



STANDING COMMITTEE ON AGRICULTURE
(2017-2018)

SIXTEENTH LOK SABHA

MINISTRY OF AGRICULTURE AND FARMERS WELFARE
(DEPARTMENT OF AGRICULTURE, CO-OPERATION AND
FARMERS WELFARE)

DEMANDS FOR GRANTS (2018-2019)

FORTY SEVENTH REPORT



LOK SABHA SECRETARIAT
NEW DELHI

March, 2018/Phalguna, 1939 (Saka)

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Presented to Lok Sabha on 06.03.2018
Laid on the Table of Rajya Sabha on 06.03.2018



LOK SABHA SECRETARIAT
NEW DELHI

MARCH, 2018/ PHALGUNA, 1939 (Saka)

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<CONTENTS>

	PAGE No.
COMPOSITION OF THE COMMITTEE (2017-18).....	(iii)
INTRODUCTION.....	(v)
ABBREVIATIONS	(vi)

REPORT

PART- I

CHAPTER I	Introduction	1
	A. Analysis of Demands	2
	B. Announcement of New Schemes in Budget (2018-19)	8
	C. Fund Surrendered	15
	D. Supplementary DFGs	16
	E. Re-appropriation of Funds	16
	F. Budget and Cash Management Scheme	17
	G. Revenue Receipt	17
	H. PSUs under the Purview of DAC&FW	19
	I. National Horticulture Board	21
	J. Minimum Support Price (MSP) for Agriculture Crops	27
	K. Import and Export of Agriculture Produce	31
	L. Gramin Agricultural Markets (GrAMs)	34
	M. Agriculture Planning	37
	N. National Bamboo Mission	38
	O. Criteria for Granting Shop License for Chemical and Fertilizers	41
	P. Soil Health Management (SHM)	43

PART-II

RECOMMENDATIONS AND OBSERVATIONS OF THE COMMITTEE	45-65
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ANNEXURES

Annexure-I:	A brief note on fixation of cost of cultivation	66
Annexure-II:	Cost of Production (A2, A2+FL & C2) of major crops- 2015-16 to 2017-18 crop season	68
Annexure-III-IV:	Item-wise details of import and export of agriculture products in the country during the last five financial years	70-71

APPENDICES

I.	Minutes of the 14th Sitting of the Committee held on 23th February, 2018	72-75
II.	Extract of Minutes of the 15th Sitting of the Committee held on 05th March, 2018	76-77

COMPOSITION OF THE STANDING COMMITTEE ON AGRICULTURE (2017-18)

Shri Hukmdev Narayan Yadav - Chairperson

MEMBERS

LOK SABHA

2. Shri Sanjay Dhotre
3. Prof. Ravindra Vishwanath Gaikwad
4. Shri Sanganna Amarappa Karadi
5. Shri Nalin Kumar Kateel
6. Smt. Raksha Tai Khadase
7. Md. Badaruddoza Khan
8. Shri C. Mahendran
9. Dr. Tapas Mandal
10. Shri Janardan Mishra
11. Shri Devji M. Patel
12. Shri Nityanand Rai
13. Shri Mukesh Rajput
- @14. VACANT
15. Shri Konakalla Narayana Rao
16. Shri C.L. Ruala
17. Shri Arjun Charan Sethi
18. Shri Virendra Singh
19. Shri Dharmendra Yadav
20. Shri Jai Prakash Narayan Yadav
21. Shri B. S. Yeddyurappa

RAJYA SABHA

22. Sardar Sukhdev Singh Dhindsa
- ^23. VACANT
24. Shri Meghraj Jain
25. Shri Vinay Katiyar
26. Shri Mohd. Ali Khan
27. Shri K.K. Ragesh
28. Shri Ram Nath Thakur
29. Shri R. Vaithilingam
30. Shri Shankarbhai N. Vegad
31. Dr. Chandrapal Singh Yadav

@ Vacant due to resignation of Shri Neiphiu Rio from the Membership of Lok Sabha w.e.f. 22.02.2018 vide SG Notification dated 23.02.2018

^ Vacant due to retirement of Shri Janardan Dwivedi from the Membership of Rajya Sabha w.e.f. 27.01.2018 vide CB-I Note dated 16.01.2018

SECRETARIAT

- | | | | |
|----|----------------------|---|-----------------|
| 1. | Shri D.S. Malha | - | Joint Secretary |
| 2. | Shri Arun K. Kaushik | - | Director |
| 3. | Shri Sumesh Kumar | - | Under Secretary |

INTRODUCTION

I, the Chairperson, Standing Committee on Agriculture, having been authorized by the Committee to submit the Report on their behalf, present this Forty Seventh Report on the Demands for Grants (2018-2019) of the Ministry of Agriculture and Farmers Welfare (Department of Agriculture, Co-operation and Farmers Welfare).

2. The Committee under Rule 331E(1)(a) of the Rules of Procedure considered the Demands for Grants (2018-19) of the Department of Agriculture, Co-operation and Farmers Welfare, which were laid on the table of the House on 08 February, 2018. The Committee took evidence of the representatives of the Department of Agriculture & Co-operation at their Sitting held on 23 February, 2018. The Report was considered and adopted by the Committee at their Sitting held on 05 March, 2018.

3. For facility of reference and convenience, the Recommendations/Observations of the Committee have been printed in bold letters in Part-II of the Report.

4. The Committee wish to express their thanks to the officials of the Department of Agriculture, Co-operation and Farmers Welfare for appearing before the Committee and furnishing the information that they desired in connection with the examination of Demands for Grants of the Department.

5. The Committee would also like to place on record their deep sense of appreciation for the invaluable assistance rendered to them by the officials of Lok Sabha Secretariat attached to the Committee.

NEW DELHI;
05 March, 2018
16Phalguna, 1939 (Saka)

HUKMDEV NARAYAN YADAV
Chairperson,
Standing Committee on Agriculture

ABBREVIATIONS

ADSI	Accidental Deaths and Suicides in India'
ADRTC	Agricultural Development and Rural Transformation Centre
ANBC	Adjusted Net Bank Credit
APMCs	
B & CM	Budget and Cash Management
CA	Controlled Atmosphere
CAB	Cost Accounts Branch
CACP	Commission for Agriculture Cost and Pricing
CEOs	Chief Executive Officers
CEOBE	Credit Equivalent of Off-Balance Sheet Exposure
C&AG	Comptroller and Auditor General
CIPi	Composite Input Price Index
CS	Comprehensive Scheme
CSS	Centrally Sponsored Scheme
CVC	Central Vigilance Committee
DAC&FW	Department of Agriculture, Cooperation and Farmers Welfare
DES	Directorate of Economics and Statistics
DMI	
EFC	Economic and Financial Committee
e-NAM	
FAI	Fertilizers Association of India
FPOs	
FRP	Fair and Remunerative Prices
FTAs	Free Trade Agreements
FY	Financial Year
GrAMs	Gramin Agricultural Markets
Gol	Government of India
GLC	Ground Level Credit
GST	Goods and Services Tax
GVA	Gross Value Added
IBA	Indian Bankers Association
IMC	Inter Ministerial Committee
ISEC	Institute of Social and Economic Change
ISS	Interest Subvention Scheme
JLGs	Joint Liability Groups

KKC	Krishi Kalyan Cess
KKK	Krishi Kalyan Kosh
MANAGE	National Institute of Agricultural Extension Management
MAS	Market Assurance Scheme
MEP	Monthly Expenditure Plan
MEIS	Merchandise Exports from India Scheme
MGNREGA	Mahatma Gandhi National Rural Employment Guarantee Act
MIDH	Mission for Integrated Development of Horticulture
MIS	Management Information Systems
MoU	Memorandum of Understanding
MSP	Minimum Support Price
NABARD	National Bank for Agriculture and Rural Development
NAFED	National Agricultural Cooperative Marketing Federation of India
NBM	National Bamboo Mission
NCRB	National Crime Records Bureau ()
NE	North East
NFSM	National Food Security Mission
NHB	National Horticulture Board
NIPHM	National Institute of Plant Health Management
NMOOP	National Mission on Oil and Oil Palms
NSC	National Seed Corporation
PACS	Primary Agricultural Cooperative Societies
PAC	Public Account Committee
PDMC	Public Debt Management Cell
PDPS	<u>Price Deficiency Payment system</u>
PFMS	Public Financial Management System
PMKSY	Pradhan Mantri Krishi Sinchai Yojana
PKVY	Paramparagat Krishi Vikas Yojana
PMFBY	Pradhan Mantri Fasal Bima Yojana
PMO	Prime Minister Office
PSBs	Public Sector Banks
PSL	Priority Sector Lending Guidelines
PSS	Price Support System
PSUs	Public Sector Undertakings
RBI	Reserve bank of India
RRBs	Regional Rural Banks
RTGS	Real Time Gross Settlement
SHGs,	Self Help Groups
SMF	Small and Marginal Farmers
SLBC	State Level Bankers Committee
UT	Union Territory

(vii)

PART-I
CHAPTER - I

Introduction

1.1. Our country is bestowed with diverse Agro-climatic resources which have massive potential for rich harvest of agricultural produce. However, at the time of independence, we were facing acute shortage of cereals and other agricultural products due to legacy of bad agricultural policies of British Government. In the backdrop of the food crisis that gripped India in the 1960s, the Government of India initiated the 'Green Revolution' program. This was an attempt to become self-sufficient in production of food grains. Traditional farming methods gave way to farming with high-yield seeds, fertilizers, and pesticides. The Green Revolution nearly quadrupled the production of rice and wheat, transforming India's fertile areas into 'granaries'. India has achieved a remarkable growth in agriculture, increasing food grain production from 83 million tonnes in 1960-61 to about 275.68 million tonnes in 2016-17. Now, our country is not only self sufficient in production of food grain to meet food requirement of the country but agriculture is also contributing towards foreign earning.

1.2. Success of our country to overcome the days of deficient agriculture production and import dependency to feed the teeming millions of the Country was a collective effort of Planners, Agricultural Scientists and Agricultural Extension Personnel. Apart from these, real architect of 'Green Revolution' were farmers of the country, who with their hard work, ingenuity and limited resources, were able to script a success story to bring a turnaround in agriculture production and ensured food security. Indian Farmers, whenever provided with adequate financial and technical support, have helped the Country in enhancing food production and thereby, ensuring food security of the country. However, barring few States and regions, socio-economic condition of majority of farmers has not improved *vis a vis* other section of Indian Society. Against this backdrop, emphasis of current Government on doubling the income of farmers by 2022 assumes significance which will help to bring a turnaround in fortunes of our 'Anndata' (farmers). Various announcement and provision for agriculture sector in current Demand for Grants (2018-19) of the

Ministry of Agriculture and FW (DAC & FW) shows determination of current regime to change the state of affairs for the welfare of farmers of the country.

1.3. The Department in their Annual Report (2018-19) has stated that Agriculture plays a vital role in India's economy. 54.6% of the population is engaged in agriculture and allied activities (census 2011) and it contributes 17.4% to the country's Gross Value Added for the year 2016-17 (at current prices). Given the importance of agriculture sector, Government of India took several steps for its sustainable development. Steps have been taken to improve soil fertility on a sustainable basis through the soil health card scheme, to provide improved access to irrigation and enhanced water efficiency through Pradhan Mantri Krishi Sinchai Yojana (PMKSY), to support organic farming through Paramparagat Krishi Vikas Yojana (PKVY) and to support for creation of a unified national agriculture market to boost the income of farmers. Further, to mitigate risk in agriculture sector a new scheme "Pradhan Mantri Fasal Bima Yojana (PMFBY) has been launched for implementation from Kharif 2016.

1.4. The percentage allocation to the Ministry of Agriculture and Farmers Welfare out of total budget outlays of the Government of India during the last three financial year and current Demands for Grants (2018-19 and their comparison with other important Ministries/Departments have been given in the succeeding paragraphs.

A. ANALYSIS OF DEMAND

1.5. Demand No. 1 pertaining to the Department of Agriculture, Cooperation and Farmers Welfare for the year 2018-19 was presented to the Lok Sabha on 08 February, 2018. Allocations proposed for 2018-19 are as follows:-

(Rs. In crore)					
REVENUE SECTION	MAJOR HEAD	2016-2017 Actuals	2017-2018 Budget Estimates	2017-2018 Revised Estimates	2018-2019 Budget Estimates
Secretariat-Economic Services	3451	113.42	119.00	123.06	134.00
Crop Husbandry	2401	16330.28	19691.85	17677.26	14720.65
Soil and Water Conservation	2402	20.45	22.51	24.21	25.43
Agricultural	2416	13397.13	15300.00	14335.02	13589.83

Financial Institutions					
Co-operation	2425	129.81	117.00	197.00	117.00
Other Agricultural Programmes	2435	871.17	1149.60	750.98	1028.94
North Eastern Areas	2552	0.00	4112.61	2834.28	4606.90
Grants-in-aid to State Governments	3601	9729.60	12047.86	10107.04	12347.92
Grain-in-aid to Union Territory	3602	3.25	15.14	10.33	15.63
Total Revenue Section		40595.11	52575.57	46059.18	46586.30
CAPITAL SECTION					
Capital Outlay on Crop Husbandry	4401	12.16	49.44	40.83	108.71
Capital Outlay on Other Agricultural Programmes	4435	0.64	1.00	1.00	1.00
Capital Outlay on North Eastern Areas	4552	0.00	3.99	3.99	3.99
Loans for Cooperation	6425	18.18	25.00	0.00	0.00
Total Capital Section		30.98	79.43	45.82	113.70
GRAND TOTAL		40626.09	52655.00	46105.00	46700.00

As per Demands for Grants for Central Government 2018-19, the Ministry of Finance has stated that above estimates do not include the recoveries shown below which are adjusted in reduction of expenditure:

Revenue Section					
Crop Husbandry	2401	-3652.58	-9000.00	-5000.00	0.00
Agricultural Financial Institutions	2416	0.00	-1800.00	0.00	0.00
Other Agricultural Programmes	2435	-9.59	0.00	0.00	0.00
Secretariat-Economic Services	3451	-0.55	0.00	0.00	0.00
Grants-in-aid to State Governments	3601	-50.89	0.00	0.00	0.00
Total Revenue Section		-3713.61	-10800.00	-5000.00	0.0

The Expenditure provisions, net of the above recoveries, will be as under:-

	Revenue	36881.50	41775.57	41059.18	46586.30
	Capital	30.98	79.43	45.82	113.70
	Total	36912.48	41855.00	41105.00	46700.00

1.6. When asked about actual increase in allocations to the Department during current fiscal as compared to combined allocations under various heads during previous years, the Department has submitted as under:-

"a total budgetary provision of Rs. 41,855.00 crores, the budgetary allocation of 2018-19 has been fixed at Rs. 46,700.00 crores, an increase of 11.58 % over the 2017-18 allocation. The Department had proposed an allocation of Rs. 63,986.81 crores for the year 2018-19."

1.7. On the query of the Committee regarding the sources of recoveries as shown in budget documents (2018-19) for the Department during the last 3 years, the Department has submitted as under:-

"The sources of recoveries in budget of the Department were mainly on account of the expenditure met out of Krishi Kalyan Kosh and refunds of unspent balances by the implementing agencies. On introduction of GST, Krishi Kalyan Kosh has been abolished by M/o Finance and the level of unspent balances has come down on implementation of PFMS. Therefore no deduct recovery has been assumed in the budget of 2018-19.

1.8. When asked about the reasons for lower recoveries of Rs. 5000 crore as against Rs.10800 crore as projected for Financial Year (FY) 2017-18, the Department has submitted as under:-

"Less recoveries during 2017-18 is mainly owing to abolition of Krishi Kalyan Cess."

1.9. When asked to furnish a brief on important features of Demands for Grants (2018-19) of the Department such as enhancement/reduction in allocation to

schemes, plan for creation of Institutions/assets etc., the Department has submitted as under:-

The details of changes in schemes allocation in 2018-19 is as under:

S. N O.	Name of Mission/Scheme	2017-18			2018-19		
		BE	RE	Actual Upto 20.02.2018	BE	% Change over BE(2017-18)	
1	Secretariat	150.48	154.79	128.74	166.43	10.60	
2	Interest Subsidy	15000.00	14750.00	10233.00	15000.00	0.00	
3	Pradhan Mantri Fasal Bima Yojna (NCIP)	9000.75	10701.26	8059.02	13014.15	44.59	
4	Pradhan Mantri Krishi Sinchai Yojna	3400.00	3000.00	2532.70	4000.00	17.65	
5	Implementation of MIS/PSS	199.30	950.00	700.00	200.00	0.35	
6	Diesel Subsidy	0.00	21.35	21.34	0.00	0.00	
7	GREEN REVOLUTION						
	7.1	Rashtriya Krishi Vikas Yojna	4750.00	3050.00	2857.41	3600.00	-24.21
	7.2	KRISHONNANTI YOJNA	9354.47	8477.60	6273.67	10719.42	14.59
	7.2.1	Integrated Development of Horticulture	2329.13	2198.63	1584.89	2546.30	9.32
	7.2.2	Technology Mission of Oilseeds and Oilpalm	404.53	309.95	251.75	402.07	-0.61
	7.3	National Mission for Sustainable Agriculture	1267.84	868.76	623.96	1586.61	25.14
	7.3.1	National Project on Organic Farming	13.57	24.10	11.67	24.34	79.37
	7.3.2	National Project on Soil & Health Fertility	458.76	220.45	187.44	407.84	-11.10
	7.3.3	Organic Value Chain for North East	100.00	100.00	34.26	160.00	60.00
	7.3.4	Mission for Sustainable Agriculture (RADP)	223.00	210.00	178.20	234.00	4.93
	7.3.4	Soil and Land Use Survey of India	22.51	24.21	21.36	25.43	12.97
	7.3.5	Paramparagat Krishi Vikas Yojna	350.00	250.00	151.97	360.00	2.86
	7.3.6	National Project on Agro-Forestry	100.00	40.00	39.06	75.00	-25.00
	7.3.7	NATIONAL BAMBOO MISSION (NEW)	0.00	0.00	0.00	300.00	0.00
	7.4	National Mission on Agricultural Extension and Technology	1961.39	2399.24	1590.45	2937.48	49.77
	7.4.1	Sub-Mission on Agriculture Extension	932.72	838.53	718.02	1040.88	11.60
	7.4.2	Information Technology	65.00	50.00	23.77	56.00	-13.85
	7.4.3	Sub-Mission on Seeds & Planting Material	206.06	506.61	197.89	340.60	65.29
	7.4.4	Sub-Mission on Agricultural Mechanization	577.58	804.10	506.21	1200.00	107.76

7.4.5	<i>Sub-Mission on Plant Protection and Plant Quarantine</i>	180.03	200.00	144.56	300.00	66.64
7.5	Integrated Scheme on Agriculture Cooperation	130.00	230.00	93.71	130.00	0.00
7.6	Land Development Banks (Central)	25.00	0.00	0.00	0.00	-100.00
7.7	Integrated Scheme on Agricultural Marketing	1238.40	800.98	600.44	1104.50	-10.81
7.8	National Food Security Mission	1727.26	1408.79	1345.99	1700.00	-1.58
7.9	Integrated Scheme on Agriculture Census and Statistics	262.84	257.40	181.46	302.14	14.95
7.10	National Rainfed Area Authority	8.08	3.85	1.02	10.32	27.72
	Grand Total-Demand No. 1-Department of Agriculture, Cooperation & Farmers Welfare	41855.00	41105.00	30805.88	46700.00	11.58

1.10. During the evidence, while elaborating on allocations for Department of Agriculture, Cooperation and Farmers Welfare in Demands for Grants (2018-19), the representative of the Department submitted as under:-

"Suggestions given by the Hon'ble Committee being highly useful, help us make the schemes more effective and influential. I am glad to inform the Hon'ble Committee that under the year of consideration, the budget allocation has increased from Rs.41,855 to 46,700 crore rupees as a result of the recommendations of the Committee which is an increase of 11.6 percent. Certain important schemes allocation to which there has been an increase includes Pradhan Mantri Fasal Bima Yojana, Organic Farming, Mechanization of Agriculture, Pradhan Mantri Krishi Sinchai Yojana. In these schemes there has been an increase of 44.60 percent, 80 percent, 160 percent and 17.65 percent respectively whereas overall increase made in allocation under Krishi Unnati Yojana is 14.6 percent."

1.11. While elaborating on success of the Department in utilization of available funds, the representative of the Department submitted as under:-

"Second thing I would like to state that if we have a glimpse at the figures during the last three years, you will come to know that we had a demand of Rs.44000 crore last year. Out of the said amount, there has been allocation of 41855 crore rupees. An amount to the tune of Rs.41105 crore has been allocated this year which is a little bit reduced from the above amount. Out of which we have spent 30805 crore rupees, that is 77% has been spent. By the end of February, it will go above 80 percent and we hope our expenditure will be above 95% this year. During the year 2016-17, our expenditure was 85 percent. Prior to that it was approximately 98 percent every year."

Approximately, 98 percent expenditure has been met by our department every year against the revised budget which we have got."

1.12. On the query of the Committee regarding status of the Department to complete the process of switch over to distinction of funds into 'capital and revenue' spending and ways it has affected maintenance of accounts in DAC&FW, the Department has submitted as under:-

"The Ministry has completely switched over to distinction of funds into Capital and Revenue Expenditure. The change has simplified the accounting format as same item of expenditure is not required to be depicted at two places (for plan and non Plan separately). "

1.13. When asked about efficiency achieved by the Government spending from introduction of Capital and Revenue Model, the Department has submitted as under:-

"The change has removed artificial categorization under Plan and Non-Plan and has also made budget and accounts more transparent and user friendly."

1.14. Department of Agriculture, Cooperation & Farmers Welfare's share in the Budget Outlay(Plan) as compared to some other Departments of the Government of India in the previous three years:

(Rs in Crore)				
Ministry / Deptt.	2015-16	2016-17	2017-18*	2018-19
Department of Agriculture, Cooperation & Farmers Welfare	16646.35	20400.00	41855.00	46700.00
% Share of Deptt. w.r.t Total Central Plan	2.88	2.89	1.95	1.91
Department of Animal Husbandry, Dairying and Fisheries	1491.14	1600.00	2371.00	3100.00
% Share of Deptt. w.r.t. Total Central Plan	0.25	0.23	0.11	0.11
Department of Agriculture Research and Education	3691.00	3700.00	6800.00	7800.00
% Share of Deptt. w.r.t. Total Central Plan	0.64	0.52	0.32	0.32
Department of Rural Development	71642.00	86000.00	105447.88	112403.92

% Share of Deptt. w.r.t. Total Central Plan	12.39	12.18	4.91	4.60
Department of Food and Public distribution	212.00	150.00	150504.69	174159.10
% Share of Deptt. w.r.t. Total Central Plan	0.04	0.02	7.01	7.13
GOI'S Total Budget Outlays	578381.67	706248.40	2146734.78	2442213.20

*There is no separate allocation for Plan & Non-Plan since 2017-18.

B. Announcement of New Schemes in Budget (2018-19)

1.15. The Department in their preliminary material submitted for examination of Demands for Grants (2018-19) has stated that after the completion of the 12th Plan, the Government proposes to introduce the following new schemes –

- I. Computerization of Primary Agricultural Cooperative Societies(PACS)
- II. Corpus Fund for Micro-irrigation
- III. Implementation of Market Assurance Scheme
- IV. Bhawantar Bhugtan Yojana (Price Deficiency Procurement Scheme)

1.16. When asked to furnish contour of above mentioned schemes, the Department has submitted as under:-

"In so far as new schemes proposed are concerned, the status is as under:

I. Computerization of Primary Agricultural Cooperative Societies(PACS):

. The scheme will be implemented in a phased manner in the next three years from 2018-19 to 20120-21. 63000 functional PACS will be computerized in three years with the project cost of Rs.1985 core i.e. 13000 in 2018-19, 20000 in 2019-20 and 30000 in 2020-21. Hand holding support of 3 years has been provided in the project. Hand holding support for the PACS which are migrated in the 3rd year of the project will continue upto 2022-23. Study has been undertaken by NABARD for the implementation of Computerization of PACS. The Department in their preliminary material submitted for examination of Demands for Grants (2018-19) has stated that details of share of Central vis-à-vis State Governments on different schemes

being implemented by the Department has been fixed in line with the decision of the government to rationalize the funding pattern after the acceptance of the recommendations of the 14th Finance Commission. It is a Central Sector Scheme. The project estimated cost of Rs.1985 crore will be borne in the ratio of 60:35:05 by Central Government, State Govt. and PACS whereas the funding pattern for the NER States and Himalayan States will be 80:20.

II. Corpus Fund for Micro-irrigation:

With a view to provide impetus to micro irrigation in the country, the Union Finance Minister, in his Budget Speech 2017-18 announced creation of a dedicated Micro Irrigation Fund to be instituted with NABARD with an initial corpus of Rs.5000 crore for encouraging public and private investments in modern irrigation methods such as sprinkler and drip irrigation and offering support for expanding coverage of Micro Irrigation by encouraging the States to avail this credit at a lower interest rate. The Scheme also aims to encourage water use enhancing practices to realize the objective of 'Per Drop More Crop'.

For implementation of Corpus Fund for Micro-Irrigation, the proposal was placed before EFC on 18.11.2016. Based on the recommendations/suggestions of the committee, the revised proposal has been submitted to EFC for consideration. To consider, the revised proposal the EFC meeting is scheduled on 23.02.2018.

It is to state that the setting up of Corpus Fund for Micro-irrigation was a Budget Announcement (2017-18). Before working out the structure of the proposal, wide consultations were made with the states and matter discussed in the National Kharif Conference held in April, 2017. Feedback and inputs of the State Governments and suggestion & inputs of Ministry of Water Resources and NABARD among others have been obtained in formulating the proposal. No new structure will be set up for implementation of the fund as the existing institutional mechanism for implementation of PMKSY-PDMC would also be used for these proposal.

III. Implementation of Market Assurance Scheme

Government proposes to strengthen the procurement mechanism to ensure that farmers do not suffer from marketing inefficiencies, as commonly reflected in the prices ruling lower than notified MSP for many commodities. Hence, the need for a suitable market intervention mechanism, that enables quick assessment of market fluctuations, advanced preparation and timely procurement commencement as soon as the prices breach the MSP on its negative side. This can happen if the decision making and procurement authority is one and the same. It is against this background, that the Government has proposed a new scheme called Market Assurance Scheme (MAS) which will address the shortcomings in the existing schemes and offer a robust alternative for procurement of various agri-commodities (except

wheat & paddy) of farmers, for which MSPs are notified by Government of India.

Main features of MAS

- i. MAS will be for all Pulses, Oilseed and Coarse Grains produced in the respective state whose Minimum Support Price (MSP) are declared by Central Government each year/season
- ii. The ownership of the scheme including the decision to procure and its actual operation shall be decentralized and vested with the respective State/UT Governments
- iii. The State/UT governments shall decide when to begin procurement and shall enter the market and start procurement accordingly through their own public sector agencies or through other empanelled & authorized private agencies or central procuring agencies authorized to do so by them, which shall then procure on behalf of the authorizing State/UT.
- iv. It shall be the responsibility of the State/UT to dispose off the procured commodities in an appropriate manner. However, losses, if any, sustained in these operations by the State/UT shall be compensated for, by the Central Government upto a maximum value of 40 per cent (50% for Himalyan and North Eastern State) of MSP value for that particular commodity notified for the season/year in which the commodity was procured. The State/UT Governments are free to retain any surplus generated during this exercise. In case of losses between 40% to 50% of MSP value, the loss will be shared equally between Central and State Govt. and losses above 50% of MSP value has to be borne by State Govt. The Central share of losses will be reimbursed with 6 month from the date of last disposal date subject to receipt of audited account in prescribed format from the State.
- v. Considering the comment of some States regarding the limitation of financial resources with the states/ states procuring agencies and arrangement of working capital, it is proposed to create a Central Corpus for providing interest free advance towards working capital to the states/UTs. Working capital shall be used by State for making procurements at MSP and other procurement related expenses like interest on working capital, arrangement of gunny bags, transportation, storage, handling and other logistics & management related expenses under MAS. The interest free working capital advance, as evaluated by the concern State/UT Level committee and approved by MAS Central Corpus Fund Committee, will be provided to the States/UTs based on their request. In case of North East and Himalayan States the working capital advance will be 75% of states/UTs revolving fund.
- vi. Regarding decision of Import duty of commodities procured under MAS, State representative where MAS procurement has been made may be nominated as one of the member of Committee for recommending the import related provisions /steps in Inter Ministerial Committee(IMC)
- vii. For Disposal related activity and other handhold support, services of NAFED (the Central Agency for PSS) can be taken by States.

NAFED can provide services in procurement and disposal activity of MAS stock by charging service charges which can be fixed by State with mutual agreement with NAFED.

Advantages of MAS

- i. It is a decentralized system operated by the State/UT governments, wherein they have the flexibility to decide and rollout procurement operation in time and engage different agencies to undertake such procurements.
- ii. The liability of the Central Government will arise only if prices fall below MSP, and such obligation is limited to a maximum of 40 to 50 per cent of MSP, as the case may be.
- iii. The State/UT governments will have the latitude to dispose of the procured commodities in the manner they find it most suitable.
- iv. The State/UT governments are likely to integrate these procurements into their PDS, Mid Day Meal scheme, ICDS feeding programme, ration distribution scheme for Police and such other forces.
- v. The State/UT governments can also sell in the open market or/and export (subject to export & trade regime of Government of India).
- vi. The farmer-producers will stand to benefit on account of timely and speedy market intervention.
- vii. Market price stabilization will happen with greater probability due to timely intervention.

IV. Price Deficiency Procurement Scheme

Government proposes to ensure that farmers do not suffer from marketing inefficiencies, as commonly reflected in the prices ruling lower than notified MSP for many commodities. Hence, it is proposed to implement a new scheme called “PDPS”. The scheme will be an alternative available to the States/UTs to ensure remunerative price to its farmers in addition to the existing Price Support Scheme. The scheme envisages direct payment of the difference between the MSP and the selling price to the pre-registered farmers selling his produce in the notified market yard through a transparent auction process. The payment will be done directly into their bank account.

The salient features of the schemes are as follows:

- (i) The scheme will be called as “PDPS” and applicable to selected pulses, oilseeds and coarse grains by the States/UTs which are produced in the respective States/UTs and for which minimum support price is declared by Central Government each year/season.
- (ii) A maximum of four selected agriculture commodities decided by the State/UT can be covered under this scheme in every

season. In addition, States can also include cotton over and above the limit of four commodities per season.

- (iii) 75% of the average production against the land holding of each farmer shall be eligible for benefit of price difference.
- (iv) To get the benefit of the scheme, farmers must be registered on the portal to be specifically developed for this purpose by the respective State /UT Government within the stipulated time period. The stipulated time will be within the sowing period of particular crops in the State/UT. The registration data will include farmers' details like Aadhaar Number, Bank Account Number, Mobile Number and other related land record information maintained in the respective States/UTs. The registration data shall be verified by the States/UTs prior to sales period notified for particular commodity.
- (v) Farmers shall be allowed to sell their produce in the notified market yards within a pre-notified time period which could be 90 days or more for being considered /eligible for benefit.
- (vi) Only the fair average quality of produce sold in the notified market yard shall be eligible for benefit under the scheme.
- (vii) The difference in actual sale price and MSP/Modal price will be paid to the farmers who have sold their produce in notified markets and received the payment through RTGS or other method of e-payment from the traders in the same bank account within one month from the sale of the commodity in the notified markets of the State/UT.
- (viii) Only those States/UTs which have adopted the Model Agricultural Produce and Livestock Marketing (Promotion and Facilitating) Act, 2017 or give a commitment in writing to do so within a specified time frame shall be eligible to implement the scheme.
- (ix) The entire process starting from pre-registration to payment of sale proceeds in the notified market yards and payment of difference into farmers accounts shall be done electronically.'
- (x) The State/UT Government has to calculate the modal wholesale price of the selected commodity during the procurement period every month in the following manner:
 - (a) Weighted modal wholesale price for the crop in the notified market yards of the implementing State/UT will be

calculated from the data available on AGMARKNET Portal.

- (b) The weighted modal wholesale price of the same crops as per AGMARKNET portal for other two or more major producing States identified by implementing State/UTs Government.
 - (c) All the included States shall be given equal weightage in the calculation of average modal wholesale price.
- (xi) The price difference to be given in the scheme shall be determined as follows:
- (a) If the sale price of selected agriculture product in the notified market yards is at par or more than Minimum Support Price, no benefit would be admissible.
 - (b) If the sale price of agriculture produce sold in notified market yards is less than MSP but more than modal wholesale price declared by the State/UT Government, benefit would be admissible only to the extent of difference between MSP and actual sales price received by farmer. This amount will be transferred to the bank account of the farmer registered on the portal at the time of registration. If the sale price of agriculture produce in the notified market yard is less than the modal wholesale price declared by the State/UT Government, the benefit would be admissible to the extent of difference between MSP and modal wholesale price declared by State/UT Government which will be deposited in the registered bank account of farmer.
 - (c) However, if the average of modal wholesale price of the agriculture produce of two or more States (as mentioned above) is above MSP than this scheme will not be applicable to that commodity.
- (xii) The farmer would be paid the difference between the MSP and the monthly modal price subject to a maximum of 25% of the MSP value.
- (xiii) The liability under this scheme shall be shared in the ratio of 60:40 between the Government of India and the concerned State/UT Governments.

Advantages of PDPS

- i. It is a decentralized system operated by the State/UT governments, wherein they have the flexibility to decide and roll out operation for selected commodity.
- ii. The liability of the Government will arise only if prices fall below MSP, and such obligation is limited to a maximum of 25 per cent of MSP value.

iii. The farmer-producers will stand to benefit on account of timely and speedy price support received in their Bank Account.

1.17. While distinguishing MAS and PDPS, the DAC&FW has submitted as under:-

"The Department has prepared Concept Notes on MAS & PDPS and circulated to States/UTs Govt. Under MAS, It is proposed that the States/UTs will make procurement for notified crops (except rice and Wheat) at MSP through State Level Supporters directly from the farmers and the MSP value of the procured crops under MAS are transferred directly to the Banks Accounts of beneficiary farmers from the State Govt. funds allocated for this purpose. Under the scheme, the entire decisions from procurement upto the level of disposal are taken by the concerned States/UTs Govt. After the disposal of the procured commodities, the accounts will be submitted by the State/UTs Govt. to the Central Govt. for reimbursement of the losses incurred, if any, in undertaking procurement operations under MAS. The Central Govt. after the vetting of the accounts submitted by the concerned State/UTs Govt. from the competent authority like Cost Accounts Branch (CAB) of Deptt. of Expenditure reimburse upto the 40 % of the MSP value of the procured commodities (50% for Himalayan & NE States)."

Whereas, PDPS, the scheme envisage direct payment of the difference between the MSP and the selling price to the farmers selling his produce in the APMC yard through a transparent auction process. The payment will be done directly into farmer bank account. The losses incurred on implementation of this scheme will be shared between Central and States Govt. (ratio to be finalized).

These schemes are under consideration and NITI Aayog has been entrusted with the responsibility to finalize the same in consultation with the States.

1.18. During the evidence, while elaborating new initiatives for agriculture sector proposed in Demands for Grants (2018-19), the representative of the Department submitted as under:-

"Apart from that, the Government has announced new initiatives in the budget year 2018. These include National Bamboo Mission, the establishment of Agricultural Marketing Infrastructure Fund, start of Kharif operation and MSP for one and a half times the cost of production of selected crops. These new aspects will have a far-reaching effect on the agricultural development activities of the country."

C. FUND SURRENDERED

1.19. When asked about the quantum of funds surrendered by the DAC&FW during 2016-17 and 2017-18 and reasons for surrender, the Department has submitted as under:-

"As per instructions of Government, unutilized funds have to be surrendered to Ministry of Finance within the same financial year. Accordingly, funds were surrendered during 2016-17 an amount of Rs. 2703.86 crore (net of recoveries) were surrendered under various heads. This includes an amount of Rs. 2560.74 crore for which Re-appropriation was not allowed by Ministry of Finance.

Unutilized funds for 2017-18 will be surrendered within the current financial year."

D. SUPPLEMENTARY DFGS.

1.20. On the query of the Committee regarding the provisions for supplementary Demands made by the Department during 2016-17 and 2017-18, the Department has submitted as under:-

"2016-17

Token/Cash supplementary Grants have been obtained through Supplementary Grant, 2016-17 for transfer of Krishi Kalyan Cess, MIDH, Implementation of MIS/PSS, Sub-Mission of Seeds and Planting Materials, Integrated Scheme on Agricultural Cooperation, Integrated Scheme on Agricultural Marketing, etc.

2017-18

Token/technical supplementary Grants have been obtained in Ist and IInd batch of Supplementary Grant, 2017-18 for PMFBY, Implementation of MIS/PSS, Sub-Mission of Seeds and Planting Materials, NFSM, Integrated Scheme on Agricultural Census and Statistics, etc."

E. RE-APPROPRIATION OF FUNDS

1.21. When asked about re-appropriation of funds between the schemes/programmes made by the Department during 2016-17 and 2017-18, the Department has submitted as under:-

"The funds are re-appropriated based on requirement of the schemes as they are implemented during the year. Funds are re-appropriated between schemes as well as between various Heads within the same scheme. Apart from this, mandatory re-appropriation is done for releases for North East Regions from non-functioning heads to function heads from where expenditure is booked. The Principal Accounts Office prepares final Appropriation Accounts at the end of the year; showing details of all Appropriation."

F. BUDGET & CASH MANAGEMENT SCHEME

1.22. It is understood that the modified Budget and Cash Management (B & CM) Scheme of the Ministry of Finance launched in 2006-07 with the intention to reduce expenditure asymmetry and to plan market borrowings more realistically stipulates amongst other things the following:

- I. Disclosure of monthly expenditure of major Departments.
- II. Quarterly exchequer control with a limit of maximum 33% funds in Quarter-4 (Q-4).
- III. March spending control with a maximum ceiling of 15% of funds.

1.23. When asked to submit quarter-wise spending in percentage terms of total funds during 2016-17 and 2017-18 by the Department, the Department has submitted as under:-

"The department has meeting the targets set out in the Budget and Cash Management scheme of Ministry of Finance. The monthly releases are determined by the Monthly Expenditure Plan (MEP) finalized for the year. The Department has not exceeded the 33/15 % limits set out for the last quarter and the month of March every year."

G. REVENUE RECEIPT

1.24. On the query of the Committee regarding the sources of revenue receipts for the Departments apart from budgetary support for the year 2016-17 and 2017-18, the Department has submitted as under:-

"The Information on sources of revenue, Revenue targets for 2016-17 and 2017-18, actual collection of revenue during 2017-18 and targets set for 2018-19 is given in the table below:

(Fig. in lakhs)

Sr. No	Major Head	B.E 2016-17	R.E 2016-17	Actual Receipts 2016-17	B.E 2017-18	R.E 2017-18	Actual Receipts 2017-18 up to Jan. 2018	B.E 2018-19
	0049- Interest Receipt							
1	State Government	2500.00	Nil	Nil	Nil	Nil	Nil	Nil
2	Union Territories	3.00	Nil	Nil	Nil	Nil	Nil	Nil
3	Industrial/Commercial/Financial Undertaking	1631.50	1428.87	1102.96	1328.87	1328.87	643.10	1328.87
4	Government Servants	125.00	100.00	77.69	100.00	100.00	69.03	100.00
	Total	4259.5	1528.87	1180.65	1428.87	1428.87	712.13	1428.87
1	0050-Dividends and Profit	1208.11	1202.61	1163.40	1246.27	1308.58	1505.40	1374.01
	Total	1208.11	1202.61	1163.4	1246.27	1308.58	1505.4	1374.01

	0075-Misc.General Services							
1	Guarantee Fees	4.00	0.00	0.00	150.00	0.00	0.00	0.00
2	Other Receipts	2.60	2.60	1.77	3.60	4.50	4.33	5.00
	Total	6.6	2.6	1.77	153.6	4.5	4.33	5
	0401-Crop Husbandry							
1	Receipts From Plant Protection Services	19000.00	22000.00	39482.21	22000.00	40000.00	48203.73	41000.00
2	Manures & Fertilizers	1.00	1.30	2.31	1.30	5.00	8.91	5.00
3	Other Receipts	1000.00	1000.00	1218.88	1000.00	1300.00	1288.12	1400.00
	Total	20001.00	23001.3	40703.4	23001.3	41305	49500.76	42405
	0435-Other Agricultural Prog.							
1	Fee for Quality Control Grading Of Agri.Products	400.00	430.00	514.03	430.00	600.00	592.06	650.00
2	Other Receipts	1200.00	1300.00	1373.22	1300.00	1350.00	1069.18	1400.00
	Total	1600	1730	1887.25	1730	1950	1661.24	2050
	Grand Total	27075.21	27465.38	44936.47	27560.04	45996.95	53383.86	47262.88

1.25. When asked to furnish details of utilization of revenue generated by DAC&FW institutes during the last two years, the Department has submitted as under:-

"The Ministry does not utilize the revenue receipts generated by it. However the receipts credited to Krishi Kalyan Kosh were being utilized for offsetting the expenditure through the mechanism of deduct recoveries. The accounting procedure being followed had been approved by O/o Controller General of Accounts with the concurrence of Comptroller and Auditor General (C&AG) of India. However Krishi Kalyan Kosh has been abolished by M/o Finance during 2017-18."

1.26. When asked to furnish details of Dividend amount received by the Department from PSUs under its purview, the Department Department has submitted as under:-

The dividend figures for the year 2016-17 and 2017-18 are given below:

Year	Amount of Dividend Received (Rupees in Lakhs)
2016-17	1163.40
2017-18	1505.40

1.27. On the query of the Committee regarding use of dividends issued by the Public Sector Undertakings (PSUs) under the Department, the Department has submitted as under:-

"Dividend received from PSUs is booked under the head Revenue Receipts and not as revenue recoveries. The dividend amount is credited into consolidated fund of India and is not available for adjusting against Revenue Expenditure."

1.28. When asked to furnish details of fee received by the training institutes under the DAC&FW for consultancy/training services provided to other organizations during 2016-17 and 2017-18, the Department failed to furnish any response.

H. PSUs under the Purview of DAC&FW

1.29. When asked to furnish details of activities undertaken by the National Seeds Corporation, PSU under the administrative control of the Department, the Department has submitted as under:-

"There is one Public Sector Undertaking under the administrative control of this Department viz. National Seeds Corporation. Major activities of NSC are as follows –

- a) Monitoring availability of Breeder, Foundation and Certified Seeds of all India varieties and ensuring timely availability thereof, including production and distribution of seeds.
- b) Implementation of GOI Schemes like NMOOP, NFSM. MIDH etc.
- c) Introduction of newly varieties to the farmers by supplying minikits having superior performance.
- d) Setting up adequate processing facility to ensure timely processing of seeds.
- e) Setting up adequate processing as well as proper storing capacity to ensure proper storing of raw seed, processed seed and reserve stock.
- f) Undertaking field inspections, periodical quality control checks as well as testing of seed to ensure quality of seeds
- g) Making available seeds to deficit states in time and in sufficient quantities.
- h) Imparting training to personnel engaged in various activities of seed industry."

1.30. When asked to furnish details of revenue generation, Net profit and dividend declared by National Seeds Corporation during the last three Financial Years, the Department has submitted as under:-

"Financial status for the last three years :

Rs. (In Crores)			
Particulars/Years	2014-15	2015-16	2016-17
(A) Total Revenue	907.62	778.58	882.82
(B) Net Profit	38.84	49.71	51.80
(C) Dividend Declared	8.13	11.46	12.03

1.31. On the query of the Committee regarding physical performance of National Seeds Corporation during the last three financial years, the Department has submitted as under:-

"Production target and achievements of MoU for last three years –

(Qty. in Lakh Qtls.)

S. No.	Crop/ Group	2014-15 (Procurement of Seeds)		2015-16 (Production of Raw Seeds)		2016-17 (Production of Raw Seeds)	
		Target	Achievement	Target	Achievement	Target	Achievement
1.	Cereals	18	10.39	23.12	14.13	21	13.12
2.	Oilseeds		2.39		3.48		3.18
3.	Pulses		1.95		3.18		4.52
4.	Others		0.78		2.38		0.65
	Total	18.00	15.51	23.12	23.17	21.00	21.47

1.32. When enquired about budgetary support provided by the Department to National Seeds Corporation during the last three financial years, the Department has submitted as under:-

"No budgetary support for mandated activities/day to day expenses has been provided to the NSC.

I. National Horticulture Board

1.33. National Horticulture Board (NHB) was set up by Government of India in April 1984 on the basis of recommendations of the "Group on Perishable Agricultural Commodities", headed by Dr. M.S. Swaminathan, the then Member (Agriculture), Planning Commission, Government of India. The main objectives of the NHB are to improve integrated development of Horticulture industry and to help in coordinating, sustaining the production and processing of fruits and vegetables. On the query of the Committee regarding success of National Horticulture Board to achieve mandate entrusted to them, the Department has submitted as under:-

1.34. The mandate of the National Horticulture Board is to strengthen Commercial Horticulture hubs in various parts of the country through integrated hi-tech horticulture projects and also strengthening post harvest and cold chain infrastructure in the country. The schemes of NHB have helped in creating success stories in the above said fields by attracting huge private investment through its back ended capital investment subsidy schemes. The investment of NHB amounting to Rs. 1513.51 crore through back ended schemes from 2010 onwards have attracted 4-5 times investment from the private sector/financial Institutions.

1.35. When asked to furnish details of schemes of DAC&FW being implemented through National Horticulture Board, the Department has submitted as under:-

"Some of the highlights of the schemes of NHB include setting up of 17982 nos. of integrated commercial horticulture projects relating to production and post harvest management with back ended subsidy amounting to Rs. 953.69 crores and 3113 nos. of cold chain/primary processing involving subsidy of Rs. 559.82 crores. In addition Board has also done Accreditation of 1653 nurseries and supported several projects for promotion of new technology and its transfer. The details of the schemes implemented through NHB are as under:

i. "Development of Commercial Horticulture through Production and Post Harvest Management of Horticulture Crops" under the scheme back-ended subsidy is provided for setting up units relating to horticulture sector such as production related projects, PHM viz. Pack House, Ripening Chamber, Refer Van, Retail Outlets, Pre-cooling units, Primary processing etc.

(a) Open Filed Condition- Credit linked back-ended subsidy @ 40% of the total project cost limited to Rs 30.00 lakh per project in general area and @ 50% of project cost limited to Rs. 37.50 lakh in Hill States, Scheduled Area & North Eastern Region is available for horticulture

projects in open field condition on project mode including component viz, planting material, plantation, irrigation, fertigation, mechanization, GAP etc. for projects covering area over 2.00 ha (5 Acres).

(b) Protected Cover/Conditions- Credit linked back-ended subsidy @ 50% of project cost limited to Rs 56.00 lakh per project for horticulture projected in protected condition on project mode including components viz Green House, Shade net house, plastic tunnels, planting material, plantation, irrigation, fertigation, mechanization, etc for project having area over 2500 sq meter. (Board is permitted to take up projects under protected cultivation in an area of 1000 sqm. and above in NE States).

(c) Post Harvest Management- Integrated PHM Projects relating to Pack House, Ripening Chamber, Refer Van, Retail Outlets, Pre-cooling units, Primary processing etc. Credit linked back-ended@35% of the project cost limited to Rs. 50.75 lakh per project in general area and 50% of project cost limited to Rs. 72.50 lakh per project in Hill States, Scheduled Area & North Eastern Region.

ii. “Capital Investment Subsidy for Construction/ Expansion/ Modernization of Cold Storages and Storages for Horticulture Produce” under which, credit linked back-ended subsidy 50% in Hill States, Scheduled Area & North Eastern Region for capacity above 5000 MT is provided for establishment of Cold Storages including Controlled Atmosphere (CA) and their modernization. (Board is permitted to take up cold storage projects in NE Area for capacity of 1000 MT or above)

Under both the above schemes, the release of Subsidy need not be credit linked in North Eastern States and for the institutions like Public Sector Units, Panchayats, cooperatives, registered societies/trust and public limited companies provided they can meet remaining share of the project cost out of their own resources. Such projects will have to be appraised by appraising agency approved by NHB.

iii. Technology Development and Transfer for Promotion of Horticulture” under which the projects for popularization of identified new technologies/tools/techniques for commercialization/adoption and training/skill development of farmers are undertaken through following sub-components of the scheme:

a) Setting up of block / mother plant and root stock nursery (Area above 4 ha).

- b) Acquisition of technologies including import of planting material.
- c) Import of new machines and Tools for horticulture.
- d) Development & Transfer of Technology.
- e) Long Distance Transport Solution
- f) Product Promotion and Market Development Services- Horti-fairs
- g) Exposure visit of farmers (Outside State)
- h) Visit Abroad for Government Officers
- i) Organization/Participation in Seminar/symposia/workshop for development of horticulture
- j) Accreditation and Rating of Fruit Plant Nurseries

iv. Market Information Service for Horticulture Crops

Coverage of markets by NHB shall be increased from present 36 fruits and vegetables markets to 50 markets. This would be done by outsourcing existing marketing/professional agencies/ unemployed Agriculture graduates or recognized/established brokers in Mandi etc. at a fixed monthly remuneration (including transport) per month as decided by the Board plus actual expenses on transmission of information to NHB (fax, internet and telephone). The NHB would identify these markets in consultation with concerned State Govts. An exclusive cell shall be set up at NHB, Gurugram for on-line receipt, data entry, analysis, dissemination and web-site management. The work relating to this proposed MIS cell shall also be undertaken by outsourcing services of selected professional agency. To deal with work of computerization, development of technology package, data feeding etc., outsourced staff such as Senior Programmer, Programmer and Data Entry Operators and horticulture assistant may be engaged as per need at approved rates under TSG component of MIDH. The cell will also be responsible for undertaking development of technology packages in electronic form and information dissemination through publicity, printed literature etc. and local advertisements.

v. Horticulture Promotion Services/ Expert Services and Strengthening Capability of NHB

Under this component, specialized studies and surveys shall be carried and study/ survey reports shall be brought out for use by targeted beneficiaries. In addition, technical laboratories shall be set up or cause to be set up and also provide technical services including advisory and consultancy services.

This shall be done by NHB with or without services of outsourced experts and under this scheme, 100% financial assistance is provided through Nodal Organizations viz. NHB itself, State Governments/UTs and Organizations under it, Central Government Organizations/ Agencies and other Organizations such as Quality Council of India/ NHRDF, etc.

1.36. When asked to furnish details of budgetary support provided to the National Horticulture Board since 2010 and actual utilization, the Department has submitted as under:-

"The details of the budgetary support provided to NHB since 2010 is as under: -

Financial year	Grants in aid received (Amt Rs. In lakh)	Grant in Aid Utilization
2010-11	15183.00	
2011-12	14400.00	
2012-13	14066.00	
2013-14	27056.94	
2014-15	20644.00	
2015-16	28660.00	
2016-17	27725.00	
2017-18 (upto 09.02.2018)	45035.00	

1.37. On the query of the Committee regarding source of funds of National Horticulture Board other than budgetary support provided to them by the Department, the Department has submitted as under:-

"National Horticulture Board is charging application fee from the applicants as per the approved rates and the funds thus being received is used towards printing of application forms, brochures & guidelines of NHB Schemes, technical bulletins, various technical standards, horticulture data base, monthly MIS bulletins, transaction charges to bank for online applications, cost of developing website and its maintenance, consultants fee towards technical scrutiny of projects & their TA/DA as well as TA/ DA to outside members of PAC/IC and payment to contractual agencies for providing DEOs ."

1.38. The Department has furnished following details of income earned by National Horticulture Board by way of application fee since 2010:

S.No.	Year	Amount (Rs. in Lakh)
1.	2010-11	230.25
2.	2011-12	162.07
3.	2012-13	99.51
4.	2013-14	148.86

5.	2014-15	389.71
6.	2015-16	232.19
7.	2016-17	77.16
8.	2017-18 (upto 20.02.2018)	78.79
	Total	1418.54

1.39. When asked to furnish details of target and achievements of different schemes being implemented by National Horticulture Board since 2010, the Department has submitted as under:-

"NHB Schemes are demand based, hence no physical target was fixed. The details of expenditure of different schemes being implemented by NHB are as below:-

Sl. No.	Name of the Schemes	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18 (upto 09.02.2018)
1	Development of Commercial Horticulture through Production and Post-Harvest Management.	8988.60	5137.39	5079.98	12540.15	7929.42	16018.74	18022.67	21652.51
2	Capital Investment Subsidy Scheme for Construction/Modernization /Expansion of Cold Storages and Storages for Horticulture Produce.	4539.41	4931.72	5763.95	12595.78	9691.89	8953.41	5366.15	4140.06
3	Technology Development and Transfer for Promotion of Horticulture.	393.32	848.51	874.58	523.30	685.30	317.65	269.94	55.42
4	Market Information Service for Horticultural Crops	568.12	618.60	745.57	733.92	766.40	786.26	825.82	890.55
5	Horticulture Promotion Service	22.98	1278.33	59.60	95.91	926.32	963.59	914.65	948.68
6	Strengthening Capabilities of NHB (Estt. Exp.)	660.76	790.59	818.98	852.82				
	TOTAL	15173.19	13605.14	13342.56	27341.88	19999.33	27039.65	25399.23	27687.23
	For North Eastern States including Sikkim	210.37	135.15	70.18	648.50	602.64	752.49	557.19	*
	Grand Total	15383.56	13740.29	13412.74	27990.38	20601.97	27792.14	25956.42	27687.23

* No separate funds allocated for NE States including Sikkim during 2017-18

1.40. When asked to furnish State-wise details of beneficiaries (farmers/entrepreneurs) of schemes being implemented by the National Horticulture Board since 2010, the Department has submitted as under:-

"The year wise and state-wise details of beneficiaries (Farmers/entrepreneurs) of schemes of NHB since 2010 are available on the website of NHB i.e www.nhb.gov.in under link "Statistics and Market information" This list is also available in interactive mode under progress report of respective schemes wherein the retrieval of the information is possible in various selection modes i.e state, districts, year, component category etc."

1.41. On the query of the Committee regarding cases of financial irregularities/corruptions in schemes being implemented by National Horticulture Board since 2010 and action taken in these cases, the Department has submitted as under:-

"So far as the complaints of financial irregularities since 2010, the Board received 4 complaints, out of which two were closed being of anonymous nature. In case of one complaint, the penalty order for imposing major penalty, after conducting formal inquiry, is under consideration of Disciplinary Authority, NHB, while in case of other complaint, the matter is under preliminary investigation.

So far as the penalty imposed since 2010, in case of disciplinary proceedings is concerned, the penalty in following 8 cases has been imposed:-

S.No.	Name of the Officer/Official	Date of Penalty	Nature of Penalty
1.	Shri N.K. Chaurasia, Sr. Horticulture Officer	22.05.2012	Major Penalty
2.	Shri Surender Singh, Deputy Director	28.09.2012	Minor Penalty
3.	Shri Bahadur Singh, Messenger	30.07.2013	Major penalty
4.	Shri Harinder Singh, Horticulture Officer	22.10.2013	Major Penalty
5.	Shri Yudhvir Singh, Driver	11.12.2013	Major Penalty
6.	Shri Rajbir Singh, Deputy Director	15.06.2015	Major Penalty
7.	Shri S.K. Singh, Deputy Director	23.06.2015	Minor Penalty
8.	Shri Basant Kumar	07.03.2016	Major Penalty

	Routray, Messenger		
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1.42. Further elaborating on the issue, the Department has submitted as under:-

"In the case of a complaint of financial irregularities received from Uttrakhand, in the matter of some projects, the disciplinary proceedings were initiated against the concerned officer, Shri D. K. Pal, Deputy Director and the penalty order imposing major penalty is under consideration of the Disciplinary Authority, NHB.

In the case of some financial irregularities relating to rent and favour to land lord of the Bhopal Office of NHB, the disciplinary proceedings were initiated against the concerned officer viz; Shri B. R. Deoghare, Deputy Director and the present status of the case is that the 2nd stage advice of CVC has since been received for imposing major penalty.

In the case of some financial irregularities noticed by the Accounts Officer, NHB at the Gangtok Centre of NHB, disciplinary proceedings have been initiated against the concerned officer viz; Shri Daya Ram, SHO and the inquiry is going on and the Inquiry Officer has to furnish his final report/findings."

J. Minimum Support Price (MSP) for Agriculture Crops

1.43. The Finance Minister, in his Budget Speech (2018-19) has announced that Government has declared Minimum support price (MSP) for the majority of rabi crops at least at one and a half times the cost involved. He has further announced that as per pre-determined principle, Government has decided to keep MSP for the all unannounced crops of kharif at least at one and half times of their production cost. On the query of the Committee regarding the criteria on the basis of which Commission for Agriculture Cost and Pricing (CACP) determines production cost of agriculture produce, the Department has submitted as under:-

"The Commission uses the cost estimates provided by the Directorate of Economics and Statistics (DES), Ministry of Agriculture and Farmers Welfare, under Comprehensive Scheme (CS) for studying the Cost of Cultivation of Principal Crops in India. CS data are generally available with a time lag of two or three years, which need to be projected for mandated crops. The projected Cost of Production estimates of mandated crops are based on actual estimates for the latest two or three years. The projections capture change in overall input cost separately for the marketing season over each of the past three years. An assessment of likely change in input cost for the marketing season with reference to each of the above mentioned three consecutive years is made by constructing the Composite Input Price Index (CIPI) based

on the latest prices of different inputs like human labour, bullock labour, machine labour, manures, fertilizers, seeds, pesticides and irrigation charges as per data available from Labour Bureau, State governments, Office of the Economic Adviser, Ministry of Commerce and Industry, Fertilizers Association of India (FAI), etc. Based on CIPI thus constructed, the Commission projects Cost of Production A2, A2+FL and C2 per quintal of the mandated crops for respective marketing season. Yield level varies from year to year due to multiplicity of factors, projections of cost for the last three years, latest year being the year upto which data is available, are undertaken for each state to smoothen out erratic fluctuations in yield and hence in cost of production. Cost of production for each state is obtained by using the actual yield or Olympic yield (average of three out of five yields by removing minimum and maximum yield in past five years as per CS data).Based on the state-wise costs and CIPI, the crop-wise cost of cultivation is projected for marketing season by deriving all-India weighted average cost of production with weights being shares of states in the national production in latest three years."

1.44. On the above issue, the Department has further submitted as under:

"Government fixes the Minimum Support Prices (MSPs) of 22 mandated agricultural crops and Fair and Remunerative Prices (FRP) for sugarcane based on the recommendations of the Commission for Agricultural Costs & Prices (CACP), after considering the views of State Governments and Central Ministries/Departments concerned & other relevant factors. While formulating its recommendations on price policy, CACP considers cost of production, trends in market prices, demand and supply situation, effect on general price level, effect on cost of living etc.

Cost of production is an important factor considered by CACP for recommending MSP. The MSPs recommended by the CACP is based on A2+FL cost which includes all paid out costs, such as, those incurred on account of hired human labour, bullock labour/machine labour and rent paid for leased in land, expenses on use of material inputs like seeds, fertilizers, manures, irrigation charges including cost of diesel/electricity for operation of pump sets. In addition it also includes imputed value of wages of family labour and depreciation of farm machinery and building. A brief note on fixation of cost of cultivation is **enclosed (Annexure-I)**.

The MSPs fixed by the Government provide adequate return over A2+FL cost. The returns over A2+FL cost of the MSPs fixed by Government for 2017-18 have been in excess of 50% for 9 crops out of 22 crops mandated crops with a return of 112.4% for wheat, 88.4% for rapeseed/mustard, 79.6% for masur, 78.8% for gram, 66.9% for barley, 65.4% for urad, 64.3 % for arhar, 62.0% for jute and 50.2% for bajra."

1.45. When asked to furnish details of production cost of all crops for which the Government announced Minimum Support Price, the Department has submitted as under:-

"All-India weighted average projected Cost of Production (A2, A2+FL & C2) of major crops- 2015-16 to 2017-18 crop season are placed at enclosed Annexure-II.

1.46. During the evidence, while elaborating on steps being taken by the Government to implement enhanced Minimum Support Price for crops to the farmers, the representative of the Department submitted as under:-

"One more important thing has been announced and it is about giving more than 50% MSP from cultivation cost. It is being provided by now in certain crops, but there are some such crops for which we are not providing more than fifty percent from the cultivation cost. There is a specific example in which it has been found that whenever MSP is announced, 38 percent more is paid than the cultivated cost for paddy. Therefore, the announcement which now has been made, 12 percent more MSP will be given for the same in the next season and the rest will be applicable to the 25 commodities."

1.47. When asked to spell out steps being taken to ensure that farmers of the country are not forced to sale their agriculture produced below the Minimum Support Price, the Department has submitted as under:-

"In order to protect the farmers when the prices fall below Minimum Support Price(MSP), the Department is implementing Market Intervention Scheme (MIS/PSS)."

1.48. During the evidence, when pointed about problems being faced by the farmers to sale moong (pulses) crop in Rajasthan at Minimum Support Price announced by the Government, the representative of the Department submitted as under:

"As you have stated about the system of MSP for ground nuts in Rajasthan, whenever there are rates below than MSP in the market, the State Government gives us in writing that it is our problem and it should be made applicable to the price support scheme immediately so that purchase could be made. This sort of request does not come from many States. We keep on calling them on phones that the rates are falling in the market and proposal be sent to us hurriedly. But they themselves delay it. Even after making delay, they also delay in time period whenever it is given to them. When at times sowing season is over; people come to know that this is a available with the trader, even than they are asked to keep on buying. This thing is not good. State Government has a very imperative accountability. Where such information is gathered, there we immediately permit them. We had purchased mustard in Rajasthan last year and it is going on till now. Purchase is going in many States, if there is some individual problem, we solve it separately."

1.49. When asked to furnish existing Minimum Support Price of all crops, the Department's response is awaited.

1.50. When asked to furnish State-wise and year-wise details of total production and procurement of agriculture crops for which the Government announced Minimum Support Price since 2009, the Department's response is awaited.

K. Import and Export of Agriculture Produce

1.51. The Finance Minister in his Budget Speech (2018-19) has announced that India's agri-exports potential is as high as US \$ 100 billion against current exports of US \$ 30 billion and to realize this potential, export of agricommodities will be

liberalized. I also propose to set up state-of-the-art testing facilities in all the forty two Mega Food Parks. When asked about the share of our country in global market for agriculture export during the last five financial years, the Department has submitted as under:-

"Share of our country in global market for agriculture export is as under:

India's share in global agriculture exports

Year	% share
2012	2.52
2013	2.58
2014	2.47
2015	2.24
2016	2.13

Source: WTO

1.52. When asked to furnish item-wise details of import and export of agriculture products in the country during the last five financial years, the Department has submitted as under:-

(Rs. in crore)

S.No.	Year	Export	Import	%
1.	2012-13	227192.61	95718.89	
2.	2013-14	262778.54	85727.30	
3.	2014-15	239471.39	121238.42	
4.	2015-16	215395.68	140310.67	
5.	2016-17	227554	164680.56	

Details of Import of Agriculture Commodity for the year 2016-17 as under:-

India's total agri and allied imports	164680.56
% of growth over previous year	17.37
Country's total import	2566820
% share of agri import in total imports	6.42

1.53. The Department has also submitted Item-wise details of import and export of agriculture products in the country during the last five financial years at **Annexure. III-IV.**

1.54. When asked about incentives being provided to the farmers/exporters of agriculture produce in the country, the Department has submitted as under:-

"Under the existing Foreign Trade Policy, export reward called Merchandise Exports from India Scheme (MEIS) is given on various agriculture commodities. Details are as under:

Revised MESI Rate on export of Agri-items

Indian Trade Classification (ITC Chapter)	Description	No of Tariff Lines pertain to DAC&FW	Earlier MEIS rates	Enhanced MEIS Rate (w.e.f. 01st Nov, 2017)
Chapter 6	Live trees and other plants	20	5%	7%
Chapter 7	Edible vegetables	60	3% except (onion-, cucumbers, canned/preserved vegetables-5%)	5% except (cucumbers, canned/preserved vegetables-7%) No change for onion (i.e. 5%)
Chapter 8	Edible fruit and nuts	85	5% available on most of the items Brazil Nut-2% Cashew kernel-3%	7% Brazil Nut-4% Cashew kernel-5%
Chapter 9	spices	93	i. 2%-5 items i. 3% -76 items ii. 5%-12 items	i. 4%-4 items i. 5% -77 items ii. 7%-12 items
Chapter 10	Cereals	2 (Sorghum)	5%	7%
Chapter 11	Products of milling industry	25	5%	7%
Chapter 12	Oilseeds	30	i. 3% -17 items ii. 5%-13 items	i. 5% -17 items ii. 7%-13 items
Chapter 14	Vegetable plaiting materials	3	i. 3% -1 items ii. 5%-2 items	i. 5% -1 items ii. 7%-2 items
Chapter 23	Oilcakes/Oilmeals	35	5%	7% on soybean oilcake. No changes have been made for rest of the items. Still those items are subject to 5% rate.

1.55. On the query of the Committee regarding policy of the Government to discourage import of agriculture produce in order to safeguard the interest of farmers in the country, the Department has submitted as under:-

"India has negotiated a high rate of Bound duty for agricultural products averaging 113% (compared to 35% for non-agricultural products) to protect domestic growers."

1.56. When asked to furnish details of steps being taken by the Government in recent past to safeguard the interest of the farmers of the country, the Department has submitted as under:-

"Under Free Trade Agreements (FTAs) signed by India with other countries / trading bloc, the most of the agriculture products which considered sensitive

from the point of view of domestic growers are kept in 'exclusion list' and no tariff concession are offered on such products to partner countries. As and when it considers necessary, proposals are sent to Ministry of Finance for revision in import duty on sensitive products to protect domestic growers from cheaper import.

A list of recent measure taken by Government to safeguard the interest is as under:

Recent measures taken by Government in Agricultural Trade Policy

Sl No	Date of measure	Measure description
1	17.01.2017	Minimum Import Price on Arecanut has been enhanced from Rs. 162/kg to Rs. 251/Kg. w.e.f 17.1.2017.
2	27.03.2017	Bulk export of groundnut oil, sesame oil, soyabean oil and maize (Corn) oil has been permitted w.e.f. 27.03.2017, removing consumer pack restriction of (upto 5 kg).
3	28.03.2017	Import duty on tur has been raised from zero to 10% w.e.f. 28.3.2017
4	05.08.2017	Quantitative restrictions of 2 lakh tons per year on import of tur (pigeon pea) w.e.f. 5.8.2017
5	21.08.2017	Quantitative restrictions of 3 lakh tons on urad&moong per year w.e.f. 21.08.2017 have been imposed.
6	08.11.2017	Import duty on wheat has been raised from 10% to 20% w.e.f. 8.11.2017
7	08.11.2017	Import duty on peas has been raised from 0% to 50% w.e.f. 8.11.2017
8	17.11.2017	Import duty on soya bean seed has been raised from 30% to 45% w.e.f. 17.11.2017
9	17.11.2017	Import duties on major edible oils have been raised w.e.f. 17.11.2017 maintaining an appropriate difference between crude and refined oil as given below: <ul style="list-style-type: none"> ❖ crude palm oil from 15% to 30% and refined palm oil from 25% to 40%, ❖ crude sunflower oil from 12.5% to 25% and refined sunflower oil from 20% to 35%, ❖ crude soya bean oil from 17.5% to 30% and refined soya bean oil from 20% to 35%, ❖ crude rapeseed oil including canola oil (Low erucic and rapeseed oil), mustard oil and colza oil from 12.5% to 25% and on refined rapeseed oil including canola oil (Low erucic acid and rapeseed oil), mustard oil and colza oil from 20% to 35% w.e.f. 17.11.2017
10	22.11.2017	Export of all varieties of pulses including organic pulses has been made "free" without any quantitative restriction w.e.f. 22.11.2017
11	24.11.2017	Under Mid-term Review of the Foreign Trade Policy 2015-20, rates of reward under Merchandise Exports from India (MEIS) have been enhanced on export of various agriculture items from 2% to 4% , from 3% to 5% and from 5% to 7% w.e.f. 01 st November, 2017 to 30 th June, 2018
12	06.12.2017	Minimum Import Price (MIP) of Rs. 500/kg on pepper has been imposed w.e.f. 6.12.2017
13	21.12.2017	Import duty on lentil (masur) and chana (gram) has been raised from zero to 30% w.e.f. 21.12.2017
14	2.2.2018	Import duties on the following veg edible oils are raised on 2 nd Feb 2018 in view of Budget 2018-19. <ul style="list-style-type: none"> • crude vegetable oils namely - Ground nut, Olive oil, cotton seed oil, safflower seed oil, saffola oil, coconut oil, plam kernel/ Babassu oil, linseed oil, maize corn oil, sesame oil, other fixed veg fats and oils, raised from 12.5% to 30%. • refined edible oils namely - Ground nut, Olive oil, cotton seed oil, safflower seed oil, saffola oil, coconut oil, plam kernel/ Babassu oil, linseed oil, maize corn oil, castor oil, sesame oil, other fixed veg fats and oils, have been raised from 20% to 35%.

15	6.2.2018	Import duty on chickpeas (gram) raised from 30% to 40% on 6 th February 2018
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L. Gramin Agricultural Markets (GrAMs)

1.57. The Finance Minister in his Budget Speech (2018-19) has announced to develop and upgrade existing 22,000 rural haats into Gramin Agricultural Markets (GrAMs). In these GrAMs, physical infrastructure will be strengthened using MGNREGA and other Government Schemes. These GrAMs, electronically linked to e-NAM and exempted from regulations of APMCs, will provide farmers facility to make direct sale to consumers and bulk purchasers. On the query of the Committee regarding study/survey conducted to access the numbers of rural agriculture markets in the country, the Department has submitted as under:-

"No study/survey to access the actual numbers of rural agriculture markets in the country has been conducted by DMI. As per recent data received from Ministry of Panchayati Raj, Government of India, on number of assets including Grameen hats/Rural Markets uploaded in National Asset Directory, there are 2090 market yards and 14756 sheds and States have been further advised by them to upload the details of grameen haat/rural market. As per information collected from different State agencies, the number of rural haats are approx. 22,000 in the country. However, collection of data on Rural Periodic Market is initiated by DMI and is under progress.

1.58. When asked to furnish contour of "Gramin Agricultural Markets" Scheme, as announced by the Finance Minister in his budget speech, the Department has submitted as under:-

"As per Union Budget 2018-19, the GoI announced for developing and upgrading existing 22,000 rural Haats into Gramin Agricultural Markets (GrAMs). In these proposed GrAMs, physical infrastructure can be strengthened using MGNREGA scheme and other government schemes. These GrAMs after development will be electronically linked to e-NAM and can be also exempted from regulations of APMCs by the State govt.. An Agri-Market Infrastructure Fund with a corpus of Rs. 2,000 crore is to be set up for upgrading 22,000 Haats into GrAMs and further development of 585 APMCs. In this connection, the discussion with Ministry of Panchayati Raj, Rural Development and NABARD is in progress."

1.59. When asked about physical infrastructure envisaged for rural weekly market under "GrAMs" scheme, the Department has submitted as under:-

"As per initial discussions with other Ministries and NABARD for convergence of schemes, under proposed GrAMs Scheme, basic infrastructure requirements which can be covered are platforms, office block, small storage godowns, Garbage pits, drinking water facility, toilets, drains, internal roads etc. which can be developed through MGNREGA Schemes and other infrastructure like e- trading platform, Electronic Weighing Machines, price information board etc. can be contemplated under Agri Market Infrastructure Fund. However, discussions are being held to finalize it. "

1.60. On the query of the Committee regarding creation of any new institutional mechanism for implementation of the scheme, the Department has submitted as under:-

"Government has not envisaged creation of a new institutional mechanism for implementation of the schemes. It can be implemented through existing mechanism with some modifications, if required."

1.61. During the evidence, while elaborating on planning of the Government for implementation of GrAM Scheme in the Country, the representative of the Department submitted as under:-

"Government has announced many important schemes this time in budget in which there is one scheme known as Main Village Rural Agricultural Market. Now a day farmers does not carry anything directly to the market. Generally, their rates are determined in MSP. But the scheme known as Main Villages Rural Agriculture Market was announced is about the way of enhancement of infrastructure in the market. The Committee had time and against emphasized on the rural market. Therefore, this has been just announced by the Government. There are twenty two thousand markets in our Country. Rural market is a phase of setting up of infrastructures so that farmers could carry their produce in those rural markets, because they will get appropriate prices of their produce there. Rural market would be strengthened through rural development budget, which is MGNREGA FUND by setting up of infrastructure. Simultaneously an agri-market infrastructure fund has also been announced in the budget. A provision of 2 thousand crore rupees has also been made. Any State can strengthen its rural market by taking loan."

1.62. On the query of the Committee regarding provision of a Small Godown/Cold Storage in proposed GrAM Scheme, the representative of the Department submitted as under

"Sir, one thing you have talked of rural market (Haats) it is a very good spirit that we will construct internal road, sheds, bathrooms, compound walls etc. from MGNREGA funds. It has also been determined that the arrangement of solar operated light will be made by this money. The fund which we have in our marketing division, can help have a very small godown with that fund. As you stated that a farmer will be able to keep this produce there overnight. There should also be a small deep freezer for his vegetables there and that too be operated by solar system."

M. Agriculture Planning

1.63. On the query of the Committee regarding planning of the Government for promotion of cultivation of agriculture produce according to the local Geo-Climatic Pattern, the Department has submitted as under:-

"Finance Minister in his Budget Speech (2018-19) has stated as under:
For several years, we have been stating that India is primarily an agriculture based country. As India is primarily an agriculture based country, our districts can specialize in some or other agricultural produce and be known for it. But special attention is lacking in this regard. There is a need to develop cluster based model in a scientific manner for identified agriculture produces in our districts in the same manner as we have developed model for industrial sector.

1.64. When asked about ways by which the Government envisage promotion of cluster based development of agri-commodities and regions as announced by the Finance Minister in his Budget Speech, the Department has submitted as under:-

"Cultivation of horticulture crops in clusters bring advantages of scales of operations and can spur establishment of entire chain from production to marketing, besides giving recognition to the districts for specific crops. The Ministry of Agriculture & Farmers' Welfare will reorient its ongoing Schemes and promote cluster based development of agri-commodities and regions in partnership with the Ministries of Food Processing, Commerce and other allied Ministries"

1.65. Query of the Committee regarding consultation/discussion with the State Governments, farmers and other stake-holders for implementation of cluster based development of agri-commodities and regions remain unanswered.

1.66. When asked about the support provided to the farmers for encouraging development of cluster based development of agri-commodities and regions, the Department's response is awaited.

N. National Bamboo Mission

1.67. Finance Minister in his Budget Speech (2018-19) has announced National Bamboo Mission with a fund of Rs. 1290 crore. He has stated that this will not only help in the establishment of small industries but will create new employments opportunities. When asked to furnish contour of "National Bamboo Mission" Scheme, as announced by the Finance Minister in his budget speech, the Department has submitted as under:-

"The National Bamboo Mission (NBM) was initially started as a Centrally Sponsored Scheme (CSS) in 2006-07 and was subsumed under Mission for Integrated Development of Horticulture (MIDH) during 2014-15 and continued till 2015-16. Funds have been released thereafter only for maintenance of bamboo plantations raised earlier under NBM, and no new work or annual action plan has been initiated."

1.68. On the above issue, the Department has further stated as under:

"The restructured National Bamboo Mission envisages holistic development of the sector by giving simultaneous emphasis to plantation, product development and value addition including primary processing and treatment; micro, small & medium enterprises; markets, and skill development, thus addressing the complete value chain of bamboo. The proposal also includes ways and means of addressing the issues faced by the bamboo based industry so as to strengthen it to make it more competitive both in domestic and global markets, which in turn will bring better remuneration to the farmers by supplementing farm income"

Objectives of the Mission

- (i) To increase the area under bamboo plantation both in Government (forest and non forest lands) and private lands to meet conservation needs as well as appropriate quality raw material for industry
- (ii) To improve post-harvest management through establishment of innovative primary processing units near the source of production, primary treatment and seasoning plants, preservation technologies and market infrastructure
- (iii) To promote product development in bamboo sector through entrepreneurship & business models at micro, small and medium levels
- (iv) To rejuvenate the ailing bamboo industry as a global force to reckon with
- (v) To promote skill development, capacity building, awareness generation for development of bamboo sector

Due to the multi sectoral nature of the activities required in developing the bamboo sector and keeping in view the expertise, based on the allocation of business, key sectors have been identified for development bringing in coordinated efforts between a dozen Ministries and Departments both at Center and States

1.69. On the query of the Committee regarding study conducted by the Government to assess the requirement of funds in current financial year for implementation of the scheme, the Department has submitted as under:-

"The Hon'ble Finance Minister has announced (in his budget speech 2018-19), National Bamboo Mission with a fund of Rs. 1290 crore.

The meeting of EFC on restructured NBM was held on 19.01.2018 under the Chairmanship of Secretary (Expenditure), Ministry of Finance which recommended the proposal an outlay of Rs.1290 crore including state share for the three year i.e.upto the end of 14th Finance Commission (2017-18 to 2019-20)."

1.70. When asked about consultation held with stakeholders for implementation of national bamboo mission, the Department submitted as under:-

"To restructure the National Bamboo Mission, various meetings were held at the highest level including PMO and discussion with range of stakeholders including States and industry. As a follow up of the decision taken by the PMO, a meeting was convened at NITI Aayog on 7.7.2017 and suggested the restructure /designing of the Bamboo Mission involving various stakeholders. Based on the recommendation, the structure of NBM was prepared. Accordingly the restructured NBM was approved by EFC in its meeting held on 19.01.2018. The process for final approvals is underway so as to enable launch of the Mission."

1.71. On the query of the Committee regarding creation of any new institutional mechanism for implementation of the scheme, the Department has submitted as under:-

"No new institutional mechanism is proposed. The existing institutions would be used for implementation of the scheme."

1.72. When asked to furnish support envisaged for farmers under National Bamboo Mission, the Department has submitted as under:-

"The assistance to be provided for farmers under the Mission are for raising plantation, product development, primary processing & treatment, training of farmers, and nursery development, promotion of bamboo mandis and e-trading, bamboo bazaar etc. Extensive awareness and education campaigns are envisaged. The Mission will encourage FPOs, cooperatives and these groups for enhanced returns to the farmers to supplement farm income."

1.73. During the evidence, while elaborating on implementation of restructured National Bamboo Mission in the Country, the representative of the Department submitted as under:-

"As you know about bamboo that there used to be many regulatory measures long ago in this regard. There used to be need of permission of forest officer, in case it was cut off and carried to some other place. Government announced it as grass and bamboo mission has been just announced in order to give a boost to it. A provision of one thousand and three hundred crore rupees has been made therein. We want every farmers to grow bamboo in his compound. We are taking it from most useful point of view in construction industry. Earlier, bamboo used to be supplied in paper factory and would also use in scaffolding. We have been just asked to bring about changes in PWD laws. It can be used in penal link partition and flooring as value added bamboo products. As long as they don't associate to it, they won't be able to get the fair price even after growing bamboos. Its provisions are also under this Mission."

1.74. Further elaborating upon the issue, the representative of the Department submitted as under:-

"We also see bamboo mission in holistic way and not only in an industrial way. As bamboo shoot is extended in North-East. Small fragments forming a part of incense sticks come from China and other countries. Then how can we be self reliant. Our problem is that there is heavy expenditure on transportation of sticks if they are made in North-east and transported in Bangalore because Bangalore is replete with incense stick industries. The transportation cost incurring on them makes them costlier but if they are imported from the foreign countries, they are rather cheap. We have had a chat with revenue department regarding customs duty and taxes. We will share the entire plan with you. Prior to that, bamboo mission was going on and we are calling it as restructured bamboo mission. We want that if bamboo

are produced, its benefit will go to the farmers through its uses. Earlier, bamboos were grown but we were not able to sell them even after growing them. We will share all things with you ranging from setting up of bamboo bazar to setting up of small industries."

O. Criteria for Granting Shop License for Chemical and Fertilizers

1.75. The Government had notified educational qualification under clause 8 (4) of Fertilizer Control Order, 1985 for the retail dealer of fertilizer which is as follows:

"No authorisation letter shall be granted to any applicant under this order unless the applicant possess the following qualification namely:

- (i). Bachelor of Science in agriculture from a recognised university or Institute or
- (ii). Bachelor of Science in Chemistry from a recognised university or Institute or
- (iii). Diploma in Agriculture Science from a recognised university or Insitute or
- (iv). Cerificated Course on agri-inputs for a minimum period of six months from National Institute of Agricultural Extension Management (MANAGE), National Institute of Plant Health Management (NIPHM) and other government Institute;

Provided that the dealers, who have been granted authorisation letter, before the commencement of the Fertiliser (Control) (Fourth) Amendment Order, 2015 shall not be required to possess the qualifications at the time of renewal of their authorization letter.

Provided further that the said qualifications shall not be applicable to the registered Agriculture Cooperative Societies and State Marketing Federations but they shall engage a person with the above qualifications."

1.76. During the evidence, when pointed about problems being faced by the small time farmers, who engage in sale of fertilizer during crop season due to educational criteria laid down by the Government, the representative of the Department submitted as under:

"There are some dealers who sell pesticides. This issue was also raised there that they are unable to read and something can be sold. Secondly, some fertilizer dealer is there and some seed dealers are also there. Earlier, there used to be no qualification keeping in view the three of them. Now, we have brought amendment in laws. We have given relaxation to those who have

been running their business for ten years and their age is above 45 years and their pesticide shop annual turnover is approximately above the five lakh rupees. There is no requirement of qualification for them because they have been running their shops for a long time. But one who does not qualify this qualification, he/she has been asked to pursue graduate course."

1.77. When the Committee raised the issue of lack of Institutes having certified courses of agri imports as mandated in the above mentioned order of the Government for the sale of fertilizer, the representatives of the Department submitted as under:-

"But as you stated those who are not regular dealers, there is not even such a shopkeeper who sells three of them i.e. pesticides, fertilizers and seeds. Many of them sell our fertilizers. Many sell pesticides and many sell seeds. This is not sold throughout the year. It is sold in season and thereafter it is stopped. It creates problems because if a person from BSP (AG) is made to sit, what will he/she do in the rest of time. Income should accrue to him/her otherwise his/her employing co-operative society will have to pay him/her increased salary. We have made a provision of certificate course for it. This certificate should be approved by NIRD and we have written to ICAR for the type of syllabus it needs. But, we will do something differently by making some changes keeping in view the things you have narrated. So that a youth who is unable to get job in rural area could do it. As Prime Minister stated, give the work pertaining to the soil health testing facility to the youths, they will get jobs this way. Keeping this thing in mind we shall bring in changes whatever we can so that its full advantage could be extended to them."

P. Soil Health Management (SHM)

1.78. Soil Health Management (SHM) is one of the most important interventions under National Mission for Sustainable Agriculture (NMSA). SHM aims at promoting Integrated Nutrient Management (INM) through judicious use of chemical fertilizers including secondary and micro nutrients in conjunction with organic manures and bio-fertilizers for improving soil health and its productivity; strengthening of soil and fertilizer testing facilities to provide soil test based recommendations to farmers for improving soil fertility; ensuring quality control requirements of fertilizers, bio-fertilizers and organic fertilizers under Fertilizer Control Order, 1985; up-gradation of skill and knowledge of soil testing laboratory staff, extension staff and farmers through training and demonstrations; promoting organic farming practices etc. The components under Soil Health include trainings for fertilizer dealers, foreign nationals, fertilizer inspectors and fertilizer laboratory staff, setting up of new static

Soil Testing Laboratories (STLs), setting up of new Mobile STLs, strengthening of existing STLs, setting up of new Fertilizer Quality Control Laboratory (FQCL), strengthening of FQCL apart from trainings and demonstrations on balanced use of fertilizers.

1.79. Under the scheme, strengthening of 161 STLs, Setting up of 1 FQCL, Strengthening of 10 FQCLs, 78 Trainings, promotion of Micronutrients in 53000 ha and setting up 3140 Mini Soil Testing Labs have been approved during 2017-18 under SHM component.

1.80. A new scheme “Soil Health Card” has been approved for implementation during the remaining period of 12th Plan to provide 12 crore Soil Health Cards to the farmers in the country. Soil Health Card will provide information to farmers on soil nutrient status of their soil and recommendation on appropriate dosage of nutrients to be applied for improving soil health and its fertility. Soil health card will be issued every 2 years for all land holdings in the country so as to promote balanced and integrated use of plant nutrients. Under the scheme 2.53 crore soil samples collected and 10.23 crore soil Health Cards issued by States for the 1st Cycle (2015-16 – 2016-17). Similarly 2nd Cycle of the scheme has been commenced from May 2017 (2017-18-2018-19). In this cycle, 98.75 lakh soil samples collected and 99.51 lakh Soil Health Cards distributed to farmers. It is expected to complete cycle-I (12 crore Soil Health Cards) and Cycle-II (6.24 crore Soil Health Cards) by March, 2018.

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PART-II

OBSERVATIONS/RECOMMENDATIONS OF THE COMMITTEE

Analysis of Demands

1. Indian farmers with their hard work, ingenuity and limited resources, were able to script a success story to bring a turnaround in food production of the Country and made our country self reliant. They helped the country to achieve a remarkable growth in agriculture, increasing food grain production from 83 million tonnes in 1960-61 to about 275.68 million tonnes in 2016-17. Now, our country is not only self sufficient in production of food grain to meet food requirement of the country but agriculture is also contributing towards foreign earning. Indian Farmers, whenever provided with adequate financial and technical support, have helped the Country in enhancing food production and thereby, ensuring food security of the country. However, barring few States and regions, socio-economic condition of majority of farmers has not improved *vis a vis* other sections of Indian Society. Against this backdrop, emphasis of current Government on doubling the income of farmers by 2022 assumes significance and will help to bring a turnaround in fortunes of our 'Anndata' (farmers). The Committee note that the budgetary provision of Rs.46,700.00 crore has been made for DAC&FW for the year 2018-19, which is enhancement of about 11.58% as compared to allocations of Rs.41,105.00 crore (RE) during 2017-18. However, the Committee note that this amount constitutes only 1.91 percent of the total budgeted amount of the Union Government. The Committee also note that the Government has enhanced allocations for implementation of some schemes such as PMFBY, PMKSY, KUY and NMSA by 44.59 percent, 17.65 percent, 14.59 percent and 25.14

percent respectively whereas, allocations for some important schemes such as Rashtriya Krishi Vikas Yojana (RKVY) and National Project on Soil Health and Fertility were reduced by 24.21 percent and 11.10 percent. Taking into focus the plight of our farmers and with a view to achieve the target to double the income of farmers by 2022, the Committee urge the Ministry of Agriculture and Farmers Welfare to take up the matter with Ministry of Finance to increase the share of the Department in Central Plan so that various schemes undertaken by them do not suffer for want of funds.

Announcement of New Schemes in Budget (2018-19)

2. The Committee note that many new schemes such as Computerization of Primary Agricultural Cooperative Societies (PACS), Corpus fund for micro irrigation, implementation of Market Assurance Scheme, Bhavantar Bhugtan Yojana (Price Deficiency Procurement Scheme), Restructured National Bamboo mission etc have been announced by the Government in the Budget 2018-19.

The Committee have been informed that Computerization of PACS scheme envisage Computerization of 63000 functional PACS in three years with a project cost of Rs. 1985 crore from 2018-2021. The project estimated cost will be borne in the ratio of 60:35:05 by Central Government, State Governments and PACS, whereas funding pattern for the NEAR states and Himalayan States will be 80:20.

Dedicated Micro irrigation fund with an initial corpus amount of Rs. 5000 crore has been envisaged to be instituted with NABARD for encouraging

public and private investment in modern irrigation methods such as drip and sprinkler irrigation and offering support for expanding coverage of micro irrigation by encouraging States to avail this credit at lower interest rates. This Scheme aims to encourage water use efficiency to realize the objective of 'per drop more crop'.

The Committee appreciates the initiatives in current budget and they are pretty sanguine that these will ease down the difficulties being faced by the farmers of the Country. The Committee are of view that there is urgent need to modernize the functioning of Primary Agricultural Cooperative Societies (PACS) and plan for computerization of PACS will help to bring efficiency and transparency in their functioning. However, the Committee are of considered view that most of the PACS in the Country will not be able to contribute their share as proposed in the scheme. Further, there is need for augmenting the financial resources of the PACS. The Committee, therefore, desire the Government to adopt a more liberal financing ratio for the implementation of the scheme and do away with the requirement of share of PACS for the scheme. The Committee also desire the Government to complete all formalities for constitution of Dedicated Micro irrigation fund with NABARD so that interested States can avail credit facilities for promotion of efficient irrigation methods among farmers. The Committee would like to be apprised about steps taken in this regard within three months of presentation of this Report.

Revenue Receipt

3. The Committee note that the DAC&FW has various sources for Revenue Receipt (Interest Receipt, Dividends and Profit, Guarantee Fees, Receipts From Plant Protection Services, Manures & Fertilizers, Fee for Quality Control Grading Of Agricultural Products and Receipt from other Services). The Committee were informed that the Department has received revenue receipt of Rs. 449.36 crore and Rs. 533.83 crore during 2016-17 and 2017-18 respectively. The Committee were further informed that the Department have set a target of Rs. 472.62 crore for revenue Receipt for 2018-19. However, the Department failed to furnish any response on details of fee received by the training institutes under the DAC&FW for consultancy/training services provided to other organizations during 2016-17 and 2017-18.

The Committee also note that the Budget Grants of the DAC&FW has other sources of recoveries {Rs. 3713.61 Crore during 2016-17 and 5000 crore for 2017-18 9 (RE)}. However, the Department did not furnish the anticipated recoveries for 2018-19. The Committee were informed sources for recovery were mainly on account of the expenditure met out of Krishi Kalyan Kosh and refunds of unspent balances by the implementing agencies. In this regard, the Committee were further informed that Krishi Kalyan Kosh has been abolished by M/o Finance after introduction of GST and the level of unspent balances has come down on implementation of Public Financial Management System (PFMS). Therefore no deduct recovery has been assumed in the budget of 2018-19. The Committee were informed that the Ministry does not utilize the

revenue receipts generated by it. However the receipts credited to Krishi Kalyan Kosh were being utilized for offsetting the expenditure through the mechanism of deduct recoveries. The accounting procedure being followed had been approved by O/o Controller General of Accounts with the concurrence of Comptroller and Auditor General (C&AG) of India.

The Committee regret to note that the Department were not forthcoming to furnish the information as desired by them. This led to lack of comprehensive financial details about the Department and other Agencies under their administrative control which would have helped the Committee to analyze their performance and offer comments for better financial management. The Committee deprecate this callous attitude of the DAC&FW and hope that these mistakes will not be repeated in future. Further, the Committee are of view that the Department is erroneous in assuming the zero assumption for revenue recovery for 2018-19 as unspent balances may not be practically nil even after implementation of PFMS. The Committee, therefore, recommend the Department to fine tune their financial management system in order to reflect correct financial projection and position. The committee would like to be apprised about steps taken in this regard within three months of presentation of this Report.

National Seeds Corporation

4. The Committee note that National Seeds Corporation (NSC) is sole PSU under the administrative control of DAC&FW which is engaged in production and distribution of seeds, monitoring availability of Breeder, Foundation and

Certified Seeds of all India Varieties and ensuring their timely availability. The NSC is engaged in setting of adequate processing facilities and storing capacity to ensure timely processing and storage of seed. The Committee have been informed that NSC have earned a net profit of 38.84, 49.71 and 51.80 crore during 2014-15, 2015-16 and 2016-17. The Committee also note that NSC has achieved target for production of raw seeds during 2015-16 and 2016-17. However, the Committee were not provided other details such as procurement of seeds, supply of seeds etc. which would have enabled the Committee to properly assess the performance of NSC for which it has been incorporated as a Government Company. The Committee also observe that supply of certified hybrid seeds in country is less than their demand which is reflected in low Seed Replacement ratio in the country.

This fact has also been brought out by the Committee in their 39th Report. The Committee are of view that there's greater need of Government intervention to ensure adequate supply of good quality hybrid seeds at reasonable rates to the farmers of the country. Against this background, role of NSC as a Government Company in achieving this aim become quite crucial. The Committee, therefore, recommend the Government to broaden the horizon of working of NSC so that it become a significant player in seed market in the country to ensure adequate supply of quality seeds to the farmers. The Committee desire the Government to take steps to enhance financial and professional capacity of NSC and enhance targets for production, procurement and sale of seeds based on realistic assessment of demand in Indian agriculture market. The Committee would like to be apprised about steps taken in this regard within three months of presentation of this Report.

National Horticulture Board (NHB)

5. The Committee note that National Horticulture Board (NHB) has mandate to strengthen Commercial Horticulture hubs in various parts of the country through integrated hi-tech horticulture projects and also strengthening post harvest and cold chain infrastructure in the country. Objective of NHB is to improve integrated development of Horticulture industry and to help in coordinating, sustaining the production and processing of fruits and vegetables. The Committee were informed that NHB is implementing five schemes namely Development of Commercial Horticulture through Production and Post Harvest Management of Horticulture Crops, Capital Investment Subsidy for Construction/ Expansion/ Modernization of Cold Storages and Storages for Horticulture Produce, Technology Development and Transfer for Promotion of Horticulture, Market Information Service for Horticulture Crops and Horticulture Promotion Services/ Expert Services and Strengthening Capability of NHB for Comprehensive development of Horticulture sector in the country.

The Committee note that NHB has been provided the budgetary support of Rs. 1927.64 crore since 2010. The Committee further note that NHB has earned a revenue of Rs. 14.18 crore during the same period as application fee from the applicants which is used for miscellaneous purpose such as printing of application forms, brochures & guidelines of NHB Schemes, technical bulletins, various technical standards, horticulture data base etc. The Committee were also informed that investment of NHB amounting to Rs.

1513.51 crore through back ended schemes from 2010 onwards have attracted 4-5 times investment from the private sector/financial Institutions.

The Committee note that schemes of NHB helped in setting of 17982 integrated commercial horticulture projects relating to production and post harvest management with back ended subsidy amounting to Rs. 953.69 crores and 3113 cold chain/primary processing involving subsidy of Rs. 559.82 crores. The NHB has also done Accreditation of 1653 nurseries and supported several projects for promotion of new technology and its transfer. The Committee are of view that benefits of schemes being financed by the Public Money should reach all parts of the Country. There should be proper awareness campaign should be done in print and digital media so that applicants from different parts of the country may apply for the funds available under the scheme. The Committee, therefore, recommend the Government to take steps for awareness campaign about schemes being implemented by the NHB and other Autonomous Bodies. The committee would like to be apprised about steps taken in this regard within three months of presentation of this Report.

6. The Committee note that two out of 4 complaints of financial irregularities since 2010 received in NHB were closed being of anonymous nature. In case of one complaint, the penalty order for imposing major penalty, after conducting formal inquiry, is under consideration of Disciplinary Authority, NHB, while in case of other complaint, the matter is under preliminary investigation. However, the Department have furnished details of three cases of financial irregularities being dealt by disciplinary authority of

NHB. The Committee observe that contradiction in details of financial irregularities clearly shows that Department do not have a centralized database for reporting of financial irregularities in Autonomous bodies/PSUs under their administrative control. The Committee are of view that presence of a robust mechanism for reporting of financial irregularities will go a long way to promote transparency and ensure smooth functioning in Autonomous Bodies under administrative control of DAC&FW. The Committee, therefore, desire the Department to develop a mechanism for reporting of complaints of financial irregularities in Autonomous Bodies under administrative control of DAC&FW. The Committee also desire the Department to furnish status of all cases of complaints reported to Department since 2010. The committee would like to be apprised about steps taken in this regard within three months of presentation of this Report.

Market Assurance Scheme (MAS) and Price Deficiency Procurement Scheme (PDPS)

7. The Committee note that Market Assurance Scheme (MAS) is being proposed as a decentralized scheme for procurement of pulses, oilseeds and coarse grains produced in respective states whose MSP are declared by the Central Government. This scheme will be implemented by the respective State/UT Government through their own agencies. They will have freedom to take decision regarding procurement of above mentioned crops whenever Market prices of these crops drop below MSP. The Central Government will reimburse State Government up to 40 % (50% for Himalayan & NE States) of losses incurred by the State agencies. Similarly, Price Deficiency procurement Scheme (PDPS) envisage direct payment of the difference between the MSP

and the selling price to the farmers selling his produce in the APMC yard through a transparent auction process. The payment will be done directly into farmer bank account. The losses incurred on implementation of this scheme will be shared between Central and States Government. The Committee were informed that ratio of Central and State share is yet to be finalized. The Committee note that these schemes are under consideration and NITI Aayog has been entrusted with the responsibility to finalize the same in consultation with the States.

The Committee appreciate the Government for taking initiative to meet a long standing demand which would have helped the farmers in getting reasonable price for their agriculture produce. This attempt to decentralize the decision making process for procurement of agriculture produce will help to ease the pain of farmers who lose their investment in case of falling prices in the market dominated by the brokers. The Committee hope that the Niti Aayog will complete the process of consultation with all stake holders for launch of the scheme in upcoming financial year. However, the Committee desire the Government to incorporate suitable measures in scheme to exclude brokers during implementation of the scheme. The Committee also desire the Government to adopt liberal financing pattern for implementation of the Scheme especially during the early years of its implementation.

Minimum Support Price for Agriculture Produce

8. The committee note that Government has decided to fix Minimum support price (MSP) of all Kharif crops at least at one and half times of their cost of production. The Committees have been informed that Government has

already declared MSP of majority of Rabi crops at least one and half times of their cost of production. The Committee have been informed that CACP recommendations about MSP is based on A2+FL cost which includes all paid cost such as those incurred on hired human labour, machine/bullock cart labour, rent paid on leased land, expenses on input such as seeds, fertilizer, manure, irrigation etc. In addition, it also includes imputed value of wages of family labour and depreciation of farm machinery and building. The MSP fixed by the Government provide adequate return over A2+FL. The Committee have been informed that MSP fixed by the government for 2017-18 have been in excess of 50 percent for 9 crops out of 22 mandated crops.

The Committee appreciate the decision of the Government to fix MSP of 22 crops one and half times of production cost i.e. A2+FL. However, the committee note that there has been demand from various stakeholders including farmers and eminent scientists such as MS Swaminathan to fix MSP of crops one and half times of C2 which also takes into account of rental value of owned land and interest on fixed capital apart from A2+FL. The Committee are of view that issue of fixation of MSP needs a comprehensive reorientation in order to ensure remunerative prices of agriculture produce. The committee recall that in their Sixtieth Report (Fifteenth Lok Sabha) on Pricing of Agriculture Produce, many issues such as need of region-wise MSP, , broad basing of Data used by the CACP, enhancement of representation of farmers in CACP, timely announcement of MSP etc. were discussed in length and recommendations were suggested by the Committee to make the process of MSP farmers friendly. The Committee are of view that decision of the Government to fix MSP at least one and half times is a praiseworthy step to

solve the problems of farmers of country. However, there is need to take further steps in these areas so that farmers may get comprehensive justice. The Committee would like the Government to take a fresh look on recommendations of the Government as suggested in aforementioned Report of the Committee.

9. Procurement of crops from farmers in case of lowering of market price below MSP should be aim of the Government. However, the Committee regret to note that the Department failed to furnish requisite information of total production and procurement of agriculture produce for which Government announce MSP. The Committee also observe that farmers are facing problems in sale of agriculture produce at MSP in some States. During the evidence, the Committee were informed that failure of State Governments concerned to send request for procurement of specific agriculture produce is reason behind slow pace of procurement. The Committee are of view that fixing of MSP without proper arrangements for procurement of agriculture produce wouldn't be able to solve the plight of farmers in the country. In this regard, the Committee note that proposal under Market Assurance Scheme (MAS) and Price Deficiency Procurement Scheme (PDPS) for further decentralization of decision making procedure for procurement of agriculture produce at MSP in case falling market prices will be able to solve the problems of farmers to certain extent. The Committee are disturbed to note that that even after launching of farmer friendly schemes in the Budget 2016-17 and 2017-18, they have not been implemented in the States/UTs as to enhance the income of farmers thereby depriving them of the benefits of these schemes. However, the Committee are of view that State level procurement agencies require

financial and professional support to be able to take the onerous task of procurement of agriculture produce from farmers at MSP and ensuring its disposal. The Committee, therefore, recommend the Government to take steps for strengthening of State level procurement agencies. Further, the Committee are of view that proposed funding pattern of MAS and PDPS scheme may strain financial resources of State Government concerned. The Committee, therefore, recommend the Government to consider more liberalized funding pattern for implementation of these schemes. The Committee would like to be apprised about steps taken in this regard within three months of presentation of this Report.

Import and Export of Agriculture Commodities

10. The Committee also note that India imports a lot of agricultural and allied products from other countries. The total agricultural and allied products imports of the Country has increased from Rs. 95718.89 crore during 2012-13 to Rs. 164680.56 crore during 2016-17. As a result, the share of agriculture import in total import in the country has increased from 3.59% in 2012-13 to 6.42 % during 2016-17. The Committee further observes that vegetable oils, pulses, fresh fruits, cashew, spices and sugar are some of the major agricultural commodities in terms of value which were imported in the country during the same period. The Committee are of considered opinion that demands for agriculture products in the country is bound to change significantly with changing dietary pattern associated with rising income and impact of globalization, necessitating import and thereby, causing strain on foreign exchange. The Committee are of the view that there is need for

enhancing production of agriculture products which are currently being imported. The Committee, therefore, recommend that a detailed study to find ways to enhance production of these agriculture produce in different agro-climatic zones and subzones in the country be conducted. The Committee also recommend the Department to start a special project for development of local varieties of dry fruits, spices, olive etc. which are currently being imported in the country. The Committee also desire the Department to take steps and provide special incentives to the farmers for cultivation of these agriculture products in the country in order to reduce their import. The Committee would like to be apprised of the initiatives undertaken by the Department in this regard.

Gramin Agricultural Markets (GrAMs)

11. The Committee note that Government is planning to develop and upgrade existing 22,000 rural haats into Gramin Agricultural Markets (GrAMs) which will provide farmers facility to make direct sale to consumers and bulk purchasers. The Committee were informed that physical infrastructure will be strengthened using MGNREGA and other Government Schemes in these GrAMs,. The Government is planning to electronically link GrAMs to e-NAM and keep it exempted from regulations of APMCs. The Department also informed that an Agri-Market Infrastructure Fund with a corpus of Rs. 2,000 crore is to be set up for upgrading 22,000 Haats into GrAMs and further development of 585 APMCs.

The Committee also note that DAC&FW has initiated process of discussion and consultation with other Ministries and NABARD for

convergence of schemes to provide basic infrastructure requirements such as platforms, office block, small storage godowns, Garbage pits, drinking water facility, toilets, drains, internal roads etc. under proposed GrAMs Scheme. The Government intend to use Agri Market Infrastructure Fund for provision of other infrastructure like e- trading platform, Electronic Weighing Machines, price information board etc.

However, the Committee are astonished to note that Government did not undertake any study/survey to access the actual numbers of rural agriculture markets in the country and Government is relying on data available on National Asset Directory about number of assets including Grameen hats/Rural Markets maintained by Ministry of Panchayati Raj, Government of India. According to this data, there are 2090 market yards and 14756 sheds in the Country. The Committee were further informed that as per different State agencies, there are approximately 22,000 rural haat in the country. The Department have also informed that collection of data on Rural Periodic Market has been initiated by Directorate of Marketing and Inspection (DMI) and is under progress.

The Committee appreciate the Government for taking initiative for strengthening the network of Rural Periodic Haat or 'Grameen Haat' As they are popularly called across the Country. The Committee had selected the subject ' Agriculture Marketing and Role of Weekly Grameen Haats' in 2017-18 and drawn the attention of the Department towards utilization of 'Rural Grameen Haat' as a platform for rural marketing which will help the farmers to realize reasonable price of their agriculture produce. The Committee are of

view that these Grameen haats being integral part of Indian culture provide excellent platform for provision of facilities meant for farmers and to take awareness campaign about schemes being implemented by the Government in Agriculture sector. These Grameen Haats, if properly developed, can emerge as a fulcrum around which the Government can develop the agrarian economy and achieve the aims of doubling the income of farmers. However, target of development of 22000 rural haats is too small a number to serve the needs of 'Grameen Haats' in a country of 6,49,481 Villages. The Committee are of view that number of 'Rural Grameen Haat' may be many times more in the Country. The Government should take step to identify all marginal, small or big 'Rural Grameen Haat' across the Country. The Committee, therefore, recommend the Government to implement this scheme in every 'Rural Grameen Haat' in the country. The Committee also desire the Government to implement this scheme in mission mode with a defined time frame. The Committee are also of view that provision of small cold storage facility in proposed GrAM Scheme will go a long way to reduce post harvest crop losses of agriculture produce. The Committee, therefore, desire the Government to make provision of small cold storage facility in GrAM.

Agriculture Planning

12. The Committee observe that farmers growing Tomato, Onion, Potato and other horticulture products do not get remunerative price for their agriculture produce in case of falling prices due to glut production. Sometimes, prices of these agriculture produce fall much below the production cost causing huge financial strain to the farmers. In this regard,

the Committee are happy to note that the Government is planning to develop cluster based model in a scientific manner for identified agriculture produces in our districts in the same manner as we have cultivation of horticulture crops in clusters bring advantages of scales of operations and can spur establishment of entire chain from production to marketing, besides giving recognition to the districts for specific crops. The Committee were assured that the Ministry of Agriculture & Farmers' Welfare will reorient its ongoing Schemes and promote cluster based development of agri-commodities and regions in partnership with the Ministries of Food Processing, Commerce and other allied Ministries.

The Committee also observe that sometimes Central/State Governments do intervene through their agencies for procurement to ensure remunerative pricing. However, such steps are few and far between and approach is reactive which do not serve the purpose. The Committee are of view that there is need of a well laid out agriculture planning which may take care of local agri-climatic classification and projected demands for agriculture produce. This information, if properly disseminated among farmers, will help them to plan cultivation of crops, which can fetch them remunerative price by preventing glut production. Preparation of agriculture Plan will not only help to maximize income of farmers but will also help to save precious natural resources. The Committee, therefore, recommend the Government to take steps for promotion of cultivation of crops according to a well laid out agriculture plan. The Committee desire the Government to initiate consultation with all stake holders for preparation of agriculture plan which can take care of above

mentioned factors and promote a culture of cultivation where return of farmers can be maximized with optimum utilization of Natural resources.

National Bamboo Mission

13. Bamboo is an important agriculture product of our Country and an integral part of culture especially in North-East India. However, there was significant hurdle in development of industries based on bamboo products due to legal restriction posed on movement of bamboo due to Forest Act. The Committee are happy to note that recent decision of the Government to announce bamboo as grass will do away with these legal hurdles. The Committee also note that the Government has announced restructured National Bamboo Mission with an outlays of Rs. 1290 crore including state share for the three years till 2020 for holistic development of bamboo sector by giving simultaneous emphasis to plantation, product development and value addition. The mission aims to give emphasis on primary processing and treatment, micro, small and medium enterprises, market and skill development and thereby addressing complete value chain of bamboo. The Government aims to develop the sector bringing in coordinated efforts between a dozen Ministries and Departments both at Central and State level. During the oral evidence, the Committee have been informed that the Government aims to encourage development of industries based on bamboo by involving individual farmers, Farmers Producer Organization and Co-operative Societies through hand holding and financial, technical and professional assistance. The Government is planning for changes required in existing Laws and Custom duties structure to encourage domestic industry based on bamboo products. The Committee appreciate this noble initiatives envisaged under

National Bamboo Mission. The Committee are of view that development of small and medium enterprises based on local agriculture produce is one of the important way by which we can achieve the aim of doubling the income of farmers and enhancing their life standard. Development of economy based on Bamboo, being one of the important agriculture Produce of our Country, can spur a movement which can change the course of agrarian economy of the Country. However, the Committee would like the Government to keep farmers as a central platform while engaging in multi-sectoral coordination involving State Governments, Agriculture Research agencies and Skill development organization etc. The Committee also desire the Government to keep the State share minimal for implementation of this scheme.

Educational Criteria for Retail Dealership of Fertilizers

14. The Committee note that the Government have notified educational qualification under clause 8(4) of Fertilizer Control Order 1985 for the retail dealers of Fertilizer in the country. Under this, authorization letter will be granted to only those applicant who will be possessing B.Sc. degree either in Agriculture Science or chemistry, Diploma in agriculture Science or Certified course on agri-inputs for a minimum period of six months from Manage, NIPHM or any other Government institute. The Committee have been informed that dealers who have been granted authorisation letter before the commencement of the Fertilizer (Control)(Fourth) Amendment order, 2015 shall not be required to possess the qualifications at the time of renewal of their authorization letter. The Committee have also been informed that

registered agriculture cooperative societies and state marketing federation but they shall engage a person with such qualifications.

The Committee were informed that fixing of educational criteria for fertilizer dealership will help the Government to ensure sale of Fertilizers based on scientific basis such as soil test, which in turn, will help to optimize agriculture productivity and enhance farmers income. However, the Committee observe that fixing of these criteria is preventing farmers and their dependents who engage in seasonal sale of Fertilizers in rural areas. Further, there is practical difficulty in payment of salary or income to such qualified persons as sale of Fertilizers is a seasonal business. The Committee also observe that there are few institutions offering certificate course on agriculture inputs as mandated in abovementioned notification for dealership of Fertilizers. The Committee, therefore, recommend the Government to take steps to initiate Certificate Courses on agriculture inputs across the country so that farmers in rural areas can be trained and provided dealership for Fertilizers. It will help to achieve the aims of the Government to ensure sale of Fertilizers based on soil testing. The Committee would like to be apprised about steps taken in this regard within three months of presentation of this Report.

Soil Health Management (SHM)

15. The Committee note that Soil Health Management component is being implemented under National Mission For Sustainable Agriculture. Some of the components of the Soil Health Management are distribution of Soil Health Card, setting up of new soil test laboratories (STL) (Static/mobile/Mini labs)

and strengthening of soil testing laboratories. The Committee are happy to note that the Government were able to distribute around 11.2 crore soil health cards to the farmers till date as against the target distribution of 12 crore Soil Health Cards till March, 2019. The Committee hope that the Government will be able to achieve a target of distribution of 18.24 crore Soil Health Cards to the farmers till march 2018. However, the Committee are of the view that there should be continuity in updation of Soil Health Cards as it will help the farmers to bring changes in their cultivation pattern according to the changing nature of soil and take steps for restoration of soil health. The Committee in this regard recall that Indian Council of Agriculture Research (ICAR) has developed a Mini Soil Testing Kit which is far cheaper than the imported soil testing kits. The Committee are of the view that these mini soil testing kits can be provided to the unemployed youth in Rural areas who may provide services for testing of soil to the Farmers at reasonable fee. The Committee, therefore, recommended the DAC&FW to utilize Indigenous Mini Soil Testing Kits developed by ICAR in soil testing laboratories in Government sector and those financed by the Government under the Scheme.

New Delhi
05 March, 2018
16 Phalguna, 1939 (Saka)

HUKMDEV NARAYAN YADAV
Chairperson
Standing Committee on Agriculture

Note on “Fixing Cost of Cultivation and related matters Under Comprehensive Scheme for Studying the Cost of Cultivation of Principal Crops in India” by DES.

1. Introduction: A “Comprehensive Scheme for Studying the Cost of Cultivation of Principal Crops in India”, is being implemented by the Ministry through grants-in-aid to 16 Agricultural Universities/ Institutions in 20 States. The Scheme generates estimates of cost of cultivation/production in respect of 25 selected crops namely paddy, wheat, jowar, bajra, maize, ragi, barley, moong, urad, arhar, gram, masur, groundnut, rapeseed and mustard, nigerseeds, safflower, soyabean, sunflower, sesamum, cotton, jute, sugarcane, onion, potato, and coconut. These crops are selected for a block period of three years. The combination of crops covered in each state (also known as crop complex) varies from state to state depending upon their importance in terms of its relative contribution in the production of the relevant crop at all-India level.

2. System of Data Collection: The Scheme envisages collection of representative data on inputs and outputs in physical and monetary terms on a comparable and comprehensive basis following uniform methodology which is designed by the Expert Committees and is reviewed from time to time by these Committees. The field data are collected on the Cost Accounting Method by 16 implementing agencies from 8100 sample holdings spread over 20 states. The list of these agencies is given at **Enclosure-I**. Under the scheme, daily entries of debit/credit for the expenditure/income are made in order to assess the total cost /benefit incurred/accrued to each farmer covered under the scheme. The field data on the input-wise cost incurred by farmers are collected by the fieldmen in a well-designed schedule from the selected farmers under the strict supervision and monitoring of concerned officials of the Implementing Agencies deployed under the Scheme. The data received from State Implementing Agencies are scrutinized and validated before processing it to arrive at State-wise cost of cultivation and production estimates of 25 mandated crops at DES level.

3. Cost Concepts: The items covered under the cost of cultivation and production are:

a. Paid-out Costs

- (i) Hired labour (human, animal and machinery).
- (ii) Maintenance expenses on owned animals and machinery.
- (iii) Expenses on material inputs such as seed (home grown and purchased), fertilizer, manure (owned and purchased), pesticides and irrigation.
- (iv) Depreciation on implements and farm buildings (such as cattle sheds, machine sheds, storage sheds).
- (v) Land revenue.
- (vi) Rent paid for leased- in land.
- (vii) Misc. Expenses

b. Imputed Costs

- (i) Value of family labour,
- (ii) Managerial input of family,

- (iii) Rent of owned land and
- (iv) Interest on owned fixed capital, for which the farmer does not incur any cash expenses.

A2+FL cost include all paid-out costs plus imputed value of family labour. C2 cost include rental value of owned land and interest on fixed capital in addition to A2+FL costs. The CACP recommends its price policy for various crops based on the above cost estimates apart from other parameters.

Enclosure-I

FIELD AGENCIES IMPLEMENTING THE COMPREHENSIVE SCHEME FOR ESTIMATING THE COST OF CULTIVATION AND COST OF PRODUCTION IN DIFFERENT STATES

S.No.	State	Implementing Agency
1	Andhra Pradesh	Acharya N.G.Ranga Agricultural University, Hyderabad – 500 030
2	Assam	Assam Agricultural University, Jorhat
3	Bihar	Rajendra Agriculture University, Pusa, Samastipur
4	Gujarat	Sardar Patel University Vallabh Vidya Nagar
5	Haryana	Haryana Agriculture University, Hissar
6	Himachal Pradesh	Himachal Pradesh University, Shimla
7	Karnataka	University of Agricultural Sciences, Hebbal, Bangalore.
8	Kerala	University of Kerala, Thiruvananthapuram.
9	Madhya Pradesh	Jawahar Lal Nehru Krishi Viswavidhyalaya, Jabalpur.
10	Maharashtra	Mahatma Phule Agriculture University, Rahuri
11	Odisha	Orissa University of Agriculture & Technology, Bhubaneswar.
12	Punjab	Punjab Agricultural University, Ludhiana.
13	Rajasthan	Maharana Pratap University of Agriculture and Technology, Udaipur
14	Tamil Nadu	Tamil Nadu Agriculture, University Coimbatore
15	Uttar Pradesh	R. B. S. College. Bichpuri, Agra.
16	West Bengal	Bidhan Chandra Krishi, Viswavidyalaya, Kalyani, Nadia.
17	Chhattisgarh	Jawahar Lal Nehru Krishi Viswavidhyalaya, Jabalpur.
18	Jharkhand	Rajendra Agriculture University, Pusa, Samastipur
19	Telangana	Acharya N.G.Ranga Agricultural University, Hyderabad – 500 030
20	Uttarakhand	R. B. S. College. Bichpuri, Agra

All India Weighted Average Projected Cost of Production (A_2 , A_2+FL & C_2) of major crops - 2015-16 to 2017-18 Crop Season

(in ₹/qtl.)

S.No.	Crop	2015-16			2016-17			2017-18		
		Cost of Production			Cost of Production			Cost of Production		
		A_2	A_2+FL	C_2	A_2	A_2+FL	C_2	A_2	A_2+FL	C_2
1	Paddy	780	1020	1324	791	1045	1378	840	1117	1484
2	Jowar	1170	1467	1929	1171	1501	1992	1214	1556	2089
3	Bajra	535	893	1154	549	925	1218	571	949	1278
4	Maize	696	941	1223	709	966	1286	761	1044	1396
5	Ragi	1196	1688	2069	1211	1733	2150	1384	1861	2351
6	Tur (Arhar)	2453	3237	4272	2405	3241	4314	2463	3318	4612
7	Moong	2714	3993	5025	2821	4065	5191	2809	4286	5700
8	Urad	2529	3455	4483	2624	3584	4661	2393	3265	4517
9	Groundnut	2584	3314	4195	2695	3371	4300	2546	3159	4089
10	Soybean\$	1527	1770	2418	1543	1852	2542	1787	2121	2921
11	Sunflower	2846	3282	4114	2912	3479	4418	2933	3481	4526
12	Sesamum	2765	4132	5189	2705	4188	5570	2685	4067	5706
13	Nigerseed	2119	3146	4068	1629	3366	4320	1788	3912	5108
14	Cotton#	2228	2753	3767	2305	2889	3920	2622	3276	4376
15	Wheat	631	785	1163	631	797	1203	642	817	1256
16	Barley	486	776	1089	511	816	1119	522	845	1190
17	Gram	1724	2124	3102	1799	2241	3185	1977	2461	3526
18	Lentil(Masur)	1573	2015	3098	1674	2174	3360	1845	2366	3727
19	R&M	1138	1702	2605	1232	1871	2773	1354	2123	3086
20	Safflower	2574	3057	3734	2076	3049	3952	2216	3125	3979
22	Copra	Not Projected	4676	6593	Not Projected	4758	6967	Not Projected	5007	7737
21	Sugarcane	113	140	210	121	152	211	MSP yet to be declared		
23	Jute	1578	2125	2697	1553	2160	2836			

A_2+FL : Paid out cost inclusive Family Labour

C_2 : Cost includes A_2+FL cost, rental value of owned land and interest on owned fixed capital.

Note: Paid out cost covers the cost on account of all inputs like human labour, bullock labour, machine labour, seeds, fertilizers, manure, insecticides, irrigation charges.

\$ The MSP is for Soybean (Yellow)

The MSP is for Cotton Long Staple (LS)

India's total agri and allied imports (2012-13 to 2016-17)											
Commodity	2012-13		2013-14		2014-15		2015-16		2016-17		QTY '000 tonnes Value in Rs. Crores
	QTY	Value	QTY	Value	QTY	Value	QTY	Value	QTY	Value	
1 TEA	22.30	274.52	22.74	291.68	27.45	388.73	23.72	377.47	24.79	337.13	
2 COFFEE	71.20	795.72	59.94	729.02	74.88	930.47	65.61	801.83	78.04	926.78	
3 RICE (BASMOTI)	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	
4 RICE (OTHER THAN BASMOTI)	0.72	3.96	1.44	8.29	1.96	10.83	1.02	5.91	1.14	7.25	
5 WHEAT	2.94	6.03	11.47	26.92	29.49	61.35	517.67	872.59	5749.43	8509.05	
6 OTHER CEREALS	45.58	111.01	22.32	98.03	23.40	61.81	206.14	344.31	311.37	493.18	
7 PULSES	4013.24	13344.63	3177.89	11036.75	4584.85	17062.94	5797.71	25619.06	6608.95	28523.90	
8 TOBACCO UNMANUFACTURED	2166.77	91.94	1.55	79.52	1.91	98.16	2.88	137.30	1.97	77.21	
9 TOBACCO MANUFACTURED	175.56	155.01	168.87	168.87	200.28	193.44	193.92	193.92	240.39	228.06	
10 SPICES	2715.76	155.58	3451.69	161.07	4391.84	5399.95	240.39	5757.83	774.30	9027.09	
11 CASHW	898.52	5433.91	776.33	4667.80	940.81	6599.74	961.67	8701.28	774.30	9027.09	
12 CASHW NUT SHELL LIQUID	0.14	0.33	0.38	2.08	1.72	10.03	1.86	5.60	1.69	3.67	
13 SESAME SEEDS	38.05	296.03	72.93	808.64	34.77	379.99	23.60	179.66	69.03	442.15	
14 SUNGEE SEEDS	0.00	0.00	0.70	3.73	0.70	3.73	5.78	44.14	10.47	81.37	
15 GROUNDNUT	0.04	0.29	0.11	0.36	0.13	0.49	0.11	0.31	0.33	1.39	
16 OTHER OIL SEEDS	44.26	109.74	54.70	166.79	51.35	163.10	62.51	218.62	117.16	394.77	
17 VEGETABLE OILS	9606.24	53561.61	7942.90	44038.04	12701.03	64893.63	15642.33	68676.62	14009.86	73047.67	
18 OIL MEALS	148.30	210.38	126.94	199.87	165.10	272.65	255.01	429.91	550.41	974.54	
19 GOURGAM MEAL	0.57	33.61	0.38	21.85	0.17	5.84	0.63	13.93	0.18	2.41	
20 CASTOR OIL	0.14	2.23	0.07	2.04	0.05	1.81	0.03	1.10	0.09	1.42	
21 SHELLAC	2.78	172.61	0.68	45.80	1.77	59.54	0.71	19.48	0.46	13.43	
22 SUGAR	1122.25	3094.38	880.96	2286.86	1538.64	3668.21	1943.13	4037.86	2146.15	6868.61	
23 MOLLUSCS	14.68	7.50	15.07	8.93	59.55	29.60	17.27	7.50	13.85	9.05	
24 FRUITS / VEGETABLE SEEDS	16.05	471.10	8.29	449.48	14.01	611.41	14.33	703.03	14.07	656.31	
25 FRESH FRUITS	802.14	6180.47	769.14	7715.96	858.11	9543.86	839.54	11071.57	1040.19	11240.95	
26 FRESH VEGETABLES	7.03	11.24	25.98	41.67	8.24	11.14	140.73	394.45	8.55	11.12	
27 PROCESSED VEGETABLES		149.01		173.94		104.20	15.38	120.33	13.38	116.12	
28 PROCESSED FRUITS AND JUICES		432.02		410.83		496.00	38.96	526.49	42.73	548.07	
29 CEREAL PREPARATIONS	50.42	359.98	53.47	419.34	63.24	568.66	61.49	574.89	66.76	582.08	
30 COCOA PRODUCTS	53.33	1049.25	51.63	1071.55	65.31	1551.09	56.42	1398.91	63.61	1540.31	
31 MILK PRODUCTS	4.52	23.25	3.98	22.01	3.47	17.72	4.39	21.40	3.56	16.22	
32 INSIC PROCESSED ITEMS		1268.33		1474.47		1748.56		1811.12		2116.23	
33 ANIMAL CASINGS	0.00	0.00	0.00	0.00	0.00	0.00	0.05	4.80	0.00	0.00	
34 BUFFALO MEAT	0.00	0.00	0.00	0.00	0.00	0.00	0.50	17.18	0.00	0.00	
35 SHEEP/GOAT MEAT	0.02	1.52	0.06	5.13	0.09	8.73	0.05	4.80	0.13	8.50	
36 OTHER MEAT	0.43	15.71	0.36	15.80	0.47	19.50	0.50	17.18	0.59	18.99	
37 PROCESSED MEAT	0.57	9.02	0.39	7.64	0.17	5.17	0.07	2.75	0.13	4.47	
38 DAIRY PRODUCTS	0.00	184.25	0.00	232.68	0.00	375.01	18.23	371.58	16.90	254.76	
39 POULTRY PRODUCTS		18.29		23.39		38.42		26.42		29.49	
40 FISH/CRUSTACEAN PRODUCTS		85.67		112.19		113.37	4.77	114.40	5.56	133.81	
41 ALCOHOLIC BEVERAGES		1416.77		2076.18	0.00	2508.24		2935.85		3581.07	
42 MARKING PRODUCTS	28.10	452.70	31.22	411.01	27.58	451.74	50.13	639.77	52.05	635.17	
43 RAYON AND OTHER TEXTILE PRODUCTS	10.96	243.75	10.86	318.50	9.32	352.58	11.67	354.35	11.53	360.16	
44 JUTE, RAW	148.73	370.79	52.65	146.25	44.00	139.58	88.37	363.44	138.84	704.13	
45 JUTE HESSIAN	0.00	87.34	0.00	79.92	0.00	177.79		181.40	76.35	57.19	
46 COTTON RAW INCLD WASTE	232.55	2466.74	180.97	2375.18	258.90	3101.08	231.814	2566.21018	498.74	6337.44	
India's total agri and allied imports		95718.89		85727.30		121238.42		140310.67		164680.56	

Source: DGCIIS, Kolkata (D/o Commerce)

India's export of principal agri and allied 201: Quantity: '000 tonnes Value in Rs. Crores

Annex

Commodity	2012-13		2013-14		2014-15		2015-16		2016-17	
	Qty	Value	Qty	Value	Qty	Value	Qty	Value	Qty	Value
1 TEA	268.80	4718.79	249.91	4873.36	215.21	4166.16	245.70	4719.04	244.46	4926
2 COFFEE	754.02	4711.07	253.90	4999.12	221.39	4973.25	255.74	525.74	289.57	5669
3 RICE - BASMOTI	3459.83	19409.39	3754.10	29991.82	3702.28	27598.71	4045.85	22718.60	3999.72	21605
4 RICE (OTHER THAN BASMOTI)	6687.85	14448.81	7148.47	17995.21	8225.56	20336.00	6664.59	15483.39	6813.62	17122
5 WHEAT	6514.82	10529.04	5572.03	9277.65	7914.74	4974.61	666.68	1061.77	262.46	444
6 OTHER CEREALS	5441.31	8180.61	4637.54	7178.14	3510.55	5258.41	967.93	1702.50	738.18	1424
7 PULSES	202.67	1284.99	345.55	1748.81	222.10	1218.10	255.74	1656.03	137.18	1282
8 TOBACCO UNMANUFACTURED	230.41	3815.76	237.11	4782.74	219.57	4162.70	215.32	4373.45	205.34	4271
9 TOBACCO MANUFACTURED	0.00	1214.47	0.00	1351.72	0.00	1705.85	0.00	2078.91	0.00	2180
10 SPICES	932.59	15176.75	896.57	15146.36	923.27	14882.36	831.68	16630.15	1007.88	19367
11 CASHEW	104.09	4067.21	120.74	5095.49	134.57	5565.77	103.13	5027.99	92.18	5303
12 CASHEW NUT SHELL LIQUID	9.19	29.84	9.48	38.61	10.94	55.81	11.68	57.59	11.43	44
13 SESAME SEEDS	299.48	2880.85	257.44	3583.46	375.66	4717.77	328.46	3012.31	308.93	2709
14 NIGER SEEDS	17.90	90.13	20.84	113.61	18.04	108.23	14.12	123.27	14.13	118
15 GROUNDNUT	535.64	4065.36	509.75	3187.66	708.40	4675.38	542.73	4075.63	725.27	5454
16 OTHER OIL SEEDS	87.59	414.61	194.46	945.53	247.54	1135.36	204.62	964.47	194.48	852
17 VEGETABLE OILS	36.09	469.35	23.01	324.82	41.54	579.54	30.60	522.94	60.93	786
18 OIL MEALS	6578.17	16519.53	6576.51	17070.13	3904.38	8128.60	2056.36	3599.56	3647.31	5371
19 GUERAM MEAL	406.32	21287.00	601.97	11735.39	665.23	9479.91	325.25	3233.87	423.28	3132
20 CASTOR OIL	565.99	4309.82	544.80	4364.33	546.50	4710.18	586.78	4616.10	600.53	4533
21 SHELLAC	3.60	401.74	7.75	514.03	5.24	267.47	6.39	203.31	5.64	237
22 SUGAR	2793.78	8576.32	2477.64	7178.50	1954.44	5326.66	3844.45	9824.52	2545.37	8670
23 MOLASSES	342.15	223.03	211.65	147.29	213.46	171.04	818.57	656.81	347.66	281
24 FRUITS / VEGETABLE SEEDS	17.17	347.72	19.34	416.58	12.50	427.03	13.10	529.19	11.68	528
25 FRESH FRUITS	534.62	2686.57	525.22	3645.62	494.37	3148.08	654.66	4191.24	798.76	4967
26 FRESH VEGETABLES	2343.88	3407.19	2291.75	5394.47	2019.34	4611.64	2104.36	5237.10	3631.97	5719
27 PROCESSED VEGETABLES	0.00	1102.56	0.00	1288.86	0.00	1725.34	174.43	1697.21	193.86	1774
28 PROCESSED FRUITS AND JUICES	292.69	2240.76	319.55	2856.28	305.43	3036.64	316.54	3766.99	533.39	3905
29 CEREAL PREPARATIONS	19.08	293.97	16.23	573.22	20.88	848.66	32.65	1267.61	341.77	3572
30 COCOA PRODUCTS	273.55	603.61	419.26	1008.00	419.86	1030.61	431.46	1102.73	251.89	804
31 MILLED PRODUCTS	0.00	1853.99	0.00	2531.48	0.00	2795.97	0.00	2907.81	0.00	3070
32 MISCELLANEOUS ITEMS	0.65	21.46	0.35	28.46	0.26	19.33	0.21	17.02	0.17	14
33 ANIMAL CASINGS	1076.10	17408.99	1365.64	26457.82	1475.54	29282.58	1314.22	26684.22	1330.01	26303
34 BUFFALO MEAT	15.29	426.47	22.61	694.12	23.61	828.11	21.95	837.76	22.72	876
35 SHEEP/GOAT MEAT	0.19	2.33	0.27	3.40	0.25	2.48	0.28	6.16	0.14	5
36 OTHER MEAT	0.80	9.37	0.51	7.68	0.41	14.20	0.28	6.16	0.14	5
37 PROCESSED MEAT	0.00	2324.68	0.00	4407.78	0.00	2161.68	77.52	1677.32	91.04	1712
38 DAIRY PRODUCTS	0.00	423.45	0.00	556.80	0.00	460.76	22.69	483.41	22.32	545
39 POULTRY PRODUCTS	0.00	1932.45	0.00	2629.67	0.00	2264.89	2030.92	31219.43	1190.46	39694
40 FISH/SEAFOOD PRODUCTS	965.10	18841.20	1000.82	30627.28	1073.27	33685.45	978.03	31219.43	1190.46	39694
41 ALCOHOLIC BEVERAGES	84.49	2120.36	76.72	2208.55	92.06	2169.49	95.88	2385.49	83.61	2707
42 NON-ALCOHOLIC BEVERAGES	33.80	95.67	44.02	113.35	37.39	119.20	25.11	113.58	16.44	70
43 LUTE, RAW	0.00	876.68	0.00	859.59	0.00	761.88	824.89	12821.13	1000.09	10949
44 LUTE, HESSIAN	0.00	20276.51	1947.70	23337.84	1142.53	11642.64	1347.07	12821.13	1000.09	10949
45 COTTON RAW INCLD. WASTE	0.00	227192.61	263778.54	239471.39	215395.68	227554				
46 COTTON RAW INCLD. WASTE	0.00	227192.61	263778.54	239471.39	215395.68	227554				
Total agri & allied exports										

Source: DGCI, Kolkata (U/o Commerce)

**STANDING COMMITTEE ON AGRICULTURE BRANCH
(2017-18)**

MINUTES OF THE FOURTEENTH SITTING OF THE COMMITTEE

The Committee sat on Friday, the 23rd February, 2018 from 1210 hours to 1410 hours in Committee Room 'B', Ground Floor, Parliament House Annexe, New Delhi.

PRESENT

Shri Hukmdev Narayan Yadav – Chairperson

MEMBERS

LOK SABHA

2. Md. Badaruddoza Khan
3. Dr. Tapas Mandal
4. Shri Janardan Mishra
5. Shri Devji M. Patel
6. Shri Nityanand Rai
7. Shri C.L. Ruala
8. Shri Jai Prakash Narayan Yadav

RAJYA SABHA

9. Shri Meghraj Jain
10. Shri Vinay Katiyar
11. Shri Mohd. Ali Khan
11. Shri Shankarbhai N.Vegad
12. Dr. Chandrapal Singh Yadav

SECRETARIAT

- | | | | |
|----|----------------------|---|---------------------|
| 1. | Shri D.S.Malha | - | Joint Secretary |
| 2. | Shri Arun K. Kaushik | - | Director |
| 3. | Smt Juby Amar | - | Additional Director |
| 4. | Shri Sumesh Kumar | - | Under Secretary |

LIST OF WITNESSES

MINISTRY OF AGRICULTURE AND FARMERS WELFARE **(DEPARTMENT OF AGRICULTURE, CO-OPERATION AND FARMERS WELFARE)**

<u>S.No.</u>	<u>NAME OF THE OFFICER</u>	<u>DESIGNATION</u>
1.	Dr. S.K. Pattanayak	Secretary
2.	Dr. Ashok Dalwai	CEO (NRAA)
3.	Mrs. Sudha P. Rao	Principal Adviser
4.	Shri Jalaj Shrivastava	Additional Secretary
5.	Shri Paban Kumar Borthakur	Joint Secretary
6.	Dr. Alka Bhargava	Joint Secretary
7.	Shri B. Rajender	Joint Secretary
8.	Dr. Ashish Kumar Bhutani	Joint Secretary
9.	Smt. Chhavi Jha	Joint Secretary
10.	Smt. Neeraja Adidam	Joint Secretary
11.	Shri Prasyanta Kumar Swain	Joint Secretary
12.	Shri Tarsem Chand	Joint Secretary
13.	Shri Dinesh Kumar	Joint Secretary
14.	Smt. Shailja Sharma	Member Secretary
15.	Shri D.K. Pandey	Adviser
16.	Dr. B.N. Srinivasa Murthy	Horticulture Commissioner
17.	Shri K.L. Prasad	Sr. Economic & Statistical Adviser
18.	Smt. Krishna Tyagi	Chief Controller of Accounts
19.	Shri B. Rath	Additional Commissioner
20.	Smt. J. Kurian	DDG (Agri. Census)
21.	Shri Sandeep Kumar Nayak	Managing Director (NCDC)

2. At the outset, the Chairperson welcomed the representatives of Ministry of Agriculture and Farmers to the Sitting convened for oral Evidence of the representatives of the Ministry of Agriculture and Farmers Welfare (Department of Agriculture, Co-operation and Farmers Welfare) in connection with the examination of the Demands for Grants (2018-19). After welcoming the representatives of the Ministry to the Sitting, the Chairperson apprised them of the provisions of the Directions 58 of the Directions by the Speaker, Lok Sabha regarding confidentiality of the proceedings.

3. After the Introduction of Witness, one of the representatives of the Department briefed the Committee about the significant features of Demands for Grants(2018-19) of DAC&FW. The Chairperson and the Members of the Committee raised several issues/points as briefly mentioned below and sought clarification/information from the Department thereon:

- I. Salient features of DFG (2018-19) of Department of Agriculture, Cooperation and Farmers Welfare;
- II. Facilities being planned for modernization of Grameen Haat under GrAM Scheme;
- III. Need to take into account of rental value of farmers' own land and interest on capital invested by the farmers in agriculture operation while computing cost of production for fixation of Minimum Support Price;
- IV. Need to connect agriculture land to nearby markets through good quality roads;
- V. Need to enhance subsidy on power tillers, tractors and harvesters of small horse powers;
- VI. Need to adopt Direct Benefit Transfer mechanism for fertilizers subsidy;
- VII. Need to provide fertilizer subsidy to tenant farmers rather than owner of agriculture land;
- VIII. Need to enhance number of rural godown for storage of agriculture produce;
- IX. Steps being taken to decrease import of agriculture produce in the country;
- X. Steps being taken for promotion of cultivation pattern in a planned way;
- XI. Steps being taken to enhance procurement of agriculture produce at Minimum Support Price;
- XII. Need to provide credit facility for dairy sector at lower rate of interest;
- XIII. Steps being taken to simplify the process of claim settlement in Pradhan Mantri Fasal Bima Yojana (PMFBY);
- XIV. Reasons for delay in claim settlement under PMFBY;
- XV. Need to encourage life insurance and accidental insurance of farmers, who opt for PMFBY;
- XVI. Need to make provision for procurement of horticulture produce viz. Tomato, Potato etc. at reasonable rate in case market price of these crops drop below the `cost of production; and

XVII. Need to make provisions for certificate course on agriculture input as required for fertilizer dealership.

4. The Representatives of the Ministry responded to most of the queries raised by the Members. The Chairperson then thanked the witnesses for sharing valuable information with the Committee on the issue and directed them to furnish the requisite information on the points/items, which were not readily available with them to the Secretariat of the Committee by 24 February, 2018.

The Committee then adjourned.

(A copy of the verbatim proceedings of the Sitting has been kept separately)

STANDING COMMITTEE ON AGRICULTURE

(2017-18)

MINUTES OF THE FIFTEENTH SITTING OF THE COMMITTEE

The Committee sat on Monday, the 05th March, 2017 from 1000 hrs. to 1100 hrs. in the Chamber of the Hon'ble Chairperson, Standing Committee on Agriculture, Room No. 138 (Third Floor), Parliament House, New Delhi.

PRESENT

Shri Hukm Deo Narayan Yadav – Chairperson

MEMBERS

LOK SABHA

2. Smt.Raksha Khadse
3. Dr. Tapas Mandal
4. Shri Janardan Mishra
5. Shri Mukesh Rajput
6. Shri Konakalla Narayana Rao
7. Shri C.L. Ruala

RAJYA SABHA

8. Shri Mohd. Ali Khan
9. Shri Ram Nath Thakur
10. Shri Shankarbhai N.Vegad

SECRETARIAT

- | | | | |
|----|----------------------|---|---------------------|
| 1. | Shri D.S. Malha | – | Joint Secretary |
| 2. | Shri Arun K. Kaushik | – | Director |
| 3. | Smt. Juby Amar | – | Additional Director |
| 4. | Shri Sumesh Kumar | – | Under Secretary |

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

- (i) Draft Report on Demands for Grants (2018-19) pertaining to the Ministry of Agriculture and Farmers Welfare (Department of Agriculture, Cooperation and Farmers Welfare).

*(ii) XXXXX XXXXX XXXXX XXXXX

*(iii) XXXXX XXXXX XXXXX XXXXX

*(iv) XXXXX XXXXX XXXXX XXXXX

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

The Committee then adjourned.

* Matter not related to this report.