

CHAPTER I
**STANDING COMMITTEE ON AGRICULTURE
(1999-2000)**

THIRTEENTH LOK SABHA

MINISTRY OF AGRICULTURE

(Department of Animal Husbandry & Dairying)

DEMANDS FOR GRANTS

(2000-2001)

EIGHTH REPORT

Presented to Lok Sabha on 19.4.200

Laid in Rajya Sabha on 19.4.2000

LOK SABHA SECRETARIAT

NEW DELHI

April, 2000/Chaitra, 1922 (Saka)

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**COMPOSITION OF THE STANDING COMMITTEE
ON AGRICULTURE (1999-2000)**

Shri S.S. Palanimanickam - *Chairman* Members

Lok Sabha

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43 Shri Kanshi Ram
44 Shri A.R. Kidwai**
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47/acant#
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New Delhi;

S.S. PALANIMANICKAM,
Chairman,

10th April, 2000

21 Chaitra, 1922 (Saka)

Standing Committee on Agriculture

CHAPTER I

ANIMAL HUSBANDRY AND DAIRYING-AN OVERVIEW

1.1 Animal Husbandry is one of the dominant sectors of the country's economy. It plays a vital role in the rural economy of the country by generating additional gainful employment for the weaker sections of the society, particularly to the small/marginal farmers, agricultural labourers and other rural poor. India is blessed with a vast and diverse reservoir of genetic resources. The main objective of its development are:

- (i) to make available adequate quantity of animal protein for the human population;
- (ii) to supply adequate animal draught power;
- (iii) to make available manure in large quantity for growth of agriculture; and
- (iv) to improve the nutritional and economic status by providing gainful employment to rural population, including the small marginal farmers, agricultural labourers; weaker sections.

1.2 The Department of Animal Husbandry and Dairying (AH&D) is one of the Departments in the Ministry of Agriculture which came into existence w.e.f. 1st February, 1991, by converting two divisions of the Department of Agriculture and Cooperation namely Animal Husbandry and Dairy Development into a separate Department. The Fisheries Division of Department of Agriculture and Cooperation and a part of the Ministry of Food Processing Industries were later transferred to the Department of Animal Husbandry and Dairying w.e.f. 10th October, 1997.

1.3 The administrative head of the Department is the Secretary, Animal Husbandry and Dairying, who is assisted by the Animal Husbandry Commissioner and four Joint Secretaries.

FUNCTIONS

1.4 The Department is responsible for matters relating to livestock production, preservation, protection and improvement of stocks, dairy development and also for matters relating to the Delhi Milk Scheme and the National Dairy Development Board. It also looks after all matters pertaining to fishing and fisheries, inland and marine.

1.5 The Department advises the State Governments/Union Territories in the formulation of policies and programmes in the field of Animal Husbandry and Dairy Development and Fisheries. The main focus of the activities is on (a) the development of the requisite infrastructure in the States/Union Territories for improving the animal productivity (b) the preservation and protection of livestock through provision of health care, (c) strengthening of Central Livestock Farms (Cattle, Sheep and Poultry) for development of superior germplasm for distribution to States and (d)

expansion of Aquaculture in fresh and brackish waters, development of coastal marine and deep sea fisheries, construction of requisite infrastructure like fisheries harbours and fish landing centers and welfare of fisherfolk etc.

Ninth Plan Outlay

1.6 Demand No.3 relates to the Department of Animal Husbandry and Dairying. The demand provides for implementation of various Central and Centrally Sponsored Schemes together for Plan and Non-Plan activity.

1.7 The Budget Estimates for the year 2000-2001 are Rs.411.50 crores which includes Rs.300.00 crores for Plan schemes and Rs.111.50 crores for Non-Plan activities.

1.8 The revenue section of the Budget Estimates for 2000-2001 has proposals for an expenditure of Rs. 397.08 crores while the Capital Section has proposals for Rs.14.42 crores, thus taking the total to Rs.411.50 crores.

Plan Allocation

The year-wise Plan allocation for the entire Plan period for various sectors, communicated to Planning Commission vide letter dated 6.5.99 was as follows :-

Sector	1997-98		1998-99		1999-2000	2000-2001	2001-2002	Total (Col.3+5+6 +7+8)
	BE	Exp.	BE	RE	BE	BE(Proj.)	BE(Proj.)	
A.H Sector	160.02	94.22	169.42	68.00	160.08	295.31	458.98	1076.59
Dairy Dev.	39.00	29.25	50.00	33.09	73.90	116.53	216.28	469.05
Fisheries	119.15	86.99	159.92	107.40	145.94	211.84	247.83	800.00
Grand total	318.17	210.46	379.32	208.49	379.92	623.68	923.09	2345.64

1.9 The Department was initially earmarked in January 98, a Plan allocation of Rs.1677.88 crores for implementing various Plan schemes in animal husbandry, dairy development and fisheries sectors, during the Ninth Plan. In pursuance of Government's strategy for doubling food production and making India hunger free in 10 years, the National Development Council in its meeting on 19.2.99, stepped up the Plan allocation of the Department, from Rs.1677.88 crores to Rs.2345.64 crores with a minimum allocation of Rs.1426.73 crores for Special Action Plan. The Department had projected a requirement of Rs.2490 crores for SAP.

1.10 Accordingly, the Department reviewed its priorities and identified 17 specific schemes, as core plan, for achieving an accelerated growth of production of livestock products viz. milk, egg and fish, and earmarked Rs.1763.62 crores for these specific schemes, as per the following break-up. communicated to Planning Commission vide letter dated 6.5.99. (Rs.in crores)

Sl.No.	Particulars	Allocation for Ninth Plan
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1.	Extension Frozen Semen Technology/PTP	320.00
2.	National Bull Production Programme	82.20
3.	National Ram/Buck Production Programme	21.05
4.	Assistance to States for Piggery Development	44.00
5.	Assistance to States for Poultry/Duck Farms	16.20
6.	Assistance to States for Fodder Development	50.00
7.	Assistance to States for Control of Livestock Diseases	119.00
8.	Creation of Disease Free Zones	48.00
9.	Integrated Dairy Development Projects in Non-OF, Hilly Backward Areas	250.00
10.	Assistance to Cooperatives	150.00
11.	Organization of New Dairy Cooperatives	20.00
12.	Setting up of Vidya Dairies	25.00
13.	Establishment of Fishing Harbours	150.17
14.	Development of Freshwater Aquaculture	150.32
15.	Development of Marine Fisheries	86.55

16.	National Welfare of Fishermen	100.36
17.	Fishery Survey of India	130.77
	Total	1763.62

1.11 In pursuance of Government strategy for doubling food production, the Departments allocation for the Ninth Plan has been stepped up from Rs. 1677.88 crores to Rs. 2345.64 crores. The percentage of investment in Animal Husbandry and Dairy Development and Fisheries sectors, with regard to total central outlay is given in the table below:- (Rs. in crores)

Plan	Total Central Outlay (Plan)	Investment in			Percentage of total Plan Investment		
		AH&D	Fisheries	Total	AH&D	Fisheries	Total
9 th Plan	859200.00	1545.64	800.00	2345.64	0.18	0.09	0.27
1997-98	118561.00	200.00	119.15	319.15	0.17	0.10	0.27
1998-99	134725.00	222.00	159.90	381.90	0.16	0.12	0.28
1999-2000	136520.00	235.98	145.92	381.90	0.17	0.11	0.28
2000-2001	154158.00	179.30	120.70	300.00	0.12	0.08	0.19

Budgetary Allocations and Expenditure

1.12 The requisite data is furnished in the table below :-

Year	Allocations		Actual Expenditure/RE	
	P	N.P.	P	N.P.
1997-98	319.15	20.06	210.26	81.61
1998-99	381.90	71.39	167.92	83.83
1999-2000	381.90	45.89	225.00*	72.78*
2000-2001	300.00	50.50	300.00*	72.78*

Total	1382.95	187.84	903.18	311.00
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*anticipated

Note : The Non-plan allocation and expenditure include net budgetary support (Revenue expenditure Revenue Receipt) for DMS.

1.13 The Plan allocations & expenditure for Ninth Plan is as under:

(Rs. in crores)

Year	Allocation B.E.	RE	Expenditure
1997-98	319.15	224.97	210.26 (66% of BE (actual))
1998-99	381.90	210.60	164.26 (43% of BE (actual))
1999-2000	381.90	225.00*	225.00* (59% of BE)
2000-2001	300.00	180.00*	180.00* (60% of BE)
	1382.95 -----	840.57 -----	

* Assumption on the basis of previous years

1.14 The Committee observed that the Department have been allocated Rs. 1382.95 crores out of the Ninth Plan allocation of Rs.2345.64 crores during the first four years of 9th Plan which works out to 59.00% of total allocation. The expenditure is 56% of the actual allocation and 33% of the 9th Plan allocation.

1.15 The Committee desired to know the reasons for declining trend in the allocations and expenditure for plan schemes. The Department in their written reply have stated as under :-

- As far as the Plan allocation at the BE stage is concerned, it was actually enhanced from around Rs. 320 crores in 1997-98 to Rs. 382 crores in 1998-99 and maintained at this level in 1999-2000 by the Planning Commission for the year 2000-2001, the Planning Commission has allocated Rs. 300 crores, as against the Departments proposals for Rs. 385.06 crores. Thus, there has been a decline in BE allocation only for the coming financial year.
- At the RE stage, the allocation dipped in 1998-99 to Rs. 210.60 crores. In the first and third years the allocations remained around Rs. 225 crores level. It is hoped that RE 2000-2001 will be maintained at BE level of Rs. 300 crores and will not be Rs. 180 crores.
- The expenditure when seen as percentage of the RE for the corresponding years has been 93.5% and 79.73% in 1997-98 and 1998-99 respectively. It is hoped that by the end of the current financial year, the position would improve substantially, with regard to utilisation as a percentage of BE also.
- The pace of utilisation during the 3 years was relatively slow because several major projects of the Department could not be approved due to various reasons, including changes of Government at Centre.

- Another reason for the slow pace of utilisation of fund is that most of the schemes of the Department envisage a matching share from the State Governments. Due to lack of resources and financial constraints, the State Governments are not fully participating in all the schemes and coming up with adequate proposals for Central assistance. Non furnishing of utilisation certificates by the State Governments and stringent financial procedures for release of funds have also impeded the pace of utilisation.

1.17 It has been observed that allocations at RE stage of 1999-2000 has been drastically slashed down to Rs.225.00 crore from Rs.381.90 crore at BE stage of 1999-2000. The Department had projected an allocation of Rs.385.06 crore for Annual Plan (2000-2001) but inspite of sustained efforts they could get only Rs.300 crore from Planning Commission as BE 2000-2001.

"The Committee noted during evidence of the representatives of the Department that they were very much worried about the allocation. However, they were not concerned about the unspent amount during the last three years. In this connection, the Committee wanted to know about the schemes and states where the funds were not utilised properly. In reply the Department was not in a position to state the reasons.

1.18 Observing the poor utilization of funds during 1997-98 & 1998-99, the Committee wanted to know how the Department managed to provide funds for the ongoing schemes with the reduced allocations in the previous years and how they justify the demands of over Rs.225.00 crores for 1999-2000 and Rs.385.06 crores in 2000-2001.

In reply, the Department stated as follows "the pace of utilisation was slow during 1997-98 and 1998-99 because of non-clearance and implementation of some major projects/schemes of the Department. Some of these projects have recently been cleared and some other projects are likely to be cleared shortly. These include Assistance to Co-operatives and Establishment of Fishing Harbours which have been cleared by CCEA in January and February, 2000 respectively.

Besides, the Planning Commission has given concurrence for implementation of the scheme Control of Foot and Mouth Disease on 100% grant basis, against the existing pattern of 25:25:50 where 50% of the cost of vaccination against FMD was to be borne by the poor farmers. The Comments of the appraisal agencies have been obtained and EFC of the scheme is being finalised for implementation of the scheme on 100% basis in the current year. Besides, the Comprehensive National Project on Cattle and Buffalo Breeding, had been cleared by the EFC. It was sent for concurrence of full Planning Commission in August99 and is likely to be cleared shortly. The Department would require higher allocation for implementation of these schemes during 2000-2001. Accordingly the Department formulated proposal of Rs. 385.06 crores for 2000-2001.

1.19 As a result of reduction in the projected requirement of Rs. 385.06 crores, the Department has been managing the funds for the ongoing schemes by reducing the projected requirement made in the Annual Plan (2000-2001) for the following schemes :

(Rs. in crores)

Name of the Scheme	Projected requirement made in AP (2000-01)	Revised allocation for 2000-01
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Extension Frozen Semen Technology/PTP	40.00	32.00
National Bull Production Programmes	13.00	12.00
Assistance to States for Piggery Development	6.50	3.00
Assistance to States for Control of Livestock Diseases	17.00	13.00
Central Cattle Development Organisation	10.50	9.00
Central Fodder Development Organisation	6.00	4.83
Directorate of Animal Health	12.00	4.75
Improvement of Slaughter Houses/CUC	8.00	2.50
Animal Husbandry Extension Programme	4.60	2.00
Integrated Dairy Development Projects in Non-of, hilly Backward Areas	45.00	20.00
Establishment of Fishing Harbours	25.00	21.00
Development of Marine Fisheries	16.00	11.00
Fishery Survey of India	38.00	22.03
Integrated Fisheries Project	7.00	5.00
Inland Capture Fisheries Resources	2.00	0.50

1.20 The Committee observed that the estimated expenditure during the first four years is Rs.840.57 crores out of allocated amount of Rs.1382.95 crores. The Committee wanted to know that how the Department proposes to utilize the balance of rs.962.69 crores of Ninth Plan during the last remaining year. The Department in their written reply stated "It is unlikely that Planning Commission will make available Rs. 962.69 crores during the last year of the Plan. The allocation is likely to be more in the range of Rs. 350 to Rs. 400 crores. It should be possible to incur an expenditure of this magnitude in the last year of the Plan."1.21 The Department in their Action Taken Reply to the recommendation SI.No.3 of Demands for Grants 1999-2000 had stated that the Department has initiated steps for improving the monitoring mechanism for effective implementation of Plan schemes and the pace of utilization of funds is expected to improve. Regarding the efforts which have been made by the Department to improve the utilization of allocated funds and the reasons for low utilization of funds, the Department have stated that they have initiated the following efforts to improve the utilisation of allocated funds during 1999-2000 :

- Regular review meetings were held to review progress of utilisation of funds
- The State Governments were vigorously pursued to send the utilisation certificates of previous releases and fresh proposals for central assistance.
- Due to lack of resources and financial constraints, the State Governments are not participating in most of the schemes of the Department, which are being implemented on matching grant basis. Efforts have been made to change the funding pattern and implement the schemes on `100% grant basis. The scheme for Control of FMD is proposed to be implemented on 100% grant basis in the current year.
- Clearance of schemes like Assistance to Cooperatives, Establishment of Fishing Harbours, Cattle Insurance etc. was expedited.

Non Plan allocation & Expenditure

1.22 The non-plan allocations and expenditure during Ninth Plan is as under:

(Rs. in crores)

Year	Allocation (BE)	RE	Expenditure
1997-98	20.06	82.26	81.61 (actual)
1998-99	71.39	76.03	83.83 (actual)
1999-2000	45.89	72.78	72.78*
2000-2001	50.50	72.78*	72.78*
	187.84	311.10	

* Assumption1.23 The Committee wanted to know the circumstances which led to enhancing the non-plan expenditure at the RE stage in 1999-2000. The Deptt. in their reply stated : "the

financial year 1999-2000 Non-Plan BE provision was made for Delhi Milk Scheme(DMS) for the first six months only on the assumption that DMS would be transferred to the Government of National Capital Territory(NCT) of Delhi during these six months. However, the transfer of DMS to the Govt. of NCT of Delhi could not take place in the first half of 1999-2000. Therefore, it became necessary to make provision in RE 1999-2000 for running DMS for the second half of 1999-2000 also. For the first six months of 1999-2000 the expected revenue receipt for DMS was Rs. 61 crores only, which for the entire year has been projected at the level of Rs. 118 crores. For the first six months the expected revenue expenditure was Rs. 80 crores only, which for the entire year has been projected at Rs. 162 crores. There is thus an increase of Rs. 25 crores in the net provision for DMS at the RE stage. Increase in Non-plan expenditure at the RE stage in 1999-2000 is almost wholly due to the provision made for DMS for the second half of 1999-2000.

(A) Secretariat Economic Services

Major Head-3451

Advertising & Publicity Minor Head 90 Sub Head-390026

The Budgetary allocations and utilization is as under:

Rs.in thousands

Actuals		BE		RE		BE	
1998-99		1999-2000		1999-2000		2000-2001	
P	NP	P	NP	P	NP	P	NP
-	61	2,00	3,00	2,00	3,00	28,00	10,00

1.24 Regarding the reasons for increase in Budgetary allocations in 2000-2001 over allocation in 1999-2000 under this sub head the Department explained as under "The Office International des Epizooties (OIE) is the world organisation for Animal Health. OIE has constituted one Gold Medal and three Meritorious Awards to be given on an annual basis as a sign of International recognition of special or outstanding services to veterinary science. A Committee has been constituted in this Department to scrutinise the nominations received in this regard. Nominations received for 1999 and 2000 awards have indicated a poor response. There was no response from private individuals and organisations. It has, therefore, been decided that wide publicity would be required for these awards to elicit nominations from individuals, private sector organisation also. This would broaden the base of consideration and involve the private sector also. Accordingly the Plan Budget has been raised from Rs. 2.00 lakhs to Rs. 28.00 lakhs in BE 2000-2001 for release of advertisement on all-India basis. (b) On the Non-plan side, additional provision has been proposed to meet the expenditure liability on issue of Tender enquiries for equipment/Services and for hardware etc. for the Information Technology Plan. The requirement of recruitment notices has also been included. In addition, it is proposed to issue advertisements in major daily newspapers inviting sound and viable proposals for conduct of research studies and holding of seminars/workshops under the Plan Scheme entitled`Project on Animal Systems which is an important scheme for proper coordination between livestock/dairy sector and other sectors of the economy.

1.25 Further the Committee desired to know about the details of advertisement campaign launched and material advertised in 1999-2000 and proposed in 2000-2001, the Department explained "advertisement campaign, as such, was launched by this Department during 1999-2000 from the Head of Secretariat Economic services. Recruitment notices, however, were issued from the Non-Plan budget." 1.26 Regarding the subjects and media of publicity justifying the enhanced allocations the Department is proposing to give wide publicity to the OIE Awards through release of advertisements in newspapers on all India basis for which the budget provision of Rs. 28.00 lakhs has been proposed in Plan. On the Non-Plan side, recruitment notices, as well as tender enquiries, are to be issued during the year 2000-2001. Proposals are also to be invited under the Scheme entitled 'Project on Animal systems. The media of publicity would be the newspapers only.

Special Action Plan

1.27 An amount of Rs.1426.73 crores was allocated to the Department during the 9th Plan under the Special Action Plan (SAP) programme wherein the food production was to be doubled to make India hunger free in 10 years. The Department had projected Rs.2490 crores for SAP.

1.28 Accordingly, the Department reprioritised its priorities and identified 17 specific schemes as core plan for achieving an accelerated growth of production of livestock products viz. milk, egg and fish and earmarked Rs. 1763.62 crores for these specific schemes. However, the enhanced allocation for SAP had not been provided to the Department, despite the need for acceleration of efforts for pursuing policy directions of achieving higher growth of output of livestock products.

1.29 The Committee wanted to know the allocations and expenditure during the first four years of 9th Plan under SAP. The Department furnished the scheme wise break up of BE, RE and actual expenditure for SAP in the table given below :-

- * Initial Ninth Plan Allocation Rs. 1677.88 crores
(January 1998) This included Rs.1133 crores for 17 Schemes
(later identified as SAP schemes)
- * 30.7.98-For doubling food production, Department projected a total requirement of Rs. 2490 crores for Ninth Plan, which included Rs. 1945 crores for the 17 schemes.
- * February 1999-Planning Commission enhanced Ninth Plan total allocation from Rs. 1677.88 crores to Rs.2345.64 crores, with a minimum allocation of Rs. 1426.73 crores for SAP schemes.
- Department earmarked Rs.1763.62 crores for the 17 schemes identified as SAP schemes.

(Rs. in crores)

Year	Total Allocation & Expenditure of Deptt.		Expd	Allocation & Expd under SAP	
	B.E. Expd.	R.E.		B.E. Expd.	R.E.
1997-98	319.15 210.26	224.97	169.95 146.40	150.56	
1998-99	381.90 167.92	210.90	214.59 92.42	108.52	

1999-2000	381.90	225.00	279.40	143.64
	225.00*		143.64*	
Sub-Total	1082.95	660.87	663.94	402.72
	603.18		382.46	
2000-2001	300.00	-	216.24	-
			-	
Total (4 yrs)	1382.95	-	880.18	-
			-	

*Anticipated figures

B.E. for 1st four years for SAP Schemes	- Rs.88018 crores
B.E. for 1st three years for SAP schemes	- Rs.663.94 crores
R.E. for 1st three years for SAP schemes	- Rs.402.72 crores
Anticipated Expenditure for 1st three years for SAP schemes	- Rs. 382.46 crores (incl. RE figure for 1999-2000)
Actual Expenditure for 3 years upto Feb.2000	- Rs.338.87 crores

Allocation and Expenditure during 4 years of the 9th Plan

(Rs.

in crores)

Sl. No.	Particulars	9th Plan Alloc.(SAP)		1997-		1998-		1999-		2000-01 BE	Remarks			
		Out of Rs.1677.88	Out of Rs.2345.64	98 BE Expd.	97 RE	99 BE Expd.	98 RE	2000 BE RE Expd.	99 RE					
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15
(a)	A.H. Sector													
	Nantional Proj. on Cattle Breeding	245.00	402.00	31.50	-31.50	40.90	-6.18	47.00	-34.00	44.00				Secy.(Expd.) approved on 28.9.98
	i.Ext.of Frozen Semen Tech. & PTP	200.00	320.00	26.50	-26.50	30.90	-6.10	35.00	-26.00	32.00				Sent for concurrence of PC on

2.	ii.National Bull Production Prog.	45.00 82.20	5.00--5.00-- 5.00	10.00--0.08-- 0.08	12.00--8.00-- 4.22	12.00	16.8.99. Response awaited.
3.	National Ram Buck Production Prog.	15.00 21.05	3.00--2.75-- 2.55	3.00--2.25-- 1.17	3.00--0.50-- 0.50	2.50	
4.	Asst. to State Integrated Piggery Development	20.00 44.00	4.00--4.00-- 4.00	5.00--4.00-- 4.00	6.00--2.50-- 2.11	3.00	
5.	Asst. to State Poultry/Duck Farms	30.00 16.20	0.10--0.00-- 0.00	5.94--0.50-- 0.00	8.00--5.25-- 3.60	3.00	
6.	Asst. to States for Fodder Dev.	40.00 50.00	5.00--3.70-- 3.70	5.40--4.00-- 3.50	6.50--4.00-- 3.07	4.00	
7.	Asst. to States for Control of Animal Diseases	50.00 119.00	11.50--7.90-- 7.62	13.50--8.50-- 5.19	17.00--7.75-- 5.24	13.00	PC approved Control of FMD on 100% on 24.8.99. EFC is being finalised
8.	Creation of Disease Fee Zones	35.00 48.00	0.00--0.00-- 0.00	0.50--0.00-- 0.00	1.00--0.01-- 0.00	0.01	
	Sub-Total	435.00 700.45	55.10--49.85- -49.57	74.24--25.43- -20.04	88.50--54.01- -42.18	69.51	
(b)	Dairy Develop- ment						
9.	Int.Dairy Development Project	200.00 250.00	25.00--25.00- -23.40	25.60--25.60- -21.27	45.00--14.00- -8.66	20.00	File sent to Secy(Expd.) in Dec'99 for a date for EFC. Response awaited.

10.	Assistance to Cooperatives	50.00 150.00	2.00--0.00-- 0.00	13.00--0.49-- 0.00	16.00--4.00-- 0.00	25.00	CCEA cleared the scheme on 6.1.2000
11.	New Dairy Cooperatives	20.00	0.00--0.00-- 0.00	4.00--2.00-- 0.00	4.40--2.00-- 0.00	4.00	
12.	Vidhya Dairies	25.00	0.00--0.00-- 0.00	5.00--2.00-- 0.00	5.50--0.00-- 0.00	0.00	The scheme has been dropped as EFC did not clear it.
	Sub-Total	250.00 445.00	27.00--25.00- -2340	47.60--30.09- -21.27	70.90--20.00- -8.66	49.00	
(c)	Fisheries Sector						
13.	Establishment of Fishing Harbours	110.00 150.17	30.00--20.00- -19.03	20.00--11.00- -10.69	25.00--12.52- -2.59	21.00	CCEA cleared the scheme on 9.2.2000
14.	Dev. of Freshwater Aquaculture	85.00 150.32	15.05--15.00- -14.94	18.50--8.00-- 7.98	21.00--8.00-- 6.23	20.00	EFC approved on 18.1.2000. Approval of CCEA awaited
15.	Dev. of Marine Fisheries	80.00 86.55	13.00--12.00- -13.01	12.00--11.00- -10.64	16.00--12.00- -8.92	11.00	Scheme being evaluated
16.	National Welfare of Fishermen	86.00 100.36	14.30--15.29- -15.07	15.25--11.00- -10.99	20.00--20.00- -17.49	23.70	EFC approved on 18.1.2000. Approval of CCEA waited.
17.	Fishery Survey of India	87.40 130.77	15.50--13.42- -11.38	27.00--12.00- -10.81	38.00--17.11-- 11.41	22.03	
	Sub-Total	448.40 618.17	87.85--75.71- -74.43	92.75--53.00- 51.11	120.00-- 69.63--46.64	97.73	
	Grand Total	1133.40 1763.62	169.95-- 150.56-- 146.40	214.59-- 108.52-- 92.42	279.40-- 143.64-- 97.48	216.24	

1.30 The Department furnished the following reasons for slow pace of utilisation under SAP

1. the Planning Commission provided the minimum allocation of Rs. 1426.73 crores, envisaged for SAP in the Ninth Plan only in the month of February 1999 by which time the first two years of the Plan period were already over.
2. More than 68% of SAP allocation relates to specific schemes which are not yet fully operational for want of clearance of full Planning Commission and CCEA. These include the major schemes of National Project on Cattle and Buffalo Breeding (allocation of Rs. 402.20 crores), Integrated Dairy Development Project in Non Hilly and Backward Areas (allocation of Rs. 250.00 crores), Development of Freshwater Aquaculture (allocation of Rs. 150.32 crores), National Welfare of Fishermen (Allocation to Rs. 100.36 crores) etc. Some other major schemes viz. Assistance to Cooperative and Establishment of Fishing Harbours (each of allocation of Rs. 150.00 crores) have been cleared recently in Jan. and Feb. 2000.
3. The details of allocation and expenditure in respect of the 17 SAP schemes are given in the table annexed.

CHAPTER II

VETERINARY SERVICES AND ANIMAL HEALTH

Livestock Health

2.1 Livestock Health plays a vital role for the successful implementation of various livestock development programmes. Following the introduction of intensive cross breeding and scientific development programmes the quality of livestock improved considerably. With this improvement, the susceptibility to various diseases including, infectious and non-infectious disease has also increased substantially.

2.2 For successful implementation of the development programmes and to obtain maximum benefit from those improved animals, various health measures are being adopted by State/Central Governments. The Veterinary Health cover is provided by the States/UTs through polyclinics/veterinary hospitals/dispensaries/first aid centres and mobile veterinary dispensaries.

2.3 These institutions are fully supported by about 250 disease diagnostic laboratories functioning in the States and UTs for undertaking quick and proper diagnosis of disease and for taking effective control measures. There are 29 veterinary vaccine production units in the country of which 22 are in the public and 7 in private sectors. The production of vaccine for livestock excluding FMD is about 12 million doses for combating major diseases. The efforts of the State Governments and Union Territories for the control of certain economically important diseases, are being supplemented by the Government of India with the following schemes.

2.4 The total plan outlay for Animal Health Services (Rs. 272.18 crores) during Ninth Plan.

2.5 For ensuring animal health, the following schemes are in operation :-

Scheme

A. Central Plan Scheme

Directorate of Animal Health

B. Centrally Sponsored Schemes

1. National Project on Rinderpes Eradication

2. Assistance to States for Control of Animal Disease

3. Professional Efficiency Development

4. Creation of Disease Free Zones

2.6 The Central Plan Schemes of Directorate of Animal Health has the following four components :-

1. Animal Quarantine and Certification Service
2. National Veterinary Biological Products Quality Control Board
3. Central Disease Diagnostic Laboratory
4. Directorate of Animal Health Service (Headquarters Cell)

2.7 The Centrally Sponsored Scheme of Assistance to States for Control of Animal Diseases has the following components :-

1. Food and Mouth Disease Control Scheme
2. Animal Disease Surveillance Scheme
3. Systematic Control of Livestock Diseases of National Importance

2.8 Following are the budgetary allocations and expenditure during 9th Plan for Animal Health :-
(Rs. in crores)

9 th Plan outlay	Year	Allocation	RE	Expenditure
284.00	1997-98	BE 59.00	20.31	19.29 actual
	1998-99	BE 60.00	20.00	9.09 actual
	1999-2000	BE 38.00	17.29	17.29 RE
	2000-2001	BE 35.76		

Evaluation of some of the Animal Health Schemes

Central Directorate of Animal Health This is a Central sector scheme comprising four components:

1. Directorate of Animal Health (Headquarter Cell)
2. Animal Quarantine & Certification Service
3. National Veterinary Biological Products Quality Control Centre
4. Central/Regional Disease Diagnostic Referral Laboratory

The allocation for the 9th Plan to this Central Directorate was Rs.48.00 crores. Yearwise allocation & expenditure is as under:

	BE	Expn.
1997-98	4.50	0.84 actual
1998-99	5.00	0.38 actual
1999-2000	6.00	1.53 RE

2000-2001	4.75	-
Total	20.25	

2.9 The Committee note that the health is the first and foremost requirement of the very existence of animal. The figures of allocation and expenditure show that very little is being done to give livestock proper health coverage.

2.10 The Committee find that even though the funds are plenty for this scheme they are not fully utilised. The Deptt. explained the reasons for low utilisation of funds as under

"The main activities envisaged under the directorate of Animal Health (HQ) are implementation, monitoring and supervision of Central Sector health schemes, and preparation of standards on Animal Health. This component scheme is hence staff oriented. The approved EFC Memo envisaged the creation of 71 posts in different categories. None of these posts have been filled up. This is because National Veterinary Biological Products Quality Control Centre scheme has not yet been implemented, while the disease Diagnostic Laboratories are not fully operational. In view of this, the BE allocation were kept correspondingly low.

The Committee note that the 71 posts are lying vacant in different categories and none of the posts have been filled up. Regarding the reasons the Deptt. explained during evidence on 29.3.2000 that this scheme as we have indicated has four separate components. The only component which is functioning effectively is the one relating to Animal Quarantine and Certification Service. At the four metropolitan cities we have got these services in position. The Central/Regional Disease Diagnostic Referral Laboratory have now been identified and we are in the process of now determining what sort of funds has to be given to them; what sort of equipment and what sort of staffing to be given to them. On the National Veterinary Biological Products Quality Control Centre, we have acquired land in Orissa. We had requested the CPWD for giving us the design. Unfortunately they have not been able to do so as yet. After the Animal Husbandry Commissioner joined, he felt that perhaps it might be more fruitful to try and utilise the existing facilities either with the ICAR set up or with one of the State Governments instead of thinking of a green field project in this regard. In this context, we approached the ICAR for giving us facilities which are already available with them in Bangalore. Unfortunately we got a negative response. Now we have identified premises in Ludhiana and we are in touch with the Punjab Government to see if the existing premises in Ludhiana can be taken for National Labaoratory. We are hopeful that we will be able to make some progress. If this does not fructify then we will have no option but to proceed with the construction, etc. which was visualised in Orissa. We will have to assist the CPWD in their design, etc. and may be input from NDDDB etc. As a result of the laboratories not having become fully functional, the staff have not been sanctioned. That is why, funds on the Directorate of Animal Health , which is basically stag oriented, is not being spent." The National Veterinary Biological Products Control Centre has not been established as yet, and hence the BE has been kept low.

The funding of regional disease diagnostic referral laboratories at Poona, Calcutta, Bangalore and Ludhiana has been low as these laboratories have started functioning effectively only in 1998-99.

1. Purchase of assets, modifications of infrastructure facilities and scientific equipments for National Veterinary Biological Quality Control Rs. 10 crores approximately.
2. Upgradation of five diagnostic laboratories (one central and four regional)-Rs. 15 crores approximately.
3. Recurring expenditure for (a) and (b) above Rs. 3 crores
4. As mentioned earlier, the National Veterinary Biological Products Quality Control Centre is yet to be established, and the Regional Disease Diagnostics Laboratories have not become fully operational, hence the allocations have been scaled down. Keeping these aspects in view, the allocation can however be increased at the RE stage, if required.

National Veterinary Biological Products Quality Control Centre

2.12 This National Centre would approve the manufacturing methods of vaccines and immunobiologicals, maintain accurate records, inspect and control the final products including the imported products. This would create confidence in safety and potency of the products manufactured in the country. This would also encourage export of biologicals to the neighbouring countries of this region and earn foreign exchange. This institute would also maintain seed strains of micro-organisms for the production of biologicals with a view to have a uniform standard of finished products.

2.13 At present there is no independent system for monitoring the quality of indigenously manufactured or imported vaccines and biologicals. The Indian Veterinary Biological Products Quality Control Centre is being set up to bring about an effective quality control of vaccines and biologicals. Since the construction of this centre of international standards involves huge investment and a long gestation period, possibilities are being explored to utilise the facilities created by ICAR at Bangalore.

2.14 In response to recommendation No. 9 of 20th Report of the Standing Committee on Demands for Grants (1999-2000) the Department had stated that they were concerned about the delay in establishing the National Centre. A higher allocation of Rs. 16.00 crores had been made for this centre during the Ninth Plan. As per the consultant report a minimum allocation of Rs. 10.00 crores in 9th Plan and 15 crores in 10th Plan was required for this Centre. Further they had stated that the planning and construction of the laboratory had been taken up on priority. The CPWD was being requested to identify experts for designing such laboratory and initiate construction immediately. However, out of Rs. 20.00 lakhs Budgeted for 1999-2000 nothing was spent. Now the BE for 2000-2001 is Rs. 10.00 lakhs.

2.15 The Committee note that the Budget Estimate for the year 2000-2001 is Rs. 10.00 lakhs. The Committee is surprised to note that the Department anticipate priority action with only Rs. 10 lakh. The Committee also wanted to know the latest position in regard to setting up of the Centre and action taken by the CPWD for designing the laboratory. The Department stated in their written reply as follows: " that a token allocation of Rs. 10.00 lakhs only has been made during 2000-2001 as the design for the building and specification of facilities to be provided by the CPWD has not been furnished as yet. The additional funds if required could be considered at the RE stage. Keeping in view the priority of setting up National Veterinary Biological Products Quality Control Centre, the Department explored the possibility of using the facilities available at Indian Veterinary Research Institute (IVRI), Bangalore complex for the centre. The ICAR did not agree to this

proposal. The Department is now exploring the possibility of using the existing facilities at the Punjab Agricultural University (PAU), Ludhiana. During the discussions Punjab Government has expressed their willingness to transfer the identified land structures available with PAU at Ludhiana."

2.16 The Committee felt that 90% of Rs. 16.00 crores budgeted during 9th Plan for this scheme is going to be surrendered unutilised. The Department explained "Considering the recent progress in this direction, it is anticipated that appreciable progress will be made in utilisation of funds during the remaining period of the Ninth Plan."**Animal Quarantine and Certification Services**

2.17 While efforts have to be made to ensure better livestock health in the country, simultaneous efforts are equally necessary to prevent entry of any diseases from outside the country, through import of livestock and livestock products.

With the above objective, 4 Animal Quarantine and Certification Services Stations, 1 each at Mumbai, Calcutta, Delhi and Chennai AirPorts have been functioning since Fourth Five Year Plan. These Stations are also providing export certificates of international standards of livestock and livestock products which are exported from India. Efforts are being made to establish new Quarantine Stations at Bangalore and Hyderabad.

2.18 The allocation and expenditure during first four years of 9th Plan is as under:-

Ninth Plan Outlay 15.00 crores (Rs. in crores)

Year	Allocation	Expenditure
1997-98	1.00	0.51 actuals
1998-99	1.00	0.80 actuals
1999-2000	1.30	1.00 RE
2000-2001	0.80	

2.19 The Committee find that Department could utilise only 51% funds during 1997-98 and desired to know the reasons for setting up quarantine facilities at Bangalore and Hyderabad. The Department in their reply stated as under :-

"Out of a budget allocation of Rs. 100 lakhs, Rs. 53.51 lakhs was actually utilised during 1997-98. Construction work for creating new office complexes and quarantine facilities was under progress since 1992-93 at Calcutta and Mumbai. These two Quarantine Stations were expected to be shifted from their rented premises during 1997-98. Higher allocations was made in respect of machinery and equipment, office expenses and rent and taxes, anticipating that the quarantine station of Calcutta and Mumbai would move to their own premises during 1997-98. However, as the building was not ready, these stations could not move out of their rented accommodation, resulting in substantial saving under machinery and equipment, office expenses, and wages. In addition, since CPWD could not undertake maintenance work under minor works at Delhi and Chennai, there was substantial saving. In these four heads Rs. 44.52 lakhs was not utilised. In other heads, the non-utilised funds are nominal."

2.20 The Committee wanted to know whether the amount of Rs. 80 lakhs will be sufficient during 2000-2001. The Department stated "Initially the quarantine stations proposed to be set up at Bangalore and Hyderabad will function from rented accommodation. As purchase of land and construction is not involved, allocation of Rs. 80.00 lakhs is sufficient to meet the establishment charges and other office expenses."**Directorate of Animal Health**

2.21 It has been stated in Performance Budget that Directorate of Animal Health is a centrally administered scheme. This Directorate is responsible for recommending policy on various livestock health programmes in the country. The 8th Plan approved outlay for this scheme was Rs. 2.30 crores but no expenditure was incurred on it.

2.22 Following are the budgetary allocations during the 9th Plan:

(Rs.in

crores

Allocations

Expenditure

1997-98	0.50	-	0.02
1998-99	0.50	-	0.00
1999-2000	0.60	-	0.03
2000-2001	0.03 BE	-	-

16.3* 0.08

1. Giving the reasons for only 4.8% utilisation of budgetary allocation during first four years of 9th Plan and the efforts being made by the Department to improve the utilisation of funds the Deptt. explained

"The main activities envisaged under the Directorate of Animal Health (HQ) are implementation, monitoring and supervision of Central Sector Health Schemes and preparation of standards on Animal Health. This component scheme is hence staff oriented. A total of 5 technical posts are available and the approved EFC Memo envisaged creation of 71 posts in different categories. The posts have not been created because the National Biological Products Quality Control Centre scheme has yet to be established and Regional Diseases Diagnostic Referral Laboratories scheme is not fully operational. Non-creation of the posts required for monitoring the schemes under Directorate of Animal Health is the reason for poor utilisation of the funds in first four years. The full scale implementation of these schemes will require augmentation of officers and staff at the HQ and sanctioning of the additional posts at the HQ will be taken up accordingly".**Animal Disease Surveillance Scheme**

2.23 The Committee recommended in 9th Report on Demands for Grants 1998-99 that the Animal Disease Surveillance Bulletins giving information about the major diseases should be available in the local languages also. The Committee suggested that the help of the State Directorate should be taken for making the publications available in local languages so that the dissemination of information is spread to wider ranges of the country. The Department in their

action taken reply stated that the action had been initiated to publish the Bulletin both in English and in Hindi during 1999-2000. In addition the State/UT Government have been requested to publish their ADS bulletins in local languages also.

2.24 The Committee asked to furnish the details of progress made by the Department in publishing the Bulletins in local language and the major constraints in this regard. In reply the Department stated "On the basis of the recommendation of the Standing Committee on Agriculture, the Department issued a circular requesting the State/UT s to publish the monthly Animal Disease Surveillance Bulletins in the State language and circulate the same. In response to this circular, the States of Karnataka, Gujarat, Tripura and Mizoram, Uttar Pradesh and UT of Pondicherry have confirmed that they are publishing the bulletins in their local language." The Department has started publishing this bulletin in Hindi from January, 1999 onwards in addition to English.

No major constraints are faced in this regard."

2.25 The Committee further enquired about the number of copies circulated by each of such states in different languages. The Department in their written reply informed "the State Governments, in general, circulate the bulletin among their own Departmental officials and institutions. Details of number of copies circulated are being ascertained from State Governments. However, with regard to the Department of Animal Husbandry and Dairying, Government of India, 50 copies per issue are circulated." During the evidence the Committee pointed out that the number of 50 copies per issue is very inadequate and it should be increased to double.

National Project on Rinderpest Eradication

2.26 This programme envisages collection of information on the incidence of various livestock and poultry diseases from States and Union Territories and compiling the same for the whole country. The information so compiled is disseminated in the form of a Monthly Animal Disease Surveillance Bulletin to all States and Union Territories and also to organisations like Office International des Epizooties (OIE) Animal Production and Health Commission for Asia and Pacific (APHCA) etc. This information system has been harmonised in accordance with the guidelines of OIE. The Scheme indicates the disease situation in the country, and also helps in working out detailed control programmes for diseases.

2.27 National Project on Rinderpest Eradication (NPRE) was considered in May, 1992 for 6 years as part of the EFC assisted project `Strengthening of Veterinary Services for Livestock Disease Control with the objective to strengthen the Veterinary Services for the control of livestock diseases with special reference to eradication of Rinderpest (RP) and Contagious Bovine Pleuro Pneumonia (CBPP) from the country. It is now being implemented in all the States and union territories as a centrally sponsored scheme with 100% central assistance.

Major benefits of the Project

2.28 The successful implementation of this project will yield major economic benefits to owners of livestock, particularly small, marginal farmers and landless labourers. Besides, the project is expected to give a boost to export of meat and other livestock products and expenditure on livestock health care programmes would substantially be reduced due to eradication of rinderpest and CBPP from the country. Strengthening of Veterinary Services will pave the way for taking up control programme against other diseases like Foot and Mouth Disease (FMD) etc. also.

2.29 Following are the plan allocations for this scheme during the first four years of 9th plan:

(Rs. in crore)

Year	Allocations	Expenditure	Ninth plan approved outlay
1997-98	41.00	9.38	48.00
1998-99	36.00	2.52	
1999-2000	10.00	5.00 RE	
2000-2001	15.00		

2.30 The country is provisionally free from Rinderpest and a certification is sought from OIE (Office International des Epizooties) which verifies all claims made by countries.

2.31 The Committee wanted to know about the precautions that are being taken by the Department to see that the disease does not resurface again. The Deptt. in their written reply stated "In order to prevent the re-emergence of rinderpest in the country, the Department has taken the following steps through the activities of National Project on Rinderpest Eradication :-

- Active surveillance of the disease is being undertaken throughout the country through village search, stock route search and institutional search. Under these activities, villages of the country are searched in a phased programme and this activity will continue till the country achieve infection-free status. In addition, the villages situated within 1 Km. Of the traditional stock routes are searched frequently to detect suspect cases of rinderpest.
- All the outpatient register of the Veterinary Dispensaries, Hospitals are scrutinised for the cases suspected of rinderpest for follow up action. Till date, no case of rinderpest has been detected in the country through the village, stock route and institutional searches. In addition, all the material suspected of rinderpest are subjected to laboratory test. The materials tested have been found to be negative for rinderpest.
- A sero-surveillance programme has been started to screen animals born after stoppage of vaccination in each State under a sampling frame, which will provide information of any hidden virus activity in the country.
- An emergency programme is being established under National Animal Disease Emergency Committee and for establishment of an Early Warning System along the border with Pakistan. Currently, on the border with Pakistan (in 30-km. Width) an immune belt is being maintained as rinderpest exists in Pakistan. This immune belt will be replaced by the Early Warning System.
- An emergency cell in each State is being established to tackle any emergent situation arising due to re-emergence of rinderpest in the country. A vaccine stock of 2.5 million doses is being maintained as a vaccine reserve for any eventuality. In addition, publicity and public awareness programme is being undertaken so as to get the information of occurrence of rinderpest or simulating diseases in the country.

2.32 The Committee observed that Department could utilize only Rs.5.00 crores against Rs.10.00 crores allocated in 1999-2000 and desired to know that why the BE has been stepped up to Rs.15.00 crores for 2000-2001. The Deptt. explained in a written reply as under: "The budgetary allocation for 1999-2000 of Rs. 10 crores was reduced to Rs. 5.00 crores at RE stage due to reduction in budgetary allocation at RE stage by Ministry of Finance. Therefore, the expenditure had to be restricted to Rs. 5.00 crores only."

2.33 The Committee during the evidence asked the Department whether any proposal is pending with them from any State Government for sanction and release of funds. The Department explained as under "We have released the first and the second instalments of this project to all the States and because of the budgetary cut, we could not release the third and final instalment. There is no proposal pending with us. But there are certain proposals in which we have to procure the equipment and supply it to the State Government. They are pending with us. We will be taking them up with the budgetary allocation that has been made for the next year."

2.34 As regards stepping up of the BE 2000-2001 to Rs. 15 crores, it may be stated that necessary tenders for the procurement of sophisticated equipments worth Rs. 450 lakh are being floated and this expenditure will be incurred during 2000-2001. The NPRE is also having various proposals in pipeline such as demands from the States for release of funds for Rs. 450 lakhs, purchase of 35 vehicles for Rs. 150 lakhs and procurement of diagnostic kits for about Rs. 100 lakhs. It is hence anticipated that the allocation of Rs. 15 crores will be fully utilised.

2.35 Regarding the assistance proposed to be given to the ten units at Orissa, Rajasthan, J&K (two units), Haryana, Punjab, Bihar, Assam and UP (two Units) for upgradation of facilities to come up to OIE standards for production of vaccine the Department stated "It has been decided during 9th Five Year Plan to strengthen ten State biological units located in Orissa, Rajasthan, J&K, Haryana, Punjab, Bihar, Assam and UP for upgradation of facilities for production of vaccines by way of supplying sophisticated equipments worth Rs. 165 lakhs. Necessary action has already been initiated, and the required equipment shall be procured during 2000-2001. In addition, training in key areas of vaccine production has also been envisaged."

Cattle and Buffalo Development

2.37 The Department operates 7 Central Cattle breeding Farms, a National Frozen Semen Production and Training Institute and 3 Central Herd Registration Units in different parts of the country. These are geared for production of high pedigree bull calves and quality frozen semen, and for supplying these to the States for genetic upgradation of stock. The scheme has three components mentioned below:-

1. Central Cattle Breeding Farms
2. Central Frozen Semen Production & Training Institute
3. Central Herd Registration Scheme
1. Extension of Frozen Semen Technology & Progeny Testing Programme
2. National Bull Production Programme

2.38 The Centrally Sponsored Scheme Extension of Frozen Semen Technology & Progeny Testing Programme has the following two components:

1. Extension of Frozen Semen Technology
2. Progeny Testing Programme

Evaluation of the Schemes under Cattle Development

Central Frozen Semen Production and Training Institute

2.39 The Institute was set up with the objective of large scale production of frozen semen of cattle and buffaloes and for training in service candidates in frozen semen technology.

2.40 The Committee have observed that the Institute achieved 8.24 lakh doses against the target of 10.00 lakh doses during 1998-99 and achievement upto December, 1999 is 6.97 lakh doses. During evidence in 1999-2000 the Committee were informed that low achievement in semen production in the year 1998-99 is due to the fact that new bulls could not be introduced in the existing herd so far.

2.41 The achievement in the year 1999-2000 appears to be in the same range as that of 1998-99.

2.42 The Committee desired to know the number of bulls introduced in 1999-2000. The Department in their reply stated :

"The semen production data of the Central Frozen Semen Production & Training Institute, Hesserghatta during the last three years are given as under:-

Year	Target of Production of Frozen Semen doses (in lakhs)	Production of Frozen Semen Doses (in lakhs)
1997-98	10.00	8.10
1998-99	10.00	8.24
1999-2000(upto February)	10.00	8.67

Semen production has increased marginally over the years.

The Department of AH & D in order to strengthen the Central Cattle Breeding Farms and Central Frozen Semen Production & Training Institute, Hesserghatta had completed all the formalities to import 40 heifers and 35 bulls from Denmark. Thirty bulls were meant only to strengthen the herd of breeding bulls in the Central Frozen Semen Production & Training Institute, Hesserghatta. A team of two officers visited Denmark in January, 2000 for selection of the cattle as per agreement. The team finally selected the animals based on the production and health parameters fixed by the Government of India. After selection, the supplier intimated that the cattle will be exported to India in the first week of March, 2000. On 28th February, 2000, the Government of Denmark notified that Bovine Spongiform Encephalopathy (mad cow disease) had been detected in one of the animals in Denmark. This Department was also informed by the supplier that the Danish Government was unable to certify the health protocol, stipulating that Denmark is free from BSE disease. The Department of Animal Husbandry & Dairying immediately informed the suppliers that cattle cannot be transported to India in view of the detection of BSE in Denmark.

In view of the above facts, new bulls could not be introduced in the Central Frozen Semen Production & Training Institute, Hesserghatta during the current year."

2.43 During evidence, the Committee enquired as to what are the next plans of the Government regarding import of Bulls. The Department stated as follows: "We would again re-tender with stipulation that the supplying country must certify that the breeder is free from this disease."

Extension of Frozen Semen Technology and Progeny Testing Programmes

2.44 In order to improve the cattle and buffaloes through use of advanced breeding technique a centrally sponsored scheme on Extension of Frozen Semen Technology and Progeny Testing Programme is continued during 8th Plan period.

2.45 The objectives of the scheme are: setting up a network of field A.I. centers (from stationery to mobile) to cover more breeding cows and buffaloes under A.I.; strengthening and setting up frozen semen banks to produce/store/transport liquid nitrogen and store/transport frozen semen doses to field A.I. Centres; strengthening of Bull station, if necessary, for production of required number of frozen semen doses; strengthening facilities for training of field A.I. personnel and farmers induction; to identify bulls of high genetic merit and transmitting ability for milk production traits through progeny testing; to make available proven bulls/semen for further genetic improvement in breeding herds; and to make available frozen semen doses for cattle improvement programme in field.

EFST & PTP

9th Plan allocation is Rs.320.00 crores. The year-wise allocation & expenditure is as under:

(Rs.in crores)

	BE	Expenditure
1997-98	26.50	26.70(actual)
1998-99	30.90	6.10(actual)
1999-2000	35.00	26.00(RE)
2000-2001	32.00	32.00*
Total	124.40	90.80

* Estimated

Following are the physical targets and achievements under this scheme:

Name of the scheme	1998-99		1999-2000		2000-2001
	Target	Achieve.	Target	Achieve.	Target
F.S.T. & P.T.P					

Unit in number) Estt.of mobile I.Units					
000	815	12832	2834	13200	b) Strengthening of Sperum Station
5	1	20	9	28	c) Strengthening of Frozen Semen Bank
5	6	40	27	50	d) Estt.of New Frozen Semen Centres
2	--	50	4	50	e) Strengthening of Training Centres
	4	16	4	16	f) Estt.of New Frozen Semen Centres
	--	17	1	16	g) LN Storage and Distribution System
0	5	111	5	129	h) Bred Bulls (Testmated)

2.46 The Committee find that BE during 9th Plan is only 45% (approx.) of Plan allocation of Rs.320.00 crores and the programme is lacking utilization of previous funds. The reasons as explained by the Department are: "The original Ninth Plan allocation for the scheme `Extension of Frozen Semen Technology (EFST) and Progeny Testing Programme (PTP) was Rs.200.00

crores. In February 1999, under the Special Action Plan Schemes the allocation in respect of the project was enhanced to Rs.320.00 crores. Against this, a BE of Rs.124.40 crores has been provided during the first four years of the plan (1997-2001). This comes out to be 38.9% of the allocation of Rs.320.00 crores. It may be observed that out of an allocation of Rs.700.45 crores, provided under Special Action Plan Schemes during 9th Plan for Animal Husbandry Sector only Rs.283.35 crores have been made available during the first four years of 9th Plan leading to matching reduction in annual BE outlays of EFST and PTP.

Utilization under the scheme has been good in general excepting in 1998-99 when in anticipation of approval of `National Project on Cattle and Buffalo Breeding which envisages merger of the ongoing scheme and National Bull Production Programme, bulk of the budget (1998-99) was maintained in the Head of Account under which releases are made directly to the implementing agencies. Since the scheme was not approved, the major part of the grant could not be released."2.47 Further the Committee note that in all the programmes under EFST & PTP the achievements are well below the targets and wanted to know the reasons for such a huge shortfall in each of the programmes separately programme-wise. The Department furnished the information as under: "The targets proposed under various components of EFST & PTP are for the proposed scheme `National Project for Cattle & Buffalo Breeding which envisage merger of the ongoing scheme and National Bull Production Programme into it and seeks higher allocations for achievement of the targets. The achievements, however, are based on actual releases made under the EFST & PTP which are far lower than the year-wise allocations envisaged in the `National Project for Cattle & Buffalo Breeding.

The targets for the year 1999-2000 under EFST & PTP are given below:

Target	Achievement Upto 15.3.2000
4500	5159
18	15
38	36
80	59
80	39

The low achievement in some of the components especially liquid nitrogen storage and distribution system is due to reduction in the allocation from BE Rs.35.00 crores to Rs.26.00 crores. By the end of this financial year it is likely that the achievement in the sperm station will increase to 16, frozen semen bank 38 and liquid nitrogen and storage system to 61. Lower achievement in test mating of crossbred bulls was due to spill over of previous set of bulls to the current year and the loss of 10 test bulls in the super cyclone that affected Orissa recently." **Frozen Semen Technology and Training Institute**

2.48 No. of persons trained in Frozen Semen Technology is as under:

2.49 The Department explained the reasons for low achievement due to shortage of technical staff during 1998-99. Since the post of Assistant Research Officer which is essential for imparting training has been filled up on 14.7.99.

2.50 The Department further stated that after filling up the post of Assistant Research Officer the Institute has trained 143 officers during 1999-2000. The achievement is 95.33%. The Targets fixed for persons to be trained during 2000-2001 is 150.

2.51 In view of creation of training facilities in many states, less number of officers are deputed by the State Governments for training at this Institute.

Extension of Frozen Semen Technology and Progeny Testing Programme

2.52 Following are the Budgetary allocations during 9th Plan for Progeny Testing Programme and Training of Field Staff (PTP & TFC):

2.51 The Committee observed that in the statement of physical targets and achievements the Department have shown Breed Bulls (Testmated) 90 as target and achievement is 67 in 1998-99. In 1999-2000 Target is 90 and achievement is 39.

2.52 The Committee desired to know the reasons for less achievement in 1999-2000 in comparison to 1998-99. The Department in their reply stated :

2.53 The Committee find that Performance Budget does not contain information on tested bulls which were finally released for genetic improvement during 1998-99 and 1999-2000. The Department stated :

2.54 The Committee find that during 1996-97 against BE of Rs.1.20 crores a target of 90 Test mated Bulls was kept while in 1998-99 and 1999-2000 Budget allocation is one crore and achievement of test mated bulls is 90. The Committee was surprised that how the same target has been achieved in reduced allocation in both the years. The Department informed as follows:

2.55 The Committee further desired to know the expenditure incurred during 1998-99 and 1999-2000 on PTP and TFS. The Department informed :

2.56 The Parliamentary Standing Committee on Agriculture felt that the performance of the programme was not satisfactory and recommended in their 9th report on Demands for Grants 1998-99 that the scheme may be modified in shape and implemented in the shortest possible time.

2.57 The Committee desired to know the progress of the modified scheme and details of success achieved by the Government. The Department stated in their written reply as under :

2.58 The Committee during the evidence desired to know about the estimated target of proven bulls under the scheme. The Department stated as under:

2.59 The Committee further wanted to know what will be the benefit by combining all these three projects. The Department explained :

National Bull Production Programme

2.61 In order to increase the number of genetically superior bulls of indigenous breeds which are required to cover the Cattle population in various agro-climatic regions of the country, a Centrally Sponsored Scheme National Bull Production Programme has been started during the VIIIth Five Year Plan and this has been expanded during the Ninth Five Year Plan to focus on improvement of specific indigenous milch and dual purpose breeds through progeny testing and

embryo transfer. 100% grant-in-aid is provided to State Cattle & Buffalo Breeding Farms, Gaushales etc. for above purposes.

2.62 The following are the Budgetary Allocations during 9th Plan for this programme:

2.63 The Committee find that the budgetary allocations almost remained unutilized during 1998-99 when the funds are fully utilized in 1997-98. The Department explained :

2.64 The Committee further asked the Department what special steps they are taking to utilize funds fully during 2000-2001 and the programmes taken up/to be taken up during 1999-2000 & 2000-2001. It was explained :

Cattle Insurance

2.65 It has been stated in the Annual Report that as per recommendation of Task Force a central sector scheme on cattle Insurance has been formulated by the Department of Animal Husbandry and Dairying and initially this scheme would be operated on pilot basis in two districts each from four zones of the country.

2.66 Following are the budgetary allocation for this scheme during the Ninth Plan:-

2.67 The Committee in their 20th Report (1999-2000) recommended that the Government should implement this scheme all over the country covering all the people living below the poverty line. The Department in reply stated that after getting experience in these two districts the scheme will be extended to the other parts of the country.

2.68 The Committee observe the above statement of allocations of funds during 9th Plan and find that no allocations are made at BE stage of 2000-2001. Regarding the reasons the Department explained as under: "The scheme is to be funded from the interest earned on the seed money of Rs.5 crores provided by the Department in 1999-2000 to the General Insurance Corporation as a corpus fund. As the scheme is based on a one-time lump sum allocation, there is no need for further allocation after 1999-2000." 2.69 In regard to the difficulties faced by the Department for implementation of the scheme, the Department explained as under: "The modalities for implementing the scheme are being worked out by GIC in consultation with the Department. A meeting was held with GIC on January 20, 2000. The most contentious issue is whether individual policies will be issued or an umbrella policy will be issued for an entire district. A further meeting with GIC and the DRDAs concerned is planned for April 2000." 2.70 During the evidence session the Committee wanted to know the plus and minus points of the umbrella policy and the individual policy. The Department explained as under: "Today, under the DRDAs, an umbrella policy is issued. The advantage in the umbrella policy is that the district administration is able to give the necessary feedback to the insurance companies and the district administration also mediates when it comes to a question of settlement of claims. We in the Department feel that it will be in the interest of the farmer, if there is an umbrella policy instead of an individual policy. We are talking of farmers who are below the poverty line, we are talking of people who really do not have the wherewithal to push their claims with the insurance companies, as and when they arise. I have called a meeting early next week with the representatives of the DRDAs in these eight districts and the GIC to be able to persuade them to undertake for the non-scheme animals in these eight pilot districts the same sort of back up, administrative help, which they are giving for scheme animals under the DRDA.

An umbrella policy will be one single policy document which will be issued by the insurance company and given to the DRDA, and then whoever is the beneficiary, he will be able to lodge a claim. Our understanding is that an umbrella policy is easier to work than an individual policy." **Poultry Development**

2.71 The following Central Plan Scheme are under Poultry Development :-

1. Central Poultry Development Organisation
2. Assistance to State Poultry Farms/Poultry Corporation Federation (CS)

2.72 The following five components have been indicated under Poultry Development Organisations :-

1. Central Poultry Breeding Farms
2. Central Duck Breeding Farm
3. Central Poultry Training Instt.
4. Random Sample Poultry Performance Testing Centre
5. Regional Feed Analytical Lab

2.73 The following are the details of Ninth Plan outlay under the scheme Central Poultry Development Organisation during first five year plan :-

(Rs. in crores)

Ninth Plan Outlay	1997-98		1998-99		1999-2000		2000-2001
	BE	RE	BE	RE	BE	RE	
30 crores		 					