduce expected pregnancies by 80 per cent.

23. The Family Planning Programmes implemented during the first two plans may justifiably be considered as preparatory phase for a more extensive approach beginning with the Third Five Year Plan. The achievements made are significant and encouraging, but it is just the beginning. The results achieved are not only due to the efforts of the governmental and non-governmental organisations

but to a great extent due to the acceptance of the programme by the people. To make family planning a way of life required a great deal of further effort and widespread participation of the people which is gradually increasing.

24. "The programme for family planning in the Third Plan provides for (a) education and motivation for family planning, (b) provision of services (c) training, (d) supplies, (e) communication and motivation research (f) demographic research and (g) medical and biological research. The programme as approved, involves a total outlay of Rs. 50 crores. Clearly, the limitations of the programme of the nature of family planning arise not from finance, but essentially from considerations of organisation, and personnel, which affect the scale and intensity at which the programme can be implemented. An expanded programme of research is to be undertaken in the Third Plan. Amongst others, the following aspects are being investigated:

- (i) Development of studies of human genetics.
- (ii) Studies in the physiology of reproduction.
- (iii) Development of more effective local contraceptives.
- (iv) Development of suitable oral contraceptives.
- (v) Follow-up of sterilisation cases, both male and female, to investigate possible after-effects in such cases.

"The main task in the field of family planning in the Third Plan is to find effective solution to certain basic problems and to mobilise all the available agencies for educational and extension work in support of family planning. Administrative arrangements at the Centre and in the States will need to be greatly strengthened. To equip thousands of primary health centres and in due course their sub-centres as well, with personnel and supplies, and to be able to reach out to the villages not merely with advice but more positively with the means to practise family planning, are tasks whose magnitude and complexity should not be under-estimated. To utilise such diverse agencies as private medical practitioners, indigenous doctors and village dais for family planning work along with the family planning clinics and the primary health centres will call for most careful planning at the local level. The organisation of production of contraceptives on the scale needed is another major undertaking. It is essential that the help of voluntary organisations, labour organisations and other associations in various fields of national life should be sought on as large a scale as possible and integrated into the practical programmes of work adopted in each area.

"Finally, it should be added that besides the facilities which are undoubtedly needed, in any large-scale effort to limit families there should be the greatest emphasis on moral and psychological elements, on restraint and on such social policies as education of women, opening up of new employment opportunities for them and raising of the age of marriage. In addition to advice on birth control the family planning programme should include sex and family life education and advice on such other measures as may be necessary to promote the welfare of the family."

25. A financial ceiling of about Rs. 27 crores and programme ceiling of Rs. 50 crores has been made for family planning programme for the Third Five Year Plan period. The estimated expenditure during the Second Plan and tentative provision for each State during the Third Plan is at Enclosure 'B'.

Annexure A

Statement showing the number of Family Planning Centres established upto June, 1961 and sterilization operations performed during 1960

Name of State	Sterilization operations performed during 1960		Family Planning Clinics opened upto June, 1961						
	Male	Female	Regular Clinics			Other Clinics			Total
			Rural	Urban	Total	Rural	Urban	Total	
Andhra Pradesh	632	502	104	38+8=46	374	26	542+8		
Assam	28	253	47	18+1=19	128	1	194+1		
Bihar	N.A.	N.A.	23	7+20=27	18	65	113+20		
Gujarat	260	1,019	63	25 } +10	14	3	105 } +10		
Maharashtra	17,361	4,647	157	60 } 8	26	7	250 } 8		
Jammu & Kashmir	78	174	..	..	..	..	..
Kerala	938	868	77+11	13+1	588	1	679+12		
Madhya Pradesh	1,653	1,538	141	39+7	80	23	283+7		
Madras	5,184	1,481	74+2	13+16	439	134	670+18		
Mysore	1,254	901	66	28+6	124	70	283+6		
Orissa	N.A.	N.A.	61	25+3	27	8	121+3		
Punjab	874	446	65	34+1	17	59	175+1		

Rajasthan	114	57	52	21+6	..	6	79+6
Uttar Pradesh	733	2,547	120+1	29+10	..	9	158+11
West Bengal	703	153	51+7	49+13	25	13	138+20
Delhi	407	371	..	18+18	..	18	36+18
Himachal Pradesh	152	144	..	3+5	24	10	37+5
Manipur	..	2	..	2	..	..	2
Tripura	..	12	..	—+1	..	1	1+1
Pondicherry	..	..	..	1	..	..	1
Andaman & Nicobar	..	..	..	..	..	1	1
Military Hospitals	696	83	..	..	..	..	..
TOTAL	31,067	15,198	1,011	441	1,884	455	3,881
			21	126			147
			1,032	567			4,028

Annexure B
Statement showing the allocations and expenditure incurred on Family Planning during the Second Five Year Plan

Year	Plan Provision		Central		Expenditure according to		Estimated expenditure
	Rs.	Rs.	Rs.	Rs.	Central Govt. Appropriation	States Rs. 097 Total Rs 4'97 crores.	
1956-57	.	.	30,00,000	..	3,83,751		3,83,751
1957-58	.	.	25,00,000	..	26,01,090		26,01,090
1958-59	.	.	46,00,000	17,97,000	31,46,388		31,46,388
1959-60	.	.	80,00,000	42,22,000	42,22,000		*78,68,829
1960-61	.	.	1,28,00,000	73,00,000	1,15,76,858 (Estimated)		1,15,76,858
TOTAL	.	.	3,09,00,000		2,43,59,188		2,60,76,916

Expenditure incurred by State Govts. during the Second Five Year Plan period .	1,83,71,794
Expenditure incurred by the Ministry of I. & B. .	1,12,611
TOTAL	4,45,61,321

*The amount allocated to State Govt. during 1959-60 was Rs. 42,22,000 against which Rs. 59,49,000 was actually spent by them.

*Tentative Provision on Family Planning Programme
Third Five Year Plan*

(Rupees in Lakhs)

Name of State	Centre's allocation during 3rd F.Y. Plan					Total	State's contribution during 1961-62 as recommended by		Total contribution of States during Third Plan
	1961-62	1962-63	1963-64	1964-65	1965-66		Working Groups	States	
Andhra Pradesh	13.62	31.09	33.16	33.16	33.16	144.19	110.00	7.58	60.00
Assam	4.85	10.16	10.84	10.84	10.84	47.53	6.00	3.00	35.00
Bihar	6.01	40.09	42.76	42.76	42.76	174.38	8.00	2.00	40.00
Gujarat	8.08	17.70	18.88	18.88	18.88	83.14	11.00	4.42	50.00
Jammu & Kashmir	0.4	3.11	3.32	3.32	3.32	13.50	2.00	1.02	9.02
Kerala	5.84	14.55	15.52	15.52	15.52	66.95	3.00	2.52	40.00
Madhya Pradesh	13.15	27.86	29.72	29.72	29.72	130.17	17.00	0.75	30.00

Madras	.	.	9.36	28.91	30.84	30.84	30.84	30.84	130.79	1.50	4.62	64.00
Maharashtra	.	.	15.18	34.05	36.32	36.32	36.32	36.32	158.19	20.00	21.00	105.00
Mysore	.	.	8.32	20.10	21.44	21.44	21.44	21.44	92.74	10.00	1.05	14.50
Orissa	.	.	7.87	15.07	16.08	16.08	16.08	16.08	71.18	5.00	1.00	5.00
Punjab	.	.	5.00	17.44	18.60	18.60	18.60	18.60	78.24	7.00	4.00	34.00
Rajasthan	.	.	6.48	17.32	18.48	18.48	18.48	18.48	79.24	8.00	0.25	20.00
Uttar Pradesh	.	.	12.32	62.98	67.16	67.16	67.16	67.16	276.78	10.00	1.26	102.00
West Bengal	.	.	7.77	30.07	32.08	32.08	32.08	32.08	134.08	14.00	3.90	55.00
Union Territories	.	.	..	4.50	4.80	4.80	4.80	4.80	18.90	8.49	8.57	34.05
TOTAL	.	.	125.00	375.00	400.00	400.00	400.00	400.00	1700.00	140.99	66.94	697.57

Direct Expenditure by the Government of India during the Third Plan
including Grants to Local Bodies and Voluntary Organisations

States Contribution	.	.	.	.	.	.	.	.	300.00
TOTAL	.	.	.	.	.	.	.	.	2,697.57

APPENDIX II

[Vide Serial No. 18 Chapter II]

**Circular letter No. 211(1)61-PyII dt. 3-6-61 issued by the Govt. of India to State Governments conveying observation of the Estimates Committee regarding licensing.
No. 211(1)/61-PY-II**

GOVERNMENT OF INDIA

MINISTRY OF FOOD & AGRICULTURE

(DEPARTMENT OF FOOD)

New Delhi-1, June 3, 1961/Jyaishta 13, 1883

From

Shri A. K. Ray,
Under Secretary to the Govt. of India.

To

All State Governments/Administrations.

SUBJECT:—126th Report of the Estimates Committee of Parliament on the Ministry of Food and Agriculture (Department of Food)—Recommendation regarding licensing—

Sir,

I am directed to re-produce below an extract of S.No. 18 of para 39 from the 126th Report of the Estimates Committee of Parliament on this Department for the year 1960-61:—

“It is obvious that licensing by itself is of little value unless the conditions of licence are enforced. The importance of checking and analysing the returns of stocks which are submitted by wholesalers and millers to the respective State Governments cannot be over-emphasised”.

I am to observe that requisite action to be taken in pursuance of the suggestion contained in this observation would really fall within the ambit of the State Governments' responsibility to enforce the licensing system. The Government of India are not aware how the State Governments or the District Licensing Authorities might be utilizing the information contained in the fortnightly returns submitted to them by the licensees under the respective foodgrains dealers licensing Orders.

I am to request that this Department may kindly be informed of the action being taken or proposed to be taken to give effect to the suggestion made by the Estimates Committee of Parliament so that the necessary information may be placed before the Committee.

Yours faithfully,
Sd.- (A. K. RAY),
Under Secretary to the Govt. of India.

Copy to:—

1. B.P.I
2. DESA (G)

Sd/-
for Under Secretary to the Govt. of India.

APPENDIX III

[Vide Serial No. 3 Chapter III]

*Statement containing the reply of Government to recommendation
No. 3*

Of the five Under Secretaries referred to in this paragraph, one Under Secretary is dealing exclusively with welfare work and does not have any connection with ordinary administration work. Under the scheme prepared by the Ministry of Home Affairs, the Under Secretary (Welfare) is to be employed exclusively for welfare duties. He acts also as the Welfare Officer of the Directorate of Sugar and Vanaspati, an attached office of the Department of Food and the staff posted at New Delhi/Delhi under the Regional Director (Food), Northern Region.

2. Of the remaining four Under Secretaries, one deals exclusively with the gazetted establishment. The Food Department has 257 Class I Officers and 124 Class II Officers and all matters relating to appointment, promotion, postings, transfers, seniority, quasi-permanency, confirmation, pension, fixation of pay etc., are dealt with by this Under Secretary. All this work has to be done in the Ministry. The details of the Under Secretary's duties are listed under the heading Establishment-I Section of the material supplied to the Estimates Committee.

3. The second Under Secretary deals with all matters concerning the regional establishment and is in charge of RE. I, RE. II and RE. III Sections (Pages 27 to 28 of the replies to the Questionnaire 1 Section I—General). He does not have anything to do with administration work of the staff in the Secretariat. Although the heads of offices exercise powers of appointment and disciplinary powers in respect of the Class III and Class IV staff working under them, there is a very large number of items of work pertaining to non-gazetted staff in the Regional Offices which, by their very nature, have to be handled in the Ministry. The continuance of the existing strength, the creation of additional posts and sanction of additional staff are controlled by the Ministry. In respect of certain categories of posts all-India seniority lists have to be drawn up and operated upon, and this function can only be performed by the Ministry. Even in respect of matters which are wholly under the control of the Regional Directors

the staff concerned have the right of representation (as distinct from appeals in disciplinary proceedings) to the Ministry.

The framing of recruitment rules for staff in the Regional Offices, the enunciation of principles common to all the four Regions on matters such as transfers, seniority etc., extension and re-employment of staff beyond the age of superannuation, matters relating to hiring of office accommodation, special facilities to staff such as allowances etc., have all to be dealt with in the Ministry as it is necessary that the decisions taken should apply uniformly to all the Regions. Similarly, all matters relating to quasi-permanency of gazetted and non-gazetted staff of the Regions (excluding Class IV staff) have to be dealt with in the Ministry as the Regional Directors are only the appointing authorities for staff and under extent orders the approval of quasi-permanency has to be given by a higher authority. Apart from the items listed above, there are numerous other items such as pay fixation, matters concerning the staff associations, relaxation of certain requirements under the Ministry's powers, grants-in-aid, installation of telephones, purchase and overall control of the use of staff cars etc., which have to be dealt with in the Ministry.

4. Of the two remaining Under Secretaries, one is in charge of Co-ordination work and all miscellaneous house-keeping matters of the Ministry. The items under his charge are listed under the duties of the Administration Coordination Section, Coordination General Section, Establishment III Section, Establishment IV and the Library of the Food Department (pages 28 to 30 of the replies to Questionnaire I—Section I—General). It will be observed that the duties of this officer are not, for the most part, connected with personnel. His work pertains strictly speaking to the category for which, in many offices, there is a general branch as distinct from the Personnel branch. It is only for convenience that he works under the Deputy Secretary (Administration) and is designated as an officer of the Administration Branch. It may further be pointed out that there are a large number of matters which do not concern only one section but require co-ordinated action on the part of two or more sections. Such matters are dealt with by the officer who has the Administration Co-ordination and Coordination General Sections under him. The other Under Secretary deals with the items listed under Establishment II and V Sections and Cash Section. (Pages 31 to 32 of the replies, to Questionnaire I—Section I—General).

It will be seen from the multifarious nature of the duties entrusted to these two under secretaries that two officers are essential for the administration work of the Ministry and the non-gazetted staff, and that there is no scope for reduction in the strength of Under Secretaries dealing with administration work in this Department.

APPENDIX IV

[Vide Serial No. 5, Chapter III]

Measures for Strengthening of Administration

Measures for improvement of administration are continuously under consideration. A review of the existing position was recently made particularly in connection with the formulation of the Third Five Year Plan.

The vigorous and punctual implementation of the Plan today forms the core of administrative activity.

The review of machinery of Government has, therefore, taken into consideration the difficulties of the Second Plan and the projected needs of the Third Five Year Plan.

2. The following principal objectives have been kept in view in taking decisions on measures necessary for administrative improvement:

- (i) Individuals and organisations should be judged strictly by the test of results. For this purpose, they should be given a clear statement of tasks, means, obligations, time sequence of operations and the assumptions on which they are based. Attempt should be made to build reasonable challenge into each job and individuals and organisations should be given the necessary trust, responsibility and powers to achieve the results expected of them.
- (ii) The present system of financial control should be reorganised. Itemised examination of financial proposals should be confined only to vital matters. Financial responsibility should be devolved, in liberal measure, on the administrative ministries and by them, in turn, on the implementing authorities. The control of the Ministry of Finance should be exercised through pre-budget scrutiny and by adequate reporting, random checks and work studies in such fields as may be considered necessary.
- (iii) The responsibility of the Head of Department and the executive authority concerned with the implementation of programmes and policies will be substantially increased. This will be done both by giving additional powers

and by the requirement that certain activities such as corruption and public relations should be dealt with on a more planned basis than before. The consideration of individual complaints as at present in these spheres will be supplemented by the drawing up of a programme of work at the beginning of the year by each Head of Department. This programme will be scrutinised by the secretaries of the Ministries and progressed by them adequately.

- (iv) The managerial skills of the public servants will be increased through a sustained programme of executive development by training and counselling. Powers will also be taken by Government for weeding out officials who are ineffective and against whom suspicion exists amounting to moral conviction.
- (v) Simplification of procedures and work will be vigorously pursued by introducing work studies, by competently trained personnel, in all spheres of administration.
- (vi) Relations with the public will receive special attention. A series of programmes will be initiated for inculcating courtesy and consideration and for changing the attitude of authority complex towards those who approach public offices for various purposes. Better arrangements will be made for dissemination of information to the public. It is also proposed to fix and publicise time limits for dealing with applications and requests made to Government offices by the public.

3. A number of concrete proposals have been worked out to give effect to these broad objectives. The important among them are mentioned below:

- (1) Ministries need not conform to a standard pattern of organisation. They will be free to vary it, within broad limits, in order to introduce speed and quality of work suited to their circumstances.
- (2) Ministries should only concern themselves with matters of policy, general supervision and enforcement of standards. Executive agencies should consequently be made stronger and given greater responsibility.

- (3) Responsibility for financial management should be devolved in greater measure than before both on the Ministries and the executive agencies. The scheme now approved, which is about to be tried in the Ministries of Commerce and Industry, Information & Broadcasting and Community Development & Cooperation and the Department of Food, includes (a) formulation of a programme for intensive pre-budget scrutiny between the Ministry of Finance and administrative Ministry necessitating the preparation of budget estimates earlier than usual in cases in which actuals of the last year are not an important consideration, (b) further liberalisation of financial powers to the Ministry in order to avoid references to Finance Ministry in the post-budget period except on vital matters and (c) the exercise of control of important financial aspects by the Finance Ministry through an adequate reporting system and test checks. The Ministry of Finance is also simultaneously taking measures to strengthen its machinery for scrutiny of project estimates and their financial review. The details of the scheme are now being worked out. If it proves successful in the four Ministries selected, it will be introduced as a general system of financial management in other Ministries.
- (4) Control of the Ministry of Home Affairs on staff upto and including Section Officers should be transferred to the Ministries concerned. This will enable this staff being given training specially related to the Ministry in which they are employed and will also be conducive to better personnel management.
- (5) Officials in key posts will be kept in their jobs for at least five years to enable them to produce the results expected of them. If there is any loss of prospects by their being kept in a particular post in the public interest, the loss should be adequately protected against.
- (6) Resort to Committees, groups, conferences, etc., should be reduced drastically. Full responsibility should be given to agencies and to individuals and, with it, the necessary measures of support and trust.
- (7) Arrangements for technical preparation of projects and scheduling of work relating to them require to be strengthened, particularly as information relating to a

large proportion of projects included in the Third Plan is still unsatisfactory. The concrete suggestion is that planning for the Fourth Plan should be started almost immediately and a comprehensive time-table may be worked out for completing studies for the Fourth Plan projects during the next three years.

- (8) The procedures relating to recruitment to scientific and technical posts will be studied by the Ministry of Home Affairs to introduce greater speed than hitherto in making such personnel available.
- (9) Continuous studies will be made with a view to simplification and improvement by the O. & M. Division and internal work study cells of Ministries of such procedures identified by Secretaries of Ministries, as involve delay in decision-making and implementation.
- (10) Follow-up will be the responsibility of the normal line of supervision but agencies such as the Committee on Plan Projects and the Programme Evaluation Organisation will continue their work of administrative research and evaluation.
- (11) It is proposed to appoint a small committee in each Ministry to locate officials who are ineffective or against whom suspicions exist regarding their integrity amounting to moral conviction. Measures will be taken to develop the ineffective persons by necessary counselling and training. In case persons are not capable of improvement and are in the age group of 45 to 50, they will be retired either on completion of 25 years of service or at the age of 50 years whichever is earlier. The retirement rules will be amended suitably. Persons lacking in integrity will be dealt with separately.
- (12) Work study will be introduced as a compulsory subject in the initial training curricula of all established services. Courses in work study for in-service personnel will also be expanded.
- (13) Training in supervisory techniques will be stepped up for all types of personnel in service.
- (14) Incentive schemes, based on systematically worked out standards, will be tried. Encouragement, through

appropriate incentives, should also be given for achievement of specific objectives such as reduction in the costs of projects, reduction in the foreign exchange complement of projects, speeding up of the implementation of projects, etc.

- (15) Management of projects is a new and important part of administrative practice. Its special features are definite targets and schedules, costing, need for initiative and resourcefulness in execution and emphasis on technical efficiency and innovation. These demand adequate pre-planning and accurate estimating. Arrangements for technical preparation of projects and scheduling of work will be strengthened. Reporting from projects will be simplified and made more purposeful.
- (16) Training arrangements will be undertaken to develop individual and group responsibility. Several measures are being devised under the following broad heads:—
- (a) techniques for fostering initiative, ability to programme and responsibility of individual Officers (*e.g.*, encouragement to officers to work out their own programme of work and to suggest criteria for judging their performance).
 - (b) increase in capacity for improvement in performance (*e.g.*, by sampling activities to improve time distribution on various types of jobs, by organising case studies and decision-making training).
- (17) Heads of Departments should be made responsible for maintaining and improving relations with the public. They should prescribe, having regard to the limitations of staff and the nature of cases, time limits for disposal of letters, applications and petitions as far as practicable and should advertise them to the public. Endeavour should be made to adhere to them in all except cases requiring a greater degree of scrutiny than in normal circumstances.
- (18) Each Head of Department should also draw up an annual confidential programme in advance indicating the types of corruption prevalent, the types of personnel involved and the measures he proposes to take to improve the situation. This programme should be forwarded to the Secretary of the Ministry concerned. Simultaneously

the Special Police Establishment of the Ministry of Home Affairs should also send confidentially to the Secretary its own appreciation regarding corrupt practices in the charge of each Head of Department. The Secretary should, after a consideration of both the documents, approve of the final programme and indicate it to the Head of Department. He should also progress periodically the implementation of this programme.

- (19) Similarly an annual programme should be drawn up by each Head of Department indicating the outstanding problems of public relations and the measures to be taken to improve them. This programme should also be progressed periodically by the Secretary of the Ministry concerned.
- (20) Where necessary, information counters should be established and they should be placed in charge of responsible officials who should be specially trained to cater to the needs of the public.
- (21) National expressions for courtesy may be devised and opportunity should be taken of important national celebrations to emphasise the service aspect of public administration.

4. The administration of public enterprises is an intricate subject. The Report of the Krishna Menon Committee is separately under consideration affecting various organisational and management aspects of their working. Special features of their working insofar as they relate to their internal organisation and relationships were considered as a part of the general problem of strengthening administration. The decisions indicated above will be equally applicable to them; the details will be worked out according to the circumstances of each organisation concerned. The following additional decisions have been taken on improving the administrative functioning of the public enterprises:—

- (a) The Ministries concerned should have strong technical planning cells charged with responsibility for study of the broader technical and economic aspects of projects, defining stages of execution and ensuring coordination of all related measures.
- (b) Within major state undertakings design and research units should be established and primary responsibility for preparing new projects placed on them.

- (c) All major projects should have units for evaluation, review of progress, reduction of costs, raising productivity and checking of performance. These units should function under the control of top management authorities and without interfering in the direct line of supervision, but independently of day-to-day operations.
- (d) The Ministry of Finance should strengthen their 'project coordination cell' so that it can (i) undertake thorough scrutiny of cost estimates and of the broader economic aspects of projects and (ii) accept responsibility for presenting an annual report on financial and economic aspects of the Central Government's industrial undertakings as a whole.
- (e) In view of the short time available for the formulation of the plans particularly in relation to industrial projects, the Ministry concerned are being directed to complete studies of the projects likely to be included in the Fourth Plan in the next three years.

5. The Planning Commission has, after a study of the references made to it by the Central Ministries and State Governments, decided to simplify the procedures for consultation with it. Variations in cost estimates up to 10% or Rs. one crore, whichever is less, will not be reported to the Planning Commission. Discussions regarding annual plans will be confined only to the more important projects and programmes. Procedures for Central assistance have already been considerably simplified. The list of Centrally sponsored schemes has been drastically reduced as also the list of schemes in the plans of States for which assistance may have to be given according to certain prescribed patterns. These patterns are also being simplified. As regards progress reports on projects and programmes in the States, it is proposed that these should be received only at a single point within the Government of India, namely the Ministry concerned, but the forms should be drawn up in consultation with Planning Commission. The same principles will apply, *mutatis mutandis*, to schemes implemented by Central Ministries.

6. In spite of the effort to make the decisions taken on administrative improvements as detailed and comprehensive as possible, the above still remains a statement of general principles. A great deal of work is required to be done to give them concrete shape. It is a continuing task and cannot evidently be detailed at a point of time in a statement of this nature. A Committee on Administration has

been established at the Centre headed by the Cabinet Secretary. It will be its special function to progress the implementation of these decisions and to report periodically to the Cabinet.

The steps outlined above are being brought to the notice of the State Governments. Government of India will be glad to give such assistance to them as may be possible in implementing them.

APPENDIX V

[Vide Serial No. 11 Chapter III]

Crops studied in Different Centres of Farm Management Studies First series

<i>State</i>	<i>Crops Studied</i>
(i) Bombay (Now Maharashtra)	Jowar (Irrigated), Jowar (Dry), Bajra (Dry), Wheat (Irrigated), Wheat (Dry) Gram (Irrigated) & Gram (Dry).
(ii) Madhya Pradesh (Now Maharashtra)	Cotton (Unmixed), Cotton (Mixed) Groundnut (unmixed), Groundnut (mixed) Wheat (Unmixed) and Wheat (Mixed).
(iii) Madras	Paddy (irrigated), Cholan (Irrigated), Cho- lam (unirrigated), Cotton (Irrigated) Cotton (unirrigated), Cumbu, Ragi and groundnut.
(i v) Punjab	Wheat (irrigated), Wheat (unirrigated) Wheat- Gram (Irrigated), Wheat-Gram (Unirriga- ted), Cotton (American) and Cotton (Desi).
(v) U.P.	[Sugarcane (Planted), Sugarcane (Ratoon), Wheat, Gram, Paddy Maize, and Cotton.
(vi) West Bengal	'Aman' Paddy, 'Aus' Paddy, Jute, Pulses and Potatoes.
(vii) Andhra Pradesh	Paddy and tobacco
(viii) Orissa	Paddy
ix) Bihar	Paddy, Maize.

APPENDIX VI

[*Vide* Serial No. I4—Chapter III]

*Copy of Press Note No. II.05|6442 dated 14.6.1957 issued by the
Government of India*

Government's Assurance on Agricultural Prices:

The question of fixing reasonable and economic prices for agricultural products has been engaging the attention of the Government for some time. When prices are running high, as they are at present, it is not necessary to fix and announce economic prices for agricultural products.

The Government are conscious of the fact that the bulk of the people of the country are agriculturists and on their well-being depends the prosperity of the country. The Government, therefore, would like to assure the agriculturists that the prices of foodgrains and other agricultural commodities would not be allowed to fall below economic levels. They will take suitable steps from time to time to achieve this end.

APPENDIX VII

Analysis of the action taken by Government on the recommendations contained in the Reports of the Estimates Committee (Second Lok Sabha)

I. Hundred and Twenty-Sixth Report

1. Total number of recommendations made 47
2. Recommendations accepted fully by Government (*vide* recommendations in Chapter II).
Number 29
Percentage to total 61.7%
3. Recommendations accepted by Government partly or with some modifications (*vide* recommendations Nos. 11, 14 and 31 in Chapter III).
Number 3
Percentage to total 6.4%
4. Recommendations not accepted by Government but replies in respect of which have been accepted by the Committee (*vide* recommendations 3, 5, 7, 10, 15, 21, 24, 33, 42 and 47).
Number 10
Percentage to total 21.3%
5. Recommendations replies to which have not been accepted by the Committee (*vide* recommendations Nos. 1, 4, 12, 40 and 43 in Chapter IV).
Number 5
Percentage to total 10.6%

II. Hundred and Twenty-Seventh Report

1. Total number of recommendations made 53
2. Recommendations accepted fully by Government (*vide* recommendations in Chapter II)
Number 38
Percentage to total 71.7%

3. **Recommendations accepted by Government partly or with some modifications (*vide* recommendations 5, 30, 39 and 49 in Chapter III).**

Number 4

Percentage to total 7.5%

4. **Recommendations not accepted by Government but replies in respect of which have been accepted by the Committee (*vide* recommendations Nos. 4, 13, 14, 21, 22, 23, 37, 38 and 50):**

Number 9

Percentage to total 17%

5. **Recommendations replies to which have not been accepted by the Committee (*vide* recommendations Nos. 3 and 45 in Chapter IV).**

Number 2

Percentage to total 3.8%

