

54

**COMMITTEE ON AGRICULTURE
(2013-2014)**

FIFTEENTH LOK SABHA

**MINISTRY OF AGRICULTURE, DEPARTMENT OF ANIMAL HUSBANDRY, DAIRYING &
FISHERIES.**

DEMANDS FOR GRANTS (2013-14)

**{Action Taken by the Government on the Observations/
Recommendations contained in the Forty-eighth Report
of the Committee on Agriculture (2013-2014)}**

FIFTY-FOURTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

December, 2013/ Agrahayana, 1935 (Saka)

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Presented to Lok Sabha on	09-12-2013
Laid on the Table of Rajya Sabha on	09-12-2013



LOK SABHA SECRETARIAT

NEW DELHI

December, 2013/ Agrahayana, 1935 (Saka)

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CONTENTS		PAGE
	COMPOSITION OF THE COMMITTEE	(iii)
	INTRODUCTION	(v)
CHAPTER I	Report	1
CHAPTER II	Observations/Recommendations which have been accepted by the Government	13
CHAPTER III	Observations/Recommendations which the Committee do not desire to pursue in view of the Government's replies	41
CHAPTER IV	Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee	47
CHAPTER V	Observations/Recommendations in respect of which final replies of the Government are still awaited	48
APPENDIX		
	Minutes of the Sixth Sitting of the Committee held on 11 November, 2013.	51
ANNEXURE		
	Analysis of action taken by Government on the Forty-ninth Report of Committee on Agriculture on Demands for Grants (2013-14) pertaining to Ministry of Food Processing Industries	53

COMPOSITION OF THE COMMITTEE ON AGRICULTURE (2013-14)

Shri Basudeb Acharia - Chairman

MEMBERS

LOK SABHA

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3. **Shri Sanjay Singh Chauhan**
4. **Shri H.D. Devegowda**
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28. **Shri Rajpal Singh Saini**
29. **Shri S. Thangavelu**
30. **Shri Shivanand Tiwari**
31. **Shri Darshan Singh Yadav**

INTRODUCTION

I, the Chairman, Committee on Agriculture (2013-2014) having been authorized by the Committee to submit the Report on their behalf, present this Fifty-fourth Report on Action Taken by the Government on the Observations/ Recommendations contained in the Forty-eighth Report of the Committee on Agriculture (2012-13) on Demands for Grants (2013-14) pertaining to the Ministry of Agriculture, (Department of Animal Husbandry, Dairying & Fisheries).

2. The Forty-eighth Report of the Committee was presented to the Lok Sabha on 23 April, 2013 and laid on the Table of Rajya Sabha on 25 April, 2013. The Action Taken Replies on the Report were received from the Government on 22 July, 2013.

3. The Report was considered and adopted by the Committee at their Sitting held on 11 November, 2013.

4. An analysis of the action taken by the Government on the Observations/ Recommendations contained in the Forty-eighth Report of the Committee is given in **Annexure.**

NEW DELHI

28 Novemebr, 2013
7 Agrahayana, 1935 (Saka)

BASUDEB ACHARIA

Chairman,
Committee on Agriculture.

CHAPTER - I

REPORT

This Report of the Committee on Agriculture deals with the action taken by the Government on the recommendations contained in the Forty-eighth Report of the Committee on Agriculture (2012-13) on 'Demands for Grants (2013-14)' pertaining to the Ministry of Agriculture (Department of Animal Husbandry, Dairying and Fisheries) which was presented to Lok Sabha on 23 April 2013 and laid on the Table of Rajya Sabha on 25 April, 2013.

1.2 The Ministry of Agriculture (Department of Animal Husbandry, Dairying and Fisheries) have furnished Action Taken Replies in respect of all the 20 Observations / Recommendations contained in the Report. These have been categorized as under:-

- (i) Observations / Recommendations that have been accepted by the Government:

Recommendation Nos. 1.4, 2.20, 2.21, 2.22, 3.29, 3.30, 3.31, 3.32, 3.33, 3.34, 3.36, 4.46, 4.47, 4.49, 4.50, 4.52 and 4.53.

Total = 17
Chapter = II

- (ii) Observations / Recommendations which the Committee do not desire to pursue in view of the Government's reply:

Recommendation Nos. 3.35, 4.51

Total = 02
Chapter = III

- (iii) Observations / Recommendations in respect of which action taken replies of the Government have not been accepted by the Committee:

Recommendation No. Nil

Total = 00
Chapter = IV

- (iv) Observations / Recommendations in respect of which final replies of the Government are still awaited:

Recommendation No. 4.48

Total = 01
Chapter = V

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

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

PROPOSED FREE TRADE AGREEMENT (FTA) BETWEEN INDIA AND EUROPEAN UNION (EU)
(Recommendation Para No. 2.22)

1.5 During oral evidence of the Department in connection with examination of Demands for Grants (2013-14) it had been noticed by the Committee that a Free Trade Agreement (FTA) between India and European Union (EU) had been under consideration. It was learnt that EU has not been permitting the import of dairy products citing Sanitary and Phyto Sanitary (SPS) clauses and had alleged that the Indian milch animals were not being maintained as per EU norms. As such, the Indian dairy products had been unfit for consumption in Europe. On the contrary, EU had continued to export and sell their dairy products in India seeking protection under Geographical Indication (GI). On the other hand, the indigenous dairy items like, Lassi and Paneer were freely sold in European market without giving any protection to India. When the Committee enquired about the Government's stand on the issue, it was intimated that India oppose any tariff concessions to EU for their dairy products and the same has been conveyed to the Department of Commerce. The matter is under negotiation.

Observing that dairy production is a mainstay for a wider section of small and marginal farmers, landless farmers, cattle rearers, womenfolk and urban poor, the Committee had desired that the interest of the dairy producers of the country which is paramount be protected from monopolistic, discriminatory and lopsided trade practices. As the EU Government provides heavy subsidies for the farm produce and dairy sector, the Government is urged not only to ensure a level-playing field but also prevail upon EU to accord concessions for their domestic dairy producers. The Committee had hoped that Government would take adequate actions in the matter for the benefit of farmers.

1.6 The Department in their action taken note have stated that they have communicated to the Department of Commerce that it does not agree for any tariff concessions being offered to EU which will affect the interest and livelihood of dairy farmers. The matter is still under negotiation.

1.7 The Committee desired that the interest of the dairy producers of our Country be protected from monopolistic, discriminatory and lop sided trade practices. As the EU Government provides heavy subsidies to the farm produce and dairy sector, the Committee had urged the Government to ensure a level playing field and prevail upon EU to accord concessions for domestic dairy producers. The Committee regret to note from the reply of the Government that no action has been taken so far by the Department of Animal Husbandry, Dairying and Fisheries except repeating that “the matter is still under negotiation”. The Committee would like to know, how soon the negotiation will be completed and what specific steps are proposed by the Department of Animal Husbandry, Dairying and Fisheries to ensure level playing field to our dairy producers. The Committee would await information in this regard. The Government should not agree to Free Trade Agreement unless EU agree to our terms and conditions.

EXPEDITIOUS IMPLEMENTATION OF PLAN SCHEMES
(Recommendation Para No. 3.31)

1.8 The Committee had recommended a slew of measures in their Second Report on Demands for Grants (2009-10) of the Department regarding the prolonged delay in the finalization of Eleventh Plan and its detrimental impact on the implementation of various schemes of the Government and reiterated the same in their Twenty-fourth Report that the Twelfth Plan documents should be finalized before 1st April, 2012. The adverse impact on schemes / projects had also been confessed by the representatives of Planning Commission during oral deposition in connection with the examination of Demands for Grants (2012-13) of the Department. The Committee had noted that in spite of their having repeatedly espoused the cause of initiating corrective measures to expedite the finalization of Twelfth Plan document, so as to avoid procedural delay in according clearance to schemes and resulting staggering of timelines and reduced allocation, no concrete action had been taken in this regard. The Plan Document was stuck with the Planning Commission and as and when the Twelfth Plan would be finally operationalized, the implementations of the schemes would be severely hampered. The fears of the Committee had further compounded on being informed that the final approval of the new schemes of the Department might not be cleared before October-November, 2013, i.e. after RE stage of the second year of the Twelfth Plan. The Committee, once again had recommended expeditious finalization of the Twelfth Plan document so as to ensure timely implementation of the various schemes of the Department. The Committee had also desired the Government to have a re-look at the planning procedures, processes and practices especially in the context of protracted delays in the finalization of Five Year Plans.

1.9 The Department in their action taken note have stated that the 12th Plan document was approved by the National Development Council in its 57th meeting held

on 27th December 2012. The Planning Commission had conveyed its approval to the broad scheme-wise details of Plan outlay of Rs. 14,179 crore for the Department of Animal Husbandry, Dairying and Fisheries for the 12th Five Year Plan to facilitate finalization of programmes and schemes. Based on the approved allocation, EFC meetings of the restructured three Centrally Sponsored Schemes and three Central Sector Schemes of the Department have been completed.

To ensure transition of the programmes to 12th Plan, the Department have decided that the programmes which were under implementation during 11th Plan will continue to be implemented till approval on new/restructured schemes is obtained by the Department.

1.10 As the Planning Commission has since conveyed its approval to the broad Scheme-wise details of Plan outlay of Rs. 14,179 crore for the Department of Animal Husbandry, Dairying and Fisheries for 12th Plan, the Committee urge the Department to ensure expeditious implementation of plan schemes and programmes and achieve desired results. The Committee hope that the Government have taken note of the Committee's recommendation regarding "having a re-look at the planning procedures, processes and practices" especially with regard to finalization of Five Year Plans.

MASS AWARENESS CAMPAIGNS

(Recommendation Para No. 3.36)

1.11 The Committee had noted that many of the important schemes of the Department could not achieve the desired targets due to lack of awareness amongst the intended beneficiaries, which resulted in the non-utilization of allocated funds by the Department. Surprisingly, no departmental institutionalize mechanism had existed for generating mass awareness of the schemes for the intended beneficiaries, unlike ATMA and KVKs. The argument of the Department that ATMAs of Department of Agriculture

and Cooperation (DAC) and *Krishi Vigyan Kendras* of Indian Council of Agricultural Research (ICAR) are being engaged in extension services and they do not want any duplicity in this regard had been hardly convincing. The Committee had, therefore, recommended that on the line of KVK / ATMA, a separate scheme for the mass awareness campaigns, exclusively for animal husbandry, dairy and fisheries sectors be initiated at the earliest, so as to ensure focused attention and high reach.

1.12 The Department in their action taken note have stated that the CSS on Livestock Extension and Delivery Services was discontinued from 10th Plan on the recommendation of Committee on Zero Based Budgeting set up by Planning Commission. Sub-group on extension setup by Planning Commission advised the revival of the scheme during 11th Plan. The Department agreed with the observation of the Committee that a separate scheme is necessary for mass awareness campaigns exclusively for livestock and fisheries sectors to facilitate implementation of various schemes of the Department, as it increases awareness among all stakeholders regarding the latest developments in the sector including scientific methods of rearing and management/disease control/animal nutrition etc. The Department has already prepared a draft scheme which envisages increased information support among animal rearers, operating specific training and capacity building of various stakeholders, organizing large number of Livestock Farmers Groups for empowering them with technology required for improving their income from livestock farming activities, organizing livestock melas and regional livestock fairs, organizing exposure visits of the stakeholders to progressive States having established extension mechanism and developing a mechanism of obtaining feedback from the animal rearers regarding their necessities and aspirations and gradually incorporating them in the extension machinery. The scheme has been proposed as a Sub-mission on skill development, technology transfer and extension for livestock sector under the proposed National

Livestock Mission to be implemented during 12th Five Year Plan. In respect of fisheries sector, separate scheme for capacity building, training and deployment of “Matsya Mitra” in order to strengthen extension services in fisheries has been proposed under National Fisheries Development Board. There would also be a component on “Training and Extension” proposed under the National Scheme for Welfare of Fishermen.

1.13 The Committee are glad to note that in pursuance of the Committee’s recommendation, a scheme which envisages increased information support has been proposed as a sub-mission under the proposed National Livestock Mission to be implemented during the 12th Five Year Plan. In respect of fisheries sector, a separate scheme of “*Matsya Mitra*” has been proposed in order to strengthen extension services in fisheries. The Committee hope that these schemes will be finalised and implemented expeditiously and dissemination of information regarding programmes of the Department to intended beneficiaries is done effectively.

UTILISATION OF FUNDS ALLOCATION TO ANIMAL HUSBANDRY SECTOR

(Recommendation Para No. 4.46)

1.14 The proposed outlay for Annual Plan (2013-14) for animal husbandry sector under the Centrally Sponsored and Central Sector Schemes are Rs. 991.20 crore and Rs. 360.09 crores, respectively, which aggregates to Rs. 1351.29 crore. However, the BE for 2013-14 is Rs. 1051.49 crore, which is Rs. 11.61 crore less than the allocation in previous fiscal. The Committee had deprecated this, and pointed out that the animal husbandry sector has immense potential for the welfare of small and marginal farmers, small dairy producers and cattle rearers. It not only offers financial help to the womenfolk of the society but also helps them during the lean season. The Committee had, therefore, impressed upon the Department to work out a detailed roadmap to claim its due place in the economy and developmental process. The Committee had, further,

recommended that the Department should take pro-active steps to fully utilize the allocated funds.

1.15 The Department in their action taken reply agreed with the concern of the Committee about less allocation to animal husbandry sector, which has immense potential for the welfare of small and marginal farmers, small dairy producers and cattle rearers. The Department have taken up the matter with Planning Commission and Department of Expenditure for additional allocation for the Department during 2013-14. Steps would be taken to increase allocation for animal husbandry sector at RE stage within available resources. Department is also making constant efforts to make available more funds for Animal Husbandry Sector from the Schemes like National Mission on Protein Supplements (NMPS) which is a component under the scheme of Rashtriya Krishi Vikas Yojana (RKVY).

It has been stated further that the Department has taken proactive steps for optimally utilizing the allocated funds under different schemes of the Department.

1.16 The reply of the Department has not indicated as to what proactive steps are being taken for fully utilizing the allocated funds under different Schemes. The Committee would appreciate if they are informed of the steps taken in this regard.

NATIONAL PROGRAMME ON BOVINE BREEDING AND DAIRYING (NPBB)

(Recommendation Para No. 4.47)

1.17 Genetic upgradation of cattle, buffalo, conservation of breeds, production and distribution of breeding inputs, quality control of goods and services, lack of human resources and incongruent institutional and policy framework with the ground realities are some of the major challenges in the animal breeding and dairying sectors. The NPBB will have two main components namely, National Programme for Bovine Breeding (NPBB) and Dairy Development to create synergy of resources. It is believed

that the combined activities of breeding and dairying will be more effective in Artificial Insemination (AI) services, feed management, extension services and lead to increase dairy productivity and enhanced income of farmers. The Committee share the optimism of the Department that the convergence of breeding and dairying activities will have a positive impact on the livestock and enhanced production and productivity of the animals. The Committee however, concerned with the current focus of the Government wherein emphasis is increased number of Artificial Insemination without paying any heed to its success rate as evident in the rather low success of Artificial Insemination. Noting this to be a rather discouraging factor, the Committee therefore, recommend the Department to shift their focus from myopic quantitative one to a qualitative one, by laying emphasis on increasing the success rate of Artificial Insemination activities. Alongwith this, it also stress that emphasis should be placed on the genetic improvement of the indigenous varieties so that the segment of farmers who can not afford the exotic breeds may also get a means of profit to sustain their livelihood. A positive step, herein, would be to ensure proper / scientific training of field staff under expert guidance.

1.18 NPBB scheme will have two main components namely, National Programme for Bovine Breeding (NPBB) and Dairy Development Programme. For continuing the breed improvement programme mostly in areas not covered under NDP, the component of NPBB will be continued during 12th Plan as a part of NPBB. However, the combined activities in respect of breeding and dairying will be more effective in extension of artificial insemination services, feed management and marketing of good quality of milk, which are essential for improving productivity and income of farmers. Regarding success rate of artificial insemination (AI), it would depend on the quality of frozen semen produced/supplied, skill of the inseminator and reproductive health status of the milch animal receiving AI.

The Department is taking necessary action to improve the success rate of AI. The Department has developed Standard Operating Procedure (SOP) and Minimum Standard Protocol (MSP) for AI Technicians, which have been circulated to all States. A Central Monitoring Unit has been constituted for evaluation and accreditation of AI Training Institutes in the country. Uniform training module has also been developed by the Department. Funds have been proposed under the scheme for training and retraining of existing AI workers. For improving quality of semen production, funds have been released to the States for strengthening semen stations. Department has formulated MSP for semen production and also constituted a Central Monitoring Unit for evaluation and grading of semen stations in the country. As a result of these efforts, the number of A and B graded semen stations in the country has been increased to 27 stations against 14 in 2004. Funds have been released to the States for streamlining LN₂ transport and distribution system which is lifeline of artificial insemination programme. Due to efforts made by the Department under NPCBB, overall conception rate in the country has increased from 20% in 2000 to 35%.

In so far as scientific training of field staff under expert guidance is concerned, a component for Skill Development of the inseminators under NPBB and a component for skill development of staff working in dairy sector have been proposed under 'Dairy Development Programme' component of NPBB. Efforts would be made to impart skill development training to experienced private artificial inseminators so as to enable them to function as multi-purpose extension workers providing quality extension service to the farmers.

1.19 The Committee had stressed, among other things, that emphasis should be placed on the genetic improvement of the indigenous varieties of bovine breeding so that the segment of farmers who can not afford the exotic breeds may also get a means of profit to sustain their livelihood. The action taken reply of the

Department of Animal Husbandry, Dairying and Fisheries is silent on this point. The Committee urge the Department to take necessary action in this regard under intimation to them.

REPRESENTATION IN DRUG AND TECHNICAL ADVISORY BODY (DTAB)

(Recommendation Para No. 4.49)

1.20 The Committee had noted that Drugs and Cosmetic Act, 1940 regulates the import, manufacture and marketing of drugs and biologicals including veterinary drugs and biologicals. The regulatory role for the purpose is discharged by Drug Controller General of India (DCGI) which is under the administrative control of Ministry of Health and Family Welfare. The Department of Animal Husbandry had informed that the Working Group of Animal Husbandry had proposed a separate Veterinary Drug Controller Authority during Tenth Plan which was further reiterated by Working Group in Eleventh and Twelfth Plan. The Drug and Technical Advisory Board (DTAB) which has a major role in policy decision on type of veterinary drugs to be allowed in Indian markets, has no representation from the DADF. The plea of the Department that they have very limited role in the present arrangements of medical products and almost negligible efforts made by DCGI to lay down standards for veterinary drug, trial protocol, testing facilities, toxicity and safety standards was hardly convincing. The Committee had taken note of the prevalent practices in various parts of the World in regard to separate or unified regulatory authorities in the matter of drugs and biological, both for human beings and animals and find that USFDA (US Food and Drug Administration) has a unified and umbrella authority for food, drugs both for human beings and animals. The Committee failed to understand the logic of separate drug regulatory authority for veterinary drugs and human drugs, when USFDA encompasses single regulatory authority for all these matters. The Committee was of the view that there cannot be any justification of separate regulatory authority and as such the status-quo may continue.

The Committee urged the Department to prevail upon the Ministry of Health and Family Welfare to enlarge the composition of DTAB so as to assign a meaningful and fruitful role to the representatives of the Department in matters of veterinary drugs, whenever required.

1.21 The Department in their action taken note have stated that as recommended by the Committee, they have decided to drop the proposal for separate Veterinary Drug Control Authority and the Ministry of Health and Family Welfare had been requested to enlarge the Drug and Technical Advisory Board (DTAB) by including a representative of DADF.

1.22 The Department of Animal Husbandry, Dairying and Fisheries have stated in their reply that the Department have decided to drop the proposal for separate Veterinary Drug Control Authority and the Ministry of Health and Family Welfare has been requested to enlarge the Drug and Technical Advisory Board (DTAB) by including a representative of Department of Animal Husbandry, Dairying and Fisheries (DADF). They would, however, like to be apprised of the response of the Ministry of Health and Family Welfare in this regard. They strongly recommend the Department to take the matter relating to representation of DADF in DTAB to a conclusive end.

OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

IMPLEMENTATION OF THE COMMITTEE'S RECOMMENDATIONS.

(Recommendation No. 1.4)

The Committee note that the Action Taken Replies regarding the action taken by the Government on the Observations / Recommendations contained in the Thirty-fifth Report of the Committee were furnished by the Government within the stipulated three months and the Statement of the Minister under Direction 73-A was made within the stipulated six months period. An analysis of the action taken by the Government reveals that 45% Recommendations have been implemented, 44% Recommendations have not been implemented and 11% of Recommendations are in various stages of implementation. While the Committee hope and trust that the scheduled time line, prescribed for submission of Action Taken Statement, under Direction 73-A would be adhered to in future, without fail, at the same time, they urge the Government to take conclusive action in respect of recommendations commented upon in their Forty-third Action Taken Report and furnish further action takes notes to the Committee expeditiously.

REPLY OF THE GOVERNMENT

The observations of the committee are noted. The Department have taken the action on recommendations/observations of the Committee on Forty-Third Action Taken Report and Further Action Taken notes have been submitted by the Department on 24th May, 2013.

[Letter No.25-5(1)/2013-AHD (Coord) dated 22nd July, 2013]

CHALLENGES CONFRONTING ANIMAL HUSBANDRY, DAIRYING AND FISHERIES SECTORS IN INDIA

(Recommendation No. 2.20 & 2.21)

Crop-livestock farming system is vital for livelihood and financial security of farmers, especially small and marginal ones. In such a system, livestock supplements income of the farmers, provides durable employment, draught power and manure. The recent food inflation, whereunder high increase in price of animal products, have renewed interest in the animal husbandry and dairying sector. The sector also assumes special significance owing to spurring economic growth, rising income, increasing urbanization, change in taste and dietary preferences, consumption of high-value food and shift from consumption of plant-based protein to animal-based protein.

The animal husbandry sector is plagued with myriad problems like shortage of veterinary hospitals, infrastructure and technical manpower; inadequate disease reporting system and lack of infrastructure related with the vaccination of livestock. The major challenges encountered in the dairy sector includes inadequate availability of credit, low production and productivity of cattle, poor success rate of artificial insemination, poor breeding facilities, immortality and morbidity due to disease outbreak, non-availability of grazing lands etc. The constraints of fisheries sector include lack of breeding facilities, low production, lack of scientific and technological interventions, inadequate infrastructure and resources for fishing, low institutional credit to fishermen, non-availability of quality fish seeds. Many of these challenges, both in animal husbandry and fisheries sectors owe their genesis to the past and some are the

products of fast - changing contemporary scenario. Although, these challenges are grave and serious but are not insurmountable.

The Committee observe that mandate of Department of Animal Husbandry, Dairying and Fisheries encompasses the cattle – rearers, small dairy entrepreneurs, fishermen, which also include the marginal sections of the society throughout the Country. These vocations provide opportunities for the cattle – rearers and fishermen to sustain themselves during lean season, by not only being as a source of income generation but also a dietary supplement.

However, the Committee are constrained to note that in spite of the fact that India being an agrarian economy, these sectors are not getting their due from the planners in terms of public investment. The fluctuating allocations by the planners results in fluctuating fortunes of cattle – rears, small dairy entrepreneur and fisherfolk. The Committee further believe that although the policy / programmes of the Government appears meaningful on paper, the reality on ground level is in stark contrast to it. There is a wide gap between the policy formulation and implementation. The Committee strongly believe that unless the gap between the formulation and implementation of the policies / programmes is bridged, important sectors of animal husbandry, dairying and fisheries will remain continue to be neglected and in doldrums.

The burgeoning population coupled with resolve to make the sector sustainable, remunerative and employment generating venture, is a serious challenge both for the planner and Govt. alike. Thus, it became all the more important to increase productivity, generate employment alongwith ensuring viability, sustainability and profitability to the population involved in these

segments. The pressing need of the hour for all concerned agencies is to work in tandem and unison so as to ensure the effective functioning of the animal husbandry, dairying and fisheries sector for achieving not only a high growth rate trajectory but also induce development and capacity-building of these sections.

The Department, whilst formulating any scheme, should keep the beneficiaries i.e. the cattle – rearers, dairy producers and fishermen at the focal point and then formulates their schemes / programmes. Further, scientific knowledge / techniques support should be a value addition to the traditional practices in these sectors. The Committee are pretty sanguine that if the concerned agencies adhere to their advise, the Department would be able to tactfully overcome the challenges, in the years to come and thereby jumpstart the revival process of these invaluable sectors which have a direct bearing on the fortunes of the farming community, especially the small and marginal ones. The Committee desire that Govt. should align their plans / programmes / schemes in the light of above observations.

REPLY OF THE GOVERNMENT

The recommendations of the Committee to bridge the gap between the formulation and implementation of the policies/programmes are noted for guidance. Efforts would be made to improve effectiveness of the implementation of various schemes of the Department while formulating the guidelines for the schemes of the Department after approval of restructuring by the competent authority. One major initiative taken by the Department is to restructure its Schemes/Programme relating to Animal Husbandry, Dairy and Fisheries Sectors for 12th Plan reducing the number of schemes and giving more flexibility to States to formulate projects to address specific

bottlenecks and challenges of the livestock and fisheries sector. These Schemes would cover the need for improving production and productivity of livestock, healthcare, quality and processing etc. besides emphasising the need to strengthen the institutions for better delivery of input and output services. Under these programmes and schemes, efforts would be strengthened to facilitate adoption of scientific practices/techniques of management of livestock and fisheries sector by the farmers/rearers, with due emphasis on development of appropriate skills and capacity building. With less rigid structure and greater flexibility to States, it is hoped that restructured schemes would be able to meet the challenges of this sector.

To enhance the Plan allocation, the matter has been taken up with the Planning Commission and Department of Expenditure of the Department of Animal Husbandry, Dairying and Fisheries from the approved allocation of Rs.14,179 crore during 12th Five year Plan. The Department is interacting continuously with the implementing agencies for effective implementation of the Schemes of the Department benefitting the livestock rearers and fishermen.

[Letter No.25-5(1)/2013-AHD (Coord) dated 22nd July, 2013]

PROPOSED FREE TRADE AGREEMENT (FTA) BETWEEN INDIA AND EUROPEAN UNION (EU)

(Recommendation No. 2.22)

During oral evidence of the Department in connection with examination of Demands for Grants (2013-14), proposed Free Trade Agreement (FTA) between India and European Union (EU), came for discussion. It was noted that EU is not permitting the import of dairy products citing Sanitary and Phyto Sanitary (SPS) clause and alleged that the Indian milch animals were not being maintained as per EU norms. As such, the Indian dairy products are unfit for consumption in

Europe. On the contrary, EU continue to export and sell their dairy products in India seeking protection under Geographical Indication (GI). On the other hand, the indigenous dairy items like, Lassi and Paneer were freely sold in European market without giving any protection to India. When the Committee enquired about the Government's stand on the issue, it was intimated that India oppose any tariff concessions to EU for their dairy products and the same has been conveyed to the Department of Commerce. The matter is under negotiation.

Observing that India is global leader in the dairy production, which is a mainstay for a wider section of small and marginal farmers, landless farmers, cattle rearers, womenfolk and urban poor, the Committee desire that the interest of the dairy producers of the country which is paramount be protected from monopolistic, discriminatory and lopsided trade practices. As the EU Government provides heavy subsidies for the farm produce and dairy sector, the Government is urged not only to ensure a level-playing field but also prevail upon EU to accord concessions for their domestic dairy producers. The Committee hope and trust that Government would take adequate actions in the matter for the benefit of farmers.

REPLY OF THE GOVERNMENT

The Department of Animal Husbandry, Dairying and Fisheries has communicated to the Department of Commerce that it does not agree for any tariff concessions being offered to EU which will affect the interest and livelihood of dairy farmers. The matter is still under negotiation.

[Letter No.25-5(1)/2013-AHD (Coord) dated 22nd July, 2013]

Comments of the Committee

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

OVERVIEW OF DEMANDS

(Recommendation No. 3.29 & 3.30)

During the course of examination of Demands for Grants (2013-14) of the Department, the Committee noted that the Planning Commission have allocated Rs. 8,174.00 crore, which was only 46 percent of the proposed allocation for Eleventh Plan of the Department. Further, the actual expenditure of the Department was Rs. 4870.54 crore which was a mere 60 percent of the allocated funds during the Eleventh Plan. They, are of the opinion that had the balance Rs. 3,304.00 crore been utilized, the implementation of schemes would have been far better and more fruitful. They are pained to note that their constant pleas to rectify the imbalances at BE and RE stages have gone unheard during the Eleventh Plan period. As the Twelfth Plan is in final stage of finalization, the Committee impress upon all the agencies concerned i.e. Planning Commission and the Ministry of Finance (Department of Expenditure) to adopt a holistic approach and not cling on the past. The allocation of funds to the Department must be uniformly spread so as to avoid backloading of Plan funds. This would ensure that the Department not only get maximum funds out of the approved outlay but also able to optimally utilize the allocated resources.

The Committee observe that one of the major constraints of the Department is its inability to entirely utilize even the reduced allocated funds during the Eleventh Plan period. This is attributed to the failure of the Department in motivating the States / UTs to send their proposals as well as Utilization Certificates in time and hence, an even pace of utilization of funds in each fiscal year could not be ensured. The Committee, therefore, exhort upon the Department to finally adopt a pro-active approach and impress upon the implementing agencies to come forward and participate actively in the schemes

run by the Department. In order to ensure this, they desire the Department to take into confidence and incorporate the views of States / UTs while planning the modalities of the schemes / programmes and thereby ensure their active participation in the schemes of the Department.

REPLY OF THE GOVERNMENT

The recommendations of the Committee are noted by the Department for necessary guidance. During the Eleventh Plan, though Rs. 8,174 crore had been allocated to the Department, but it was reduced to Rs. 5,910 crore at BE stages and Rs. 5,293.52 crore at RE stages. In the 12th Plan, the approved allocation for the Department as intimated by Planning Commission is Rs.14,179 crore, which is about 2.9 times more than the expenditure made during the 11th Plan.

During 2012-13, the Department was made available Rs. 1,910 crore which was reduced to Rs. 1,800 crore at RE stage. In spite of the fact that there was liability for expenditure under some schemes, which could not be met during 2012-13 due to reduction in the BE of the Department. Out of which, the actual expenditure of the Department was Rs.1,736.61 crore which is about 96.48 percent of amount actually made available to the Department. The Department has also taken up various measures for motivating the States for sending proposals and furnishing the utilisation certificates in time. During 2013-14, Department had written to States for submission of Project proposals and related UCs upto 15.07.2013 for better implementation of the Schemes. Department has conducted Regional Review Meetings with all the States during May-June, 2013 for reviewing the implementation of the Schemes by the States to expedite the fresh proposals along with pending Utilisation Certificates against previous releases with physical progress reports. The response from the States has

been very positive. It is hoped that in current year the expenditure and pending UCs position would improve further.

[Letter No.25-5(1)/2013-AHD (Coord) dated 22nd July, 2013]

TWELFTH FIVE YEAR PLAN

(Recommendation No. 3.31)

Being well aware of the prolonged delay in the finalization of Eleventh Plan which had detrimental impact on the implementation of various schemes of the Government, the Committee had recommended a slew of measures in their Second Report on the Demands for Grants (2009-10) of the Department and reiterated the same in their Twenty-fourth Report that the Twelfth Plan documents should be finalized before 1st April, 2012. The adverse impact on schemes / projects was also confessed by the representatives of Planning Commission during oral deposition in connection with the examination of Demands for Grants (2012-13) of the Department. However, much to their disappointment, the Committee note that in spite of their having repeatedly espoused the cause of initiating corrective measures to expedite the finalization of Twelfth Plan document, so as to avoid procedural delay in according clearance to schemes and resulting staggering of timelines and reduced allocation, no concrete action seems to have been taken in this regard. The Plan Document is stuck with the Planning Commission and as and when the Twelfth Plan is finally operationalized, the implementations of the schemes are likely to be severely hampered. The fears of the Committee are further compounded on being informed that the final approval of the new schemes of the Department may not be cleared before October-November, 2013, i. e. after RE stage of the second year of the Twelfth

Plan. Such development does cast a question mark on the very desirability of planning procedures practices and processes. Hoping against hope, the Committee, however, not wanting to shirk away from its responsibility, once again recommend the expeditious finalization of the Twelfth Plan document so as to ensure its implementation in real time, thereby scuttling the negative impact of this delay on the efficiency of the various schemes of the Department. At the same time, Govt. should re-look into and review, if necessary, system of planning procedures, process and practices especially in context of protracted delays in the finalization of Five Year Plans.

REPLY OF THE GOVERNMENT

The 12th Plan document was approved by National Development Council in its 57th meeting held on 27th December 2012. The Planning Commission has informed that the 12th Five Year Plan document is likely to be placed in the Parliament in the coming Monsoon Session.

With approval of the 12th Five Year Plan by the National Development Council, which is the apex body to approve the Five-Year Plans, the process for investment clearances of schemes / programmes of the different Departments has been undertaken by the Planning Commission. The Planning Commission has conveyed its approval to the broad scheme-wise details of Plan outlay of Rs 14,179 crore for the Department of Animal Husbandry, Dairying and Fisheries for the 12th Five Year Plan to facilitate finalization of programmes and schemes. Basing on the approved allocation, EFC meetings of the restructured three Centrally Sponsored Schemes and three Central Sector Schemes of the Department have been completed.

To ensure transition of the programmes to 12th Plan, it has been decided that the programmes which were under implementation during 11th Plan will continue to be implemented till approval on new/restructured schemes is obtained by the Department.

[Letter No.25-5(1)/2013-AHD (Coord) dated 22nd July, 2013]

Comments of the Committee

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

INTER – SECTORAL ALLOCATIONS

(Recommendation No. 3.32 & 3.33)

The Committee note with disappointment that despite their repeated recommendations, the Plan allocation of the Department of Animal Husbandry, Dairying and Fisheries be scaled up, so as to increase its share, compared to the other two Department of Ministry of Agriculture viz. Department of Agriculture and Cooperation (DAC) and Department of Agricultural Research and Education (DARE) have not fructified, but rather slipped to 0.33 percent from 0.38 percent of the total share of Central Plan Outlay of Government of India in Twelfth Plan and Eleventh Plan respectively. The Committee again urge upon the Planning Commission to quantumly enhance the share of Department of Animal Husbandry, Dairying and Fisheries in plan allocation.

At the same time, the Committee reiterate that the Department should get their house in order and address the pressing issues of pending Utilisation Certificates on priority basis so that the States / UTs avail Central funds. The Committee strongly believe that if State Governments are genuinely concerned about energizing the sections of population engaged in animal husbandry,

dairying and fisheries sector then they should avail more Central funds by ensuring timely submission of Utilisation Certificates, so that the last beneficiary is benefitted in true sense. This, in result, would lead to positive outcomes at later stages of financial allocations, and hence, desired growth rate.

REPLY OF THE GOVERNMENT

Planning Commission has informed that the share in budgetary allocation of funds to the Department in 12th Plan is 12.75% of total allocation for agriculture sector compared to 9.36% in the 11th Plan. Besides, additional Central Assistance is also available to States for development of the sector through RKVY, for which Rs. 63,246 crore is allocated during 12th Plan, against 11th Plan expenditure of Rs. 22,426 crore. The States are advised to utilize the RKVY funds for development of livestock & fisheries sector for achieving 4% growth in agriculture.

However, the Department agrees with the observation of the Committee that the approved allocation of Rs.14,179 crore for 12th Plan is not adequate. Accordingly, the Department has taken up the matter with Planning Commission and the Department of Expenditure, Ministry of Finance to enhance the outlay of the Department taking into account its share in the economy. Hon'ble Agriculture Minister has also written to Hon'ble Prime Minister to enhance the outlay of the Department to at least Rs. 20,000 crore for the 12th Five Year Plan.

The Department has taken various measures to clear the pending Utilisation Certificates with the States/Implementing agencies. In this regard, Department has taken up matter with States/implementing agencies through review meetings for timely submission of utilisation certificate, so as to make them eligible for availing large

amount of central funds for the development of animal husbandry, dairying and fisheries sectors. Due to the steps taken by the Department, the numbers of pending Utilisation Certificates have come down significantly during last six months.

[Letter No.25-5(1)/2013-AHD (Coord) dated 22nd July, 2013]

RESULT FRAMEWORK DOCUMENT (RFD)

(Recommendation No. 3.34)

The concept of RFD was introduced in 2009 to measure the performance of Ministries / Department of Government of India and the Department of Animal Husbandry, Dairying and Fisheries have also been preparing the RFDs since then. The Committee note that the RFD score during 2010-11 was 92.91 percent which slid to 80.27 percent in 2011-12. The Department have attributed this slide to result of less-weighted score obtained in success indicators related with independent audit of grievance redressal mechanism, compliance of RTI Act, 2005, finalisation of action plan on mitigation of potential areas of corruption, ISO 9001 certification, fodder seed production, construction of houses for fishermen etc. They believe that the outcomes of RFD provides an opportunities for Department to introspect the areas where they are not performing well and hence can reorient their focus and work towards achieving the target. However, they do not take kindly to the drop in RFD score of the Department in the year 2011-12 as they view it to be reflecting the Department in a negative light. They therefore impress upon the Department to put their house in order and ensure that the RFD score of the Department surges past 90 percentage points during the coming years and stays intact there.

REPLY OF THE GOVERNMENT

The composite RFD score for the year 2012-13 for the Department has improved to 92.75 percent as intimated by Cabinet Secretariat. Department is monitoring the progress of RFD targets regularly so as to maintain the score above 90 percent as recommended by the Committee.

[Letter No.25-5(1)/2013-AHD (Coord) dated 22nd July, 2013]

MASS AWARENESS CAMPAIGNS

(Recommendation No. 3.36)

The Committee note that the Department is implementing various important schemes in diversified fields and many new schemes are proposed for the Twelfth Plan. They are also aware that many of the important schemes of the Department could not achieve the desired targets due to lack of awareness amongst the intended beneficiaries, which resulted in the non-utilization of allocated funds by the Department. Surprisingly, no departmentalized institutionalize mechanism exists for generating mass awareness of the schemes for the intended beneficiaries, unlike ATMA and KVKs. The argument of the Department that ATMAs of Department of Agriculture and Cooperation (DAC) and *Krishi Vigyan Kendras* of Indian Council of Agricultural Research (ICAR) are being engaged in extension services and they do not want any duplicity in this regard is hardly convincing. The Committee, therefore, recommend that on the line of KVK / ATMA, a separate scheme for the mass awareness campaigns, exclusively for animal husbandry, dairy and fisheries sector be initiated at the earliest, so as to ensure focused attention and high reach. The Committee feel

that a dedicated extension service for the sector, is likely to overcome the obstacle of lack of awareness of the various schemes related with the Department.

REPLY OF THE GOVERNMENT

The CSS on Livestock Extension and Delivery Services was discontinued from 10th Plan on the recommendation of committee on zero based budgeting set up by Planning Commission. Sub-group on extension setup by Planning Commission advised the revival of the scheme during 11th Plan. The Department agrees with the observation of the Committee that a separate scheme is necessary for mass awareness campaigns exclusively for livestock and fisheries sectors to facilitate implementation of various schemes of the Department, as it increases awareness among all stakeholders regarding the latest developments in the sector including scientific methods of rearing and management/disease control/animal nutrition etc. Department has already prepared a draft scheme which envisages increased information support among animal rearers, operating specific training and capacity building of various stakeholders, organizing large number of Livestock Farmers Groups for empowering them with technology required for improving their income from livestock farming activities, organizing livestock melas and regional livestock fairs, organizing exposure visits of the stakeholders to progressive States having established extension mechanism and developing a mechanism of obtaining feedback from the animal rearers regarding their necessities and aspirations and gradually incorporating them in the extension machinery. The scheme has been proposed as a Sub-mission on skill development, technology transfer and extension for livestock sector under the proposed National Livestock Mission to be implemented during 12th Five Year Plan. In respect of fisheries sector, separate scheme for capacity building, training and deployment of "Matsya Mitra" in order to strengthen

extension services in fisheries has been proposed under National Fisheries Development Board. There would also be a component on "Training and Extension" proposed under the National Scheme for Welfare of Fishermen.

[Letter No.25-5(1)/2013-AHD (Coord) dated 22nd July, 2013]

Comments of the Committee

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

SECTORAL AND SCHEMATIC ANALYSIS

ALLOCATION OF ANIMAL HUSBANDRY SECTOR

(Recommendation No. 4.46)

The proposed outlay for Annual Plan (2013-14) for animal husbandry sector under the Centrally Sponsored and Central Sector Schemes are Rs. 991.20 crore and Rs. 360.09 crores, respectively, which aggregates to Rs. 1351.29 crore. However, the BE for 2013-14 is Rs. 1051.49 crore, which is Rs. 11.61 crore less than the allocation in previous fiscal. The Committee highly deprecates this, as they believe that the animal husbandry sector has immense potential for the welfare of small and marginal farmers, small dairy producers and cattle rearers. It not only offers financial help to the womenfolk of the society but also helps them during the lean season. The Committee, therefore, impress upon the Department to deeply introspect in the matter and work out a detailed roadmap to claim its due place in the economy and developmental process. From the past performance during the Eleventh Five Year Plan period, the Committee recommends the Department to gear themselves appropriately, failing which it may be difficult for them to utilize this amount, which would further hamper the

implementation of the major schemes of the Department. They further recommend the Department to come clean of the impression of 'low absorption capacity of the utilization of funds', so that it can get the reasonable and adequate from the Planning Commission at BE stage. The optimum utilization of funds will help in claiming an enhanced allocation at RE stage from the Ministry of Finance (Department of Expenditure) to achieve the desired targets.

The Committee observe that Annual Plan allocations and expenditure of Animal Husbandry sector shows that its outlay for Eleventh Plan was Rs. 4,323.00 crore, which is 52.8 percent of the total plan allocation of Rs. 8,174.00 crore for the three sectors viz., Animal Husbandry, Dairying and Fisheries. However, the Department could utilize only to the tune of Rs. 2,610.00 crore, which reflects under-utilization of more than Rs. 205 crore from the RE level which negatively impacted the implementation of schemes of this sector.

The Committee note that the Department has averred that delay in finalization of Twelfth Plan document may impact and hamper, the viability of many schemes including major schemes like NLM, NPBDD, FMD-CP, ESVHD, DEEDS, NFDB etc. The Committee, therefore, recommend that the Department should take pro-active action so as to optimally utilize the allocated funds for existing schemes failing which, it may have cascading effect on the implementation of schemes in years to come.

REPLY OF THE GOVERNMENT

The less allocation for animal husbandry sector in 2013-14 as observed by the Committee, is due to comparatively reduced overall allocation of Rs. 2,025 crore for the

Department as against the demand of Rs.3,025 crore projected by the Department during 2013-14 and comparatively higher allocation to Dairy sector. The higher allocation in Dairy sector is mainly due to the higher allocation for the Schemes like Dairy Entrepreneurship Development Scheme caused due to existing liability with NABARD towards pending subsidy claims carried over from 2012-13 due to reduction of Department's BE at RE stage and increase in demand from all the States for DEDS.

Department agrees with the concern of the Committee about less allocation to animal husbandry sector, which has immense potential for the welfare of small and marginal farmers, small dairy producers and cattle rearers. Department has taken up the matter with Planning Commission and Department of Expenditure for additional allocation for the Department during 2013-14. Steps would be taken to increase allocation for animal husbandry sector at RE stage within available resources. Department is also making constant efforts to make available more funds for Animal Husbandry Sector from the Schemes like National Mission on Protein Supplements (NMPS) which is a component under the scheme of Rashtriya Krishi Vikas Yojana (RKVY).

Department has taken proactive steps for optimally utilizing the allocated funds under different schemes of the Department.

[Letter No.25-5(1)/2013-AHD (Coord) dated 22nd July, 2013]

Comments of the Committee

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

NATIONAL PROGRAMME ON BOVINE BREEDING AND DAIRYING (NPBB)

(Recommendation No. 4.47)

Genetic upgradation of cattle, buffalo, conservation of breeds, production and distribution of breeding inputs, quality control of goods and services, lack of human resources and incongruent institutional and policy framework with the ground realities are some of the major challenges in the animal breeding and dairying sectors. The NPBB will have two main components namely, National Programme for Bovine Breeding (NPBB) and Dairy Development to create synergy of resources. It is believed that the combined activities of breeding and dairying will be more effective in Artificial Insemination (AI) services, feed management, extension services and lead to increase dairy productivity and enhanced income of farmers. The Committee share the optimism of the Department that the convergence of breeding and dairying activities will have a positive impact on the livestock and enhanced production and productivity of the animals. The Committee however, concerned with the current focus of the Government wherein emphasis is increased number of Artificial Insemination without paying any heed to its success rate as evident in the rather low success of Artificial Insemination. Noting this to be a rather discouraging factor, the Committee therefore, recommend the Department to shift their focus from myopic quantitative one to a qualitative one, by laying emphasis on increasing the success rate of Artificial Insemination activities. Alongwith this, it also stress that emphasis should be placed on the genetic improvement of the indigenous varieties so that the segment of farmers who can not afford the exotic breeds may also get a means of profit to sustain their livelihood. A positive step, herein, would be to ensure proper / scientific training of field staff under expert guidance.

REPLY OF THE GOVERNMENT

NPBB scheme will have two main components namely, National Programme for Bovine Breeding (NPBB) and Dairy Development Programme. For continuing the breed improvement programme mostly in areas not covered under NDP, the component of NPBB will be continued during 12th Plan as a part of NPBBD. However, the combined activities in respect of breeding and dairying will be more effective in extension of artificial insemination services, feed management and marketing of good quality of milk, which are essential for improving productivity and income of farmers. Regarding success rate of artificial insemination (AI), it would depend on the quality of frozen semen produced/supplied, skill of the inseminator and reproductive health status of the milch animal receiving AI.

The Department is taking necessary action to improve the success rate of AI. The Department has developed Standard Operating Procedure (SOP) and Minimum Standard Protocol (MSP) for AI Technicians, which have been circulated to all States. A Central Monitoring Unit has been constituted for evaluation and accreditation of AI Training Institutes in the country. Uniform training module has also been developed by the Department. Funds have been proposed under the scheme for training and retraining of existing AI workers. For improving quality of semen production, funds have been released to the States for strengthening semen stations. Department has formulated MSP for semen production and also constituted a Central Monitoring Unit for evaluation and grading of semen stations in the country. As a result of these efforts, the number of A and B graded semen stations in the country has been increased to 27 stations against 14 in 2004. Funds have been released to the States for streamlining LN₂ transport and distribution system which is lifeline of artificial insemination

programme. Due to efforts made by the Department under NPCBB, overall conception rate in the country has increased from 20% in 2000 to 35%.

In so far as scientific training of field staff under expert guidance is concerned, a component for Skill Development of the inseminators under NPBB and a component for skill development of staff working in dairy sector have been proposed under 'Dairy Development Programme' component of NPBB. Efforts would be made to impart skill development training to experienced private artificial inseminators so as to enable them to function as multi-purpose extension workers providing quality extension service to the farmers.

[Letter No.25-5(1)/2013-AHD (Coord) dated 22nd July, 2013]

Comments of the Committee

For comments of the Committee please refer to Para No. 1.19 of Chapter I of this Report.

ESTABLISHMENT OF VETERINARY DRUG CONTROL AUTHORITY

(Recommendation No. 4.49)

The Committee note that Drugs and Cosmetic Act, 1940 regulates the import, manufacture and marketing of drugs and biological including veterinary drugs and biological. The regulatory role for the purpose is discharged by Drug Controller General of India (DCGI) which is under the administrative control of Ministry of Health and Family Welfare. The Department of Animal Husbandry has informed that the Working Group of Animal Husbandry has proposed a separate Veterinary Drug Controller Authority during Tenth Plan which was further reiterated by Working Group in Eleventh and Twelfth Plan. The Drug and Technical Advisory Board (DTAB) which has a major role in policy decision on

type of veterinary drugs to be allowed in Indian markets has no representation from the DADF. The plea of the Department that they have very limited role in the present arrangements of medical products and almost negligible efforts made by DCGI to lay down standards for veterinary drug, trial protocol, testing facilities, toxicity and safety standards is hardly convincing. The Committee have taken note of the prevalent practice in various parts of the World in regard to separate or unified regulatory authorities in the matter of drugs and biological, both for human beings and animals and find that US FDA (Food and Drug Administration) has a unified and umbrella authority for food, drugs both for human beings and animals. The Committee fail to understand the logic of separate drug regulatory authority for veterinary drugs and human drugs, when US FDA encompasses single regulatory authority for all these matters. The Committee is of the view that there is no justification of separate regulatory authority and as such the status-quo may continue. The Department may, however, prevail upon the Ministry of Health and Family Welfare to enlarge the composition of DTAB so as to assign a meaningful and fruitful role to the representatives of the Department in matters of veterinary drugs, whenever required.

REPLY OF THE GOVERNMENT

As recommended by the Committee, the Department has decided to drop the proposal for separate Veterinary Drug Control Authority and the Ministry of Health and Family Welfare has been requested to enlarge the Drug and Technical Advisory Board (DTAB) by including a representative of DADF.

[Letter No.25-5(1)/2013-AHD (Coord) dated 22nd July, 2013]

Comments of the Committee

For comments of the Committee please refer to Para No. 1.22 of Chapter I of this Report.

POULTRY DEVELOPMENT

(Recommendation No. 4.50)

The poultry sector has recorded a growth of about five percent in the fiscal 2012-13 compared to the year 2011-12, with production touching 66.45 billion tonnes. However, in fiscal terms the allocation of Department has reduced to Rs. 35.62 crore at RE stage from Rs. 52.50 crore at BE stage, whereas the actual expenditure was only Rs. 23.77 crore till December, 2012. The Department reasoned that such a reduction in allocation of funds is due to increase in cost of reared chicks and input prices of feed / feed ingredients. Taking a cue from the Department's reasoning, the Committee implore upon the Government to make suitable provisions in the programme that would ensure that escalation in the cost is taken care of. The Committee further recommend the Department to stretch its arms in terms of allocated funds so that it can act as a source of sustenance for the poultry farmers and also act as a fillip to the rural backyard poultry.

REPLY OF THE GOVERNMENT

The Department, in consultation with Integrated Finance Division, has increased the cost of 4-week old reared chicks under 'Rural Backyard Poultry Development' component of Centrally Sponsored Scheme, "Poultry Development" from Rs.30/- to Rs.40/- per chick for the year 2013-14. This will enable, to some extent, to address the escalation in the cost of rearing of chicks and facilitate smooth implementation of the scheme.

It may further be mentioned that in the proposed National Livestock Mission (NLM), the 'Poultry Development' scheme will be subsumed. Proposal to empower Executive Council to use its discretion in approving components of a project and to include new components and to approve special interventions for tackling emergent/unforeseen requirements is incorporated in NLM. Under NLM, States may propose the projects suited to their specific local conditions to make it more efficacious.

[Letter No.25-5(1)/2013-AHD (Coord) dated 22nd July, 2013]

NATIONAL FISHERIES DEVELOPMENT BOARD (NFDB) AND FISHERY SURVEY OF INDIA (FSI)

(Recommendation No. 4.52)

The Committee are discerned to note that the information furnished by the Department regarding the functions and achievements of NFDB and FSI are not at all satisfactory as it is reflective of their tardy performance. The Department have attributed the low performance of NFDB to teething problems, viz. recruitment of staff, finalization of scheme guidelines, modalities for implementation of the schemes based on needs of the States etc. As the NFDB is still in its infancy, the present achievements will guide the future of the institution and as such the Committee do not buy argument assigned for below par performance and recommend the Department to provide full infrastructure and resources to the NFDB as it has the potential and has been entrusted with the responsibility of the development of fishery sector. Regarding the performance of FSI, the Department have stated that the shortfall in performance was due to inordinate delay in the Dry Docking and Repair (DDR) and Life Saving Appliances (LSA) / Fire Fighting Appliances (FFA) of certain vessels as well as some serious technical problems in some other vessels. Also, the age of the vessels and non-priority given to the vessels by the shipyards were further aggravating the situation. Notwithstanding,

the systemic constraints hampering the performance of these institutes, the Committee urge the Department to overcome these functional shortcomings in real time and ensure a judicious balance between physical and fiscal targets and achievements of the institution so that it can fulfill its mandate.

REPLY OF THE GOVERNMENT

Department noted the recommendation of Committee for necessary guidance. NFDB implements production oriented schemes in fisheries sector in order to improve impact on enhancement of fish production. The guidelines of NFDB are simplified with more flexibility as per the request of States as they are the implementing agencies. Priority is given to thrust areas like production of fish seed, post harvest and value addition infrastructure. To enhance the overall performance, all States have been requested to submit Annual Action Plans well in advance for fisheries development. A Project Monitoring Cell is created at NFDB to monitor all schemes of NFDB for effective implementation. Adequate funds for development of fisheries to NFDB have been released by the Department.

Regarding performance of Fishery Survey of India, constant monitoring is done by the Department and performance of the vessels evaluated in review meetings. Presently, FSI has about 11 fishing vessels under operation. Every vessel requires dry docking and repairs every 2nd year. Since most of the vessels of FSI are more than 25 years old, considerable time is lost in dry docking and repair of the vessels. The vessels are held up for dry docking and repairs for almost 3-4 months at the Ship yard and for major over hauling of the main engine. Some of the engine parts are to be imported and considerable time is lost in import of spare parts. Sometimes this activity consumed almost 8 months and the targets could not be achieved and there by leading to poor

performance of the vessel which resulted in poor achievement. The FSI is being instructed to get the dry docking bills settled as and when they are received from the shipyards and should not wait at the fag end of the financial year to avoid rush of expenditure.

Some of the machinery like power generation equipment is almost 33 years old. For acquisition of new vessel for survey, global tenders were floated twice and since the response was extremely poor, it was decided to explore the possibility of leasing. Steps have been initiated to acquire new vessels.

[Letter No.25-5(1)/2013-AHD (Coord) dated 22nd July, 2013]

WELFARE PROGRAMME OF FISHERMEN

(Recommendation No. 4.53)

The Centrally Sponsored Scheme “National Scheme for the Welfare of Fishermen” has four components, viz. Group Accident Personal Insurance; Saving-cum-Relief; Model Fishermen Village (that includes assistance for low cost houses for fishermen, tube wells and community hall); and Training and Extension. The Department have stated that due to budgetary constraints, the fund released for housing is affected despite good response from the States for availing the funds to provide low cost houses to fishermen. The Department informed that component on training and extension is being discontinued during the Twelfth Plan to avoid duplicacy as similar programme exists under the schemes of NFDB. Instead, a new component, capacity-building for alternative livelihood for fishers, has been proposed during the Twelfth Plan. The Committee are bewildered to note that the component on training and extension is entrusted to NFDB whereas a new component – capacity-building for alternative livelihood

for fishers has been proposed under the Welfare Programme of Fishermen, which, in view of the Committee, points towards lack of foresight while formulating the schemes as this had lead to overlapping and duplicity. Deprecating this act of callousness on the part of the Government, the Committee recommend that capacity-building for alternative livelihood for fishermen may be merged with the Training and Extension component and should be placed under Welfare Programme of Fishermen.

REPLY OF THE GOVERNMENT

“Training and Extension” was a separate scheme prior to 2005-06 and was merged with the “National Scheme for Welfare of Fishermen” from 2005-06 onwards. The main objective of this component is to provide training to fishers on fishery related activities and to enhance the extension skills. With setting up of the NFDB in 2006, the Human Resource Development (HRD) activities were conducted at different levels through NFDB. The Report on the Working Group on Fisheries for the 12th Plan recommended that during the 12th Five Year Plan, this programme should be handled by the NFDB in cooperation with the institutions under the Ministry of Agriculture, State Agriculture Universities (College of Fisheries) and the Krishi Vigyan Kendras (KVKs). Accordingly, NFDB has proposed separate schemes for skill development training, Human Resource Development (HRD) and for strengthening extension in fisheries sector. It was, therefore, proposed by the Department to discontinue the component of “Training and Extension” from National Scheme for Welfare of Fishermen.

However, in view of the recommendation of the Committee, the Department would propose to retain the component of “Training and Extension” as a part of the

scheme of “National Scheme for Welfare of Fishermen” which will continue as a Central Sector Scheme during 12th Plan.

[Letter No.25-5(1)/2013-AHD (Coord) dated 22nd July, 2013]

CHAPTER –III

OBSERVATIONS /RECOMMENDATIONS IN RESPECT OF WHICH THE GOVERNMENT DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLY

DISCREPANCIES IN INFORMATION SUBMITTED IN OUTCOME BUDGET (2013-14)

(Recommendation No. 3.35)

The Committee observe that the Outcome Budget is an integral part of the budgeting process since 2005-06, wherein the Government aims to converge the outlays into outcome by planning expenditure, fixing suitable targets, quantifying deliverables of each scheme and finally, arrive at 'outcomes' of each scheme / programme. Thus, the Outcome Budget serves as a policy tool to establish an effective linkage with allocation and disbursement of public funds on the basis of measurable performance. However, much to their bewilderment, they observe that the Outcome Budget which was presented to the Parliament on 19th March, 2013 was riddled with several discrepancies / errors and misinformation, which were highlighted by the Committee during the course of Oral Evidence of the Department in examination of Demands for Grants (2013-14). As the Outcome Budget serves as an accurate measurable tool for the performance of various schemes / programmes, the Committee is shocked to note that factually wrong information was furnished to the Parliament. Strongly deprecating this slipup on the part of the Department, the Committee recommend that utmost care should be taken by the Department in furnishing factually correct information to Parliament and its authorities and also ensure that such slippages are not repeated in the future. While strongly recommending the Department to maintain the sanctity of the documents presented to the House, they also desire that the Outcome Budget may again be re-looked into and the misinformation,

deficiencies etc. made good. The Committee would also like to be apprised of the action taken in the matter.

REPLY OF THE GOVERNMENT

Errors in the Outcome Budget were in the nature of computer formatting which could not be detected due to pressure of various official works including financial release deadlines in the last month of the financial year. All the concerned Divisions of the Department have been directed to exercise utmost caution in future before submitting data for inclusion in the Outcome Budget. Chapter-IV of the Outcome Budget that contained the errors has since been revised, and with the approval of Hon'ble Agriculture Minister, laid on the Table of Lok Sabha on 23.04.2013. The recommendations of the Committee in this regard are noted by the Department for necessary guidance.

[Letter No.25-5(1)/2013-AHD (Coord) dated 22nd July, 2013]

NATIONAL DAIRY PLAN

(Recommendation No. 4.51)

The Committee have been informed that the National Dairy Plan – I (NDP – I) is to be implemented in only 14 major States – Uttar Pradesh, Punjab, Haryana, Gujarat, Rajasthan, Madhya Pradesh, Bihar, West Bengal, Maharashtra, Karnataka, Tamil Nadu, Andhra Pradesh, Odisha and Kerala. The Department have received 139 sub project proposals from 13 States as on 25th March, 2013. The Department have also informed that only 14 states confirmed compliance and End-Implementing Agencies (EIAs) submitted sub project proposals to National Dairy Development Board (NDDB) for consideration. The Committee is surprised

to note that the 14 States which are found eligible for consideration under NDP - I, are already performing well in milk and dairy production. The Committee would be concerned over the fate of the other States which are kept out of purview of NDP - I as these States are faring poor in dairy production, like to be apprised of the rationale leading to selection of those States who are leaders in the field of milk production and exclusion of the States who currently lag behind. Endeavouring to ensure a level playing field for all the States and to ensure a comprehensive development of the dairying sector, the Committee urge upon the Government to expand the scope of NDP - I and also include the urgently need the intervention of Government to upgrade the resources, infrastructure and facilities related with the dairy sector. Thus, the Committee recommends the inclusion of other States like Jharkhand, Chhattisgarh, Himachal Pradesh under its ambit.

REPLY OF THE GOVERNMENT

1. National Dairy Plan – Phase I (NDP- I) is being implemented with a total investment of about Rs. 2,242 crore with the following objectives:
 - i) To help increase productivity of milch animals and thereby increase milk production to meet growing demand for milk.
 - ii) To help provide rural milk producers with greater access to the organised milk processing sector.

2. **Justification for focussing NDP-I in 14 States:**
 - a). Demand for milk is growing rapidly due to growing incomes on account of various welfare schemes of the Government. It is therefore necessary to

expeditiously launch a scientifically planned initiative to increase milk production by increasing bovine productivity. This is also relevant in the light of reports that milk producers are not finding milk production to be sufficiently remunerative and some milk producers may be disengaging from dairying as a source of income and looking at other alternatives. Emerging trends indicate that the demand for milk is likely to be much more than 180 million tonnes in 2021-22 and could be in the range of 200-210 million tonnes and the demand by 2016-17 (end year of 12th Five Year Plan) is projected to be 150 million tonnes.

- b) To successfully meet the growing demand for milk, the incremental annual production of milk over the last 10 years, which has been on an average about 3.5 million tonnes per year, is envisaged to increase annually to an average of 6 million tonnes per year by the end of 12th Plan period. Dependence on imports to meet the surging demand for milk cannot be a long term solution. India is the largest milk producing nation in the world and resorting to imports of milk products to meet the growing demand for milk, even in small quantities, is likely to spike international prices and thereby result in higher import and consumer prices. On the other hand, there is a long gestation in raising bovine productivity. It was, therefore, imperative that a scientifically planned multi-state initiative is launched at the earliest through a programme to improve bovine productivity with a focus on a scientific approach to breeding and feeding in States having necessary potential for increasing productivity of milk.
- c) NDP I is focussed on 14 major milk producing States of Andhra Pradesh, Bihar, Gujarat, Haryana, Karnataka, Kerala, Madhya Pradesh,

Maharashtra, Odisha, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh and West Bengal which account for about 90 per cent of the country's milk production, have about 87 per cent of breedable cattle and buffalo population and 98 per cent of the fodder resources. However, it is felt that by focussing on these 14 States, it would be relatively easier to achieve the objective of increasing average incremental milk production to 6 million tonnes per year required to meet the growing demand in the country. This would be possible through scientific management of breeding and feeding of animals which would be promoted under NDP-I extensively in 14 States. Coverage of other States under NDP may result in spreading of available resources under the NDP-I thinly across more States, as a result of which achieving the desired objective of increasing average incremental production of milk to 6 million tonnes per year in the country may not be achieved. However, the benefits of the Scheme will also be available to all the States including Jharkhand, Chhattisgarh and Himachal Pradesh through access to quality disease free semen doses produced at semen stations being supported under NDP- I.

3. It may be noted that the Department is implementing various other schemes throughout the country for creation of infrastructure, augmenting availability of fodder and facilities and genetic up-gradation of bovine breeds. Some of these development schemes are as indicated below:

- i) National Project for Cattle and Buffalo Breeding (NPCBB) Phase-II
- ii) Centrally Sponsored Fodder and Feed Development Scheme
- iii) Intensive Dairy Development Programme (IDDP)
- iv) Strengthening Infrastructure for Quality & Clean Milk Production (SIQ&CMP)

v) Dairy Entrepreneurship Development Scheme

Besides, projects supporting these activities can be approved under Rashtriya Krishi Vikas Yojana. Non-NDP States would be encouraged to access funding under these schemes to take up dairy development activities. The projects that would be proposed by other States like Jharkhand, Chhattisgarh and Himachal Pradesh for improving production of milk would be supported by the Department through ongoing Schemes as above. Hence, taking into consideration above facts, the recommendation to include other States under NDP-I may be reconsidered by the Committee.

[Letter No.25-5(1)/2013-AHD (Coord) dated 22nd July, 2013]

CHAPTER –IV

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

NIL

CHAPTER-V

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

ESTABLISHMENT AND STRENGTHENING OF EXISTING VETERINARY HOSPITAL AND DISPENSARIES (ESVHD)

(Recommendation No. 4.48)

The Committee note with concern that there is an acute shortage of veterinary hospitals / dispensaries in the Country to cater the pressing need to counter the challenge of control of animal diseases. The Committee was informed that out of the total 31,000 odd Veterinary Hospitals / Dispensaries in the Country, only 5200, which are spread over 12 States have availed benefit under this programme. The Committee is of the view that a desired investment made in these areas will have a multiplier effect in raising the productivity of animals and providing economic gains to their owners. The shortage of skilled manpower further compounds the woes of this perennial suffering sector. The Committee was also informed that an Expert Committee have been constituted to look into the minimum standards of veterinary education and to suggest necessary changes in the Indian Veterinary Council Act, to enable more veterinary graduates to pass out.

The Department further informed that the fiscal aspect of the Scheme that during year 2011-12, the Department have released Rs. 98.81 crore against BE of Rs. 90.00 crore which was lauded by the Committee in the Thirty-fifth Report on the Demands for Grants (2012-13) of the Department. However, things took a turn for the worse in the fiscal 2012-13 as this sector received only Rs. 46.87 crore against the BE of Rs. 91.00 crore and the actual utilization is only Rs. 31.25 crore

till December, 2012. This has impacted the allocation of current fiscal with the budgetary allocation of Rs. 60.00 crore only. This is a classic example of past performance guiding the future allocations as is evident in reductions starting at the BE level, due to under-utilization in the current fiscal.

Deeply concerned at this sordid state of affairs, the Committee has no option, but to reiterate that the strengthening of veterinary services be taken up without fail and the Committee strongly recommend that the allocation of the scheme be enhanced and utilized optimally and the shortage of veterinary doctors and technical staff be bridged at the earliest so as to improve the quality of veterinary services.

REPLY OF THE GOVERNMENT

The veterinary hospitals, dispensaries, polyclinics etc. are set up by the States/ Union Territory Governments depending upon the livestock population in a particular area and availability of resources. Manpower including Veterinarians is also provided by the respective State Governments.

Department is providing financial assistance to the States/UTs to set up new veterinary hospitals/dispensaries and to strengthen the existing ones as per the project proposal received from the States under the Scheme. Till 2012-13, the Department has released funds to 27 States and 4 Union Territories for construction/renovation of veterinary hospitals/dispensaries. During 2012-13, the Department has released the funds to the tune of Rs. 51.76 crore under the Scheme. Taking into account the overall allocation for the Department for 2013-14, an allocation of Rs. 60.00 crore has been provided for the scheme at BE Stage for 2013-14. In view of the recommendation of the Committee, steps would be taken to augment the provision under the scheme at RE

stage for current year. Taking into account the requirement, the States are also availing funds for this purpose under RKVY, RIDF and other schemes.

[Letter No.25-5(1)/2013-AHD (Coord) dated 22nd July, 2013]

NEW DELHI

**28 Novemembr, 2013
7 Agrahayana, 1935 (Saka)**

BASUDEB ACHARIA

**Chairman,
Committee on Agriculture.**

COMMITTEE ON AGRICULTURE

(2013-14)

MINUTES OF THE SIXTH SITTING OF THE COMMITTEE

The Committee sat on Monday, the 11th November, 2013 from 1500 hours to 1615 hours in Committee Room 'C' (G/F), Parliament House Annexe, New Delhi.

PRESENT

Shri Basudeb Acharia - Chairman

MEMBERS

LOK SABHA

2. Shri Sanjay Singh Chauhan
3. Smt. Ashwamedh Devi
4. Shri Premdas Katheria
5. Shri P. Kumar
6. Sardar Sukhdev Singh Libra
7. Smt. Bhavana Gawali (Patil)
8. Shri Patel Kishanbhai V.
9. Dr Kumar Pandey. Vinay 'Vinnu'

RAJYA SABHA

10. Shri N. Balaganga
11. Smt. Mohsina Kidwai
12. Dr. K.V.P. Ramachandra Rao
13. Shri Parshottam Khodabhai Rupala
14. Shri Rajpal Singh Saini
15. Shri S. Thangavelu
16. Shri Shivanand Tiwari
17. Shri Darshan Singh Yadav

SECRETARIAT

1. **Shri A. Louis Martin** - **Joint Secretary**
2. **Shri T.H. Rao** - **Additional Director**
3. **Shri C. Vanlalruata** - **Deputy Secretary**

2. At the outset, the Chairman welcomed the Members to the Sitting of the Committee. Then, the Committee took up for consideration the following:

- (i) Memorandum No.05 pertaining to the draft Report on the Action Taken by the Government on the Observations/Recommendations contained in the Forty-eighth Report of the Committee on Agriculture (2012-13) on Demands for Grants (2013-14) of Ministry of Agriculture, Department of Animal Husbandry, Dairying & Fisheries.

(ii) xx xx xx xx

3. After some deliberations, the Committee approved the categorization of action taken replies as shown in the Memoranda and adopted the draft Reports without any modification. They authorised the Chairman to present these Reports to Parliament after getting them factually verified from the concerned Departments.

4. xx xx xx xx

5. xx xx xx xx

A verbatim record of the proceedings has been kept separately.

The Committee then adjourned.

(Vide Para 4 of Introduction of the Report)

ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON THE FORTY-NINTH REPORT OF COMMITTEE ON AGRICULTURE ON DEMANDS FOR GRANTS (2013-14) PERTAINING TO MINISTRY OF AGRICULTURE, DEPARTMENT OF ANIMAL HUSBANDRY, DAIRYING & FISHERIES.

(i)	Total number of Recommendations	20
(ii)	Recommendations/Observations which have been Accepted by the Government	
	Para Nos. 1.4, 2.20, 2.21, 2.22, 3.29, 3.30, 3.31, 3.32, 3.33, 3.34, 3.36, 4.46, 4.47, 4.49, 4.50, 4.52 and 4.53.	
	Total	17
	Percentage	85%
(iii)	Recommendations/Observations which the Committee Do not desire to pursue in view of the Government's replies	
	Para Nos. 3.35, 4.51	
	Total	02
	Percentage	10%
(iv)	Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee	
	Para Nos. Nil	
	Total	00
	Percentage	00%
(v)	Recommendations/Observations in respect of which Final replies of the Government are still awaited	
	Para Nos. 2.52	
	Total	01
	Percentage	05%