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**STANDING COMMITTEE  
ON AGRICULTURE  
(1998-99)**

**TWELFTH LOK SABHA**

**MINISTRY OF AGRICULTURE  
(DEPARTMENT OF AGRICULTURE  
AND COOPERATION)**

**DEMANDS FOR GRANTS  
(1996-97)**

*[Action taken by the Government on the Recommendations/  
Observations contained in the First Report of the  
Standing Committee on Agriculture (1996-97)]*

**FIRST REPORT**



सत्यमेव जयते

**LOK SABHA SECRETARIAT  
NEW DELHI**

*June, 1998/Asadha, 1920 (Saka)*

FIRST REPORT  
STANDING COMMITTEE ON  
AGRICULTURE  
(1998-99)

(TWELFTH LOK SABHA)

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(DEPARTMENT OF AGRICULTURE  
AND COOPERATION)

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*[Action taken by the Government on the Recommendations/Observations  
contained in the First Report of the Standing Committee  
on Agriculture (1996-97)]*

*Presented to Lok Sabha on .....*

*Laid in Rajya Sabha on .....*



LOK SABHA SECRETARIAT  
NEW DELHI

*June, 1998/Asadha, 1920 (Saka)*

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COMPOSITION OF THE STANDING COMMITTEE ON  
AGRICULTURE (1998-99)

Shri Kinjarapu Yerrannaidu — *Chairman*

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SECRETARIAT

- |                           |   |                             |
|---------------------------|---|-----------------------------|
| 1. Shri G.C. Malhotra     | — | <i>Additional Secretary</i> |
| 2. Shri P.D.T. Achary     | — | <i>Joint Secretary</i>      |
| 3. Shri S. Bal Shekar     | — | <i>Deputy Secretary</i>     |
| 4. Smt. Anita Jain        | — | <i>Under Secretary</i>      |
| 5. Smt. Jyochnamayi Sinha | — | <i>Reporting Officer</i>    |

## INTRODUCTION

I, the Chairman of the Standing Committee on Agriculture (1998-99) having been authorised by the Committee to submit Report on their behalf, present this First Report on Action Taken by Government on the recommendations/observations contained in the 1st Report of the Standing Committee on Agriculture 1996-97 (Eleventh Lok Sabha) on Demands for Grants (1996-97) of the Ministry of Agriculture (Department of Agriculture and Co-operation).

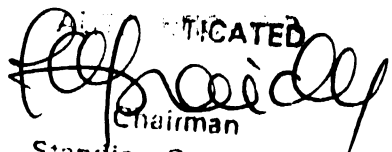
2. The First Report of the Standing Committee on Agriculture (1996-97) on Demands for Grants (1996-97) of the Ministry of Agriculture (Department of Agriculture and Co-operation) was presented to Lok Sabha on 29th August, 1996. The Ministry of Agriculture (Department of Agriculture and Co-operation) was requested to furnish action taken replies of the Government to recommendations contained in the First Report. The replies of the Government to all the recommendations contained in the Report were received.

3. The Committee considered these action taken replies furnished by the Government and approved the draft comments and adopted the First Report.

4. An analysis of the Action Taken by the Government on the recommendations/observations contained in the First Report (12th Lok Sabha) of the Committee is given in Appendix II.

NEW DELHI;  
June, 1998  
*Asadha, 1920 (Saka)*

KINJARAPU YERRANNAIDU,  
*Chairman,*  
*Standing Committee on Agriculture.*

  
Chairman  
Standing Committee  
on Agriculture

## CHAPTER I

### REPORT

This report of the Committee on Agriculture deals with the action taken by the Government on the recommendations contained in the First Report (Eleventh Lok Sabha) of the Standing Committee on Agriculture (1996-97) on the Ministry of Agriculture (Department of Agriculture and Co-operation) which was presented to the Lok Sabha on 29th August, 1996.

1.2 Action taken notes have been received from the Government in respect of all the 33 recommendations contained in the Report. These have been categorised as follows:—

- (i) Recommendations/Observations that have been accepted by the Government (Chapter II of the Report)

Recommendation para Nos. 2, 3, 4, 8, 9, 11, 13, 14, 15, 16, 17, 18, 20, 21, 27, 30, 31, 32, 33

(Total 19)

- (ii) Recommendations/Observations which the Committee do not desire to pursue in view of the Government's replies (Chapter III of the Report)

Recommendation para Nos. 19 and 22

(Total 2)

- (iii) Recommendations/Observations in respect of which reply of the Government have not been accepted by the Committee (Chapter IV of the Report to be commented upon in Chapter I of the Report)

Recommendation para Nos. 1, 6, 10, 23, 24, 25 and 26

(Total 7)

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

Recommendation para Nos. 5, 7, 12, 28 and 29)

(Total 5)

1.3 The Committee will now deal with the recommendations which have not been accepted and have been included in Chapter IV of the report.

**Recommendation Sl. No. 1 (Para No. 2.9)**

*Decline in Percentage of allocation for Agriculture out of the total Central Plan Allocation*

1.4 The Committee observe that the total Plan budget allocation of the Department of Agriculture and Co-operation has been decreasing year after year as a proportion of the total Central Plan budget for all the Ministries and Departments. In 1991-92 the percentage of the total Central Plan allocation in favour of Agriculture and Cooperation was 2.6% which has come down to 1.69% in 1996-97. Despite the Committee's recommendation in its 7th, 19th, 24th & 31st Reports for a higher allocation it has been slashed down considerably at the time of budget formulation. The Committee are very much perturbed by this trend in budget allocation for a vital sector like agriculture. Neither the Planning Commission nor the Ministry of Finance has paid serious attention to there recommendations of the Committee. The allocations for the Department of Agriculture & Co-operation of Rs. 2590.75 crore for Central Sector and Centrally Sponsored Schemes during 1995-96 have been slashed down to Rs. 1725 crores by the Planning and at the time of budget formulation this was further reduced to Rs. 1471.25 crores by the Finance Ministry. The Committee are constrained to observe that such a step on the part of the Planning Commission as well as the Ministry of Finance towards the agricultural sector which is the prime concern of more than two-thirds of the country's population would most certainly decelerate the process of development in the field of agriculture as the ambitious targets envisaged in the Eighth Plan cannot be achieved in the absence of the matching financial outlays every year. The Committee feel that the strategy of planned development would lose all its meaning, if the flow of funds to this vital and basic sector is throttled, as the growth of all other sectors of the economy is inextricably linked to the growth of the agricultural sector. The Committee, therefore, reiterate its demand that the Planning Commission and the Ministry of Finance should make higher allocations for the agricultural sector at the Revised Estimate stage for 1996-97 and also during the Ninth Plan period.

### Reply of the Government

1.5 The Plan allocation for the Deptt. of Agriculture & Cooperation was fixed at Rs. 1725 crores during the discussions with the Planning Commission for 1996-97, against a demand of Rs. 2590.75 crores projected by the Deptt. At the time of Budget formulation, this was further reduced to Rs. 1471.25 crores. The matter was taken up with the Prime Minister by the Agriculture Minister for increase of allocation for Agriculture Sector. The recommendation of the Committee has also been communicated to Ministry of Finance and Planning Commission for necessary action. The Planning Commission has intimated that if the Ministry of Agriculture desires any increase under any specific schemes, the Commission would consider the same and Ministry of Finance will have to take a final decision on the RE proposal based on the over all resources position. As regards higher allocation during the 9th Plan, the Commission has indicated that the Working Group on Agriculture have reviewed the various sub sectors of agriculture and allied activities and their views will be taken into account during the formulation of the 9th Plan. The Ministry of Finance have intimated that the allocation for Agriculture Sector should be seen from the totality and not from the allocation to the Department of Agriculture & Cooperation alone. The agricultural credit, infrastructural development in the rural areas, rural development, agriculture and flood control, Power and Transport are vital areas which also really contribute to promotion of Agriculture. The total outlays in these sectors under Central Plan in 1996-97 B.E. as compared to 1995-96 R.E. are as follows:

	(Rs. in Crores)	
	1995-96 R.E.	1996-97 B.E.
1. Agriculture	2708	2831
2. Rural Development	7137	7520
3. Irrigation & Flood Control	249	1248
4. Power & Non-Conventional Energy Sources	7796	8603
5. Village & Small Industries	840	855
6. Transport	8263	9221
	26993	30278

### Comments of the Committee

1.6 The Committee note with concern that the Plan outlay with respect to agriculture which is the prime concern of more than two thirds of the country's population has been decreasing over the years. The Committee are very much perturbed to note that despite their recommendations in their earlier reports for a proper higher allocation, there is no appreciable improvement in the matter. The Committee are not convinced with the reasoning of the Ministry of Finance that the allocation for Agriculture Sector should be seen from the totality and not from the allocation to the Department of Agriculture and Cooperation alone. The Committee wish to impress upon the Ministry of Finance and the Planning Commission that the Department of Agriculture and Cooperation should get adequate allocations, as this alone can give the impetus now required in the face of stagnation in foodgrains production and the galloping population growth. Allocation of more funds to other related sectors does not justify the reduction of the allocation already agreed upon in favour of Agriculture and Cooperation. The Committee are of the firm view that unless proper allocations are made for the key agriculture department, no meaningful purpose will be served by allocating more funds to the related sectors. The real synergic effect on progress could be realised only which the key sector does not remain funds-starved and the key sector also gets its due share of allocations alongwith other related sectors. Therefore, the Committee reiterate their earlier recommendation that the Government should at the time of budget formulation desist from reducing allocations that have been finally agreed upon by the Planning Commission in order to give the required momentum to the growth of agricultural production, which is the urgent need of the hour.

### Recommendation Sl. No. 6 (Para No. 6.5)

#### *National Disaster Management*

1.7 The Committee note that during the first four years of the Eighth Plan, an expenditure of Rs. 1.87 crores which is just 22% of the total plan outlay of Rs. 9.00 crores has been incurred towards this Central Sector Scheme on Natural Disaster Management. The Committee note that an amount of Rs. 4.40 crores was earmarked for this purpose but about 55% of the funds remained unutilized in the

last 4 years as the Government could not obviously put in sufficient efforts in order to generate adequate response from the State Governments, research Institutions/Organisations etc. The Committee view such practices seriously. Funds remained unutilised while heavy loss of life and destruction of the agricultural lands as well as crops occurred in the hilly regions like Uttarakashi in U.P., Latur district of Maharashtra due to earthquake and other natural calamities like drought in Orissa, Bihar and Madhya Pradesh and flood in Jammu & Kashmir. Apart from that, the NDM Division in the Ministry of Agriculture is not adequately equipped to cope with the magnitude of the task of disaster management. This shows the lethargic attitude and lack of will on the part of the governmental machinery. Therefore, the Committee recommend that the NDM Division of the Ministry should be restructured and adequately equipped with human resource, having thorough research and consultancy experience in this field and an action plan should be drawn up to generate and more awareness among the farming community to use the best services available with this division. The Committee also desire that in the R.E. stage the allocation should be enhanced and should be completely utilized in 1996-97 with a view to make up for the shortfalls in the previous years.

### **Reply of the Government**

1.8 The Central Sector Scheme of Natural Disaster Management Programme provides for undertaking activities with the objective to promote preparedness and mitigation measures for reducing the adverse impact of Natural Disasters. The activities undertaken under the scheme include human resource development by organising various training programme/seminars/workshops, research and consultancy services, undertaking programmes to increase the level of awareness of the community, documentation of various natural disasters, creation of faculties on Natural Disaster Management at the National and State levels.

The momentum of activities under the Plan scheme is increasing gradually as many institutions/organisations are showing interest in the field of disaster reduction activities. During the current year, an amount of Rs. 200 lakhs has been allocated for the scheme. So far an amount of Rs. 62 lakhs has been utilised.



The activities of the above mentioned scheme are altogether different from the financing of expenditure on relief, rehabilitation and reconstruction measures in the wake of natural calamities. Such assistance is provided from a Calamity Relief Fund in accordance with the recommendations of the Tenth Finance Commission. The responsibilities of execution of relief measures rests with the State Governments. A provision also exist to extend additional financial assistance to the States in the case of calamity of rare severity.

### **Comments of the Committee**

1.9 The Committee note that the Government had not been able to spend the money allocated under the Central Sector Scheme of National Disaster Management Programme year after year and this really meant that adequate care was not taken to implement the scheme which provides for promotion of activities that ensure preparedness and mitigation measures to reduce the adverse impact of Natural Disasters. The Committee note that upto December 1996, a sum of Rs. 62 lakhs has been utilised out of the allocation of Rs. 200 lakhs for the year 1996-97, leaving a huge sum of Rs. 138 lakhs to be spent in the last three months of the financial year. The Committee feel that in even in the last year of the Eighth Plan period the scheme could not gain the required momentum due to the lack of vigour on the part of the implementing authorities. The Committee expected that the activities undertaken in the initial years of the Eighth Plan should have generated sufficient awareness among the various institutions/organisations to come forward with sufficient programmes of activities to make use of the funds available under the Scheme. But such a thing did not happen indicating clearly that something was wrong in the very formulation of the scheme. The Committee, therefore, desire that the Government should analyse the reasons for the unsatisfactory response from the user organisations instead of trying to explain away in vague terms that the momentum of activities under the scheme was increasing gradually at the fag end of the Eighth Five Year Plan, as this alone would help the proper formulation and implementation of the scheme atleast in the Ninth Five Year Plan.

### **Recommendation Sl. No. 10 (Para No. 7.15)**

#### *Management of the Agriculture Ministry by Scientific Experts*

1.10 The Committee express its serious concern about adhocism prevailing in the Ministry with regard to filling up of senior level

positions such as Agriculture Commissioner etc. The Secretary, Department of Agriculture and Cooperation informed that the post of Agricultural Commissioner was a temporary one and was continuing on a year-to-year basis.

The Committee are surprised to find that in all these 50 years of our Independence, the posts of Agriculture Commissioner, Horticulture Commissioner and other senior technical posts have remained as temporary posts only, although Agriculture remains as the prime occupation of two-third of the people of this country. They, therefore, strongly recommend that the important positions such as Agricultural Commissioner, Horticultural Commissioner etc. should be made regular/permanent and should not remain vacant for long periods. In fact, the Department at the highest level should be managed by the experts/Scientists of high calibre and eminence in the field of Agriculture to provide effective guidance and support to the agricultural sector in the country during the IX Plan and beyond.

### **Reply of the Government**

#### *(i) Agriculture Commissioner*

1.11 The post of Agriculture Commissioner (Rs. 7300-7600) is equivalent to that of Additional Secretary to the Government of India.

As per existing instructions/guidelines of the Department of Personnel and Training as contained in their O.M. No. A-11019/6/76-EGI dated the 24th March, 1976, no post above the level of Deputy Secretary can be made as permanent, as such posts are generally held on deputation/tenure basis by officers of the organised services who hold lien on substantive post in their parent cadre or by officers of the Central Secretariat Service and the temporary nature of such posts does not affect anybody adversely. However, to obviate the necessity of having to extend such temporary posts from year to year, it has been decided that such posts, which have been in existence for three years on year to year basis, can be categorized as "continuing post" and their continuance sanctioned for a block period of 5 years.

The post of Agriculture Commissioner falls in the category of posts, as referred to above, and as such cannot be made permanent, according to the existing guidelines on the subject.

The post of Agriculture Commissioner in the Department of Agriculture and Cooperation is presently vacant from the 1st March,

1993 as it was considered necessary to amend the Recruitment Rules so as to widen the scope of selection and to attract the best talent. The amendment in the Recruitment Rules, the consultation with Department of Personnel and Training and UPSC took a considerable time. The post was advertised, based on the amended Recruitment Rules and the process of filling up the post is at an advanced stage. In the meantime, Ministry of Finance has taken a view that the post is "deemed" to have been abolished in accordance with the orders dated the 3rd of May, 1993 issued by the Ministry of Finance, as it has remained vacant for more than one year. This Department is not agreeable to such a view being taken, as efforts were being made by this Department to fill up the post since 1993. However, orders are being sought to revive the post. Further action to fill up the post will be taken thereafter.

*(ii) Horticulture Commissioner*

The post of Horticulture Commissioner (in the pay scale of Rs. 5900-6700) was created in the last 70s and is being continued on a year to year basis. The continuation of this post on a year to year basis is being done in accordance with the guidelines issued by the Department of Personnel and Training whereby temporary post above the level of Deputy Secretary in the Secretariat of Government of India, are not made permanent, as such posts are generally held either on tenure basis by officers of the organised services who hold liens on substantive posts in their parent cadres or by officers of the Central Secretariat Service and the temporary nature of such posts does not affect anybody adversely. However, in order to obviate the necessity of having to extend such posts on yearly basis, posts above the level of Deputy Secretary which has been in existence initially for three years on a year to year basis, can be categorised as "continuing post" and their continuance sanctioned for a block period of 5 years. It will therefore, not be possible to convert this post into a permanent one.

The post of Horticulture Commissioner is presently filled up and the term of the present incumbent is upto 31.3.1997. Action has already been initiated to fill up the post well in time.

*(iii) Fertilizer Commissioner*

A temporary (Non-Plan) post of Commissioner (Fertilizer-Technical) in the pay scale of Rs. 4500-5700 was created in 1991 and as the Recruitment Rules were to be framed, the current charge of the post

was entrusted to Dr. M.R. Motsara with effect from 9th August, 1991 till 8th October, 1994.

Action for framing of Recruitment Rules was initiated in consultation with Department of Personnel and Training and UPSC. The framing of Recruitment Rules took considerable time and the post could not be filled up on regular basis. It was deemed to be abolished in accordance with the orders issued by Ministry of Finance whereby any post remaining vacant for more than one year was/is "deemed" to be abolished. The post is being recreated in consultation with Ministry of Finance.

As per existing guidelines issued by the Department of Personnel and Training posts above the level of Deputy Secretary in the Secretariat, Government of India are created on a temporary basis as they are held either on tenure basis by officers of the organised service who hold lien of substantive post in their parent cadre or by officers of Central Secretariat Service and the temporary nature of these posts does not affect anyone adversely. If the post of Fertilizer Commissioner is created, then the same would again be on a temporary basis and as per the practice being followed, the tenure of the post would range from 2 to 5 years and, as such, cannot be made permanent according to the existing guidelines on the subject.

#### **Comments of the Committee**

1.12 The Committee note that the senior decision-making positions such as the Agriculture Commissioner, the Horticulture Commissioner and the Fertilizer Commissioner etc. were kept vacant for years together on the flimsy grounds of amendment of recruitment rules which appeared to be an interminable process that continued for years. The Committee deprecate the practice of keeping posts vacant on the plea of framing of recruitment rules and they desire that these important posts should always be manned and the process of amendment of recruitment rules should be delinked from the entire process and should be made applicable as and when the rules were finalised. The Committee also do not approve of the practice of treating the senior technical/scientific posts of Agriculture Commissioner, Fertilizer Commissioner, Horticulture Commissioners etc. similar to the posts held on deputation/tenure basis by generalist officers of various organised services. They wish to point out that

these scientific posts form a class in themselves and recommend that the rules applicable to generalists should not be applied in respect of these posts. The Committee find the concept of "continuing posts" in respect of these technical posts a convenient ploy invented by the Department of Personnel and Training to have their way in not according due importance to the posts to be held by experts and scientific personnel on a continuous basis. The Committee, therefore, reiterate their recommendation that the technical and scientific posts in the rank of Commissioner and below in the entire Ministry of Agriculture should be declared as permanent posts and should never be kept vacant on the plea of reformulating recruitment rules etc. The Committee desire that the observations of the Committee should be brought to the notice of the Ministry of Personnel and the Ministry of Finance so that these posts should not be deemed to have been abolished as they had remained vacant for more than a year simply because of administrative delays in finalising the matter. The Committee recommend that none of these technical posts should be abolished and within the next six months they should be filled up under intimation to the Committee. The Committee further note that the Government have not replied to the recommendation of the Committee regarding the management of the Agriculture Ministry by experts/scientists of high calibre and eminence at the highest level. The Committee, therefore, recommend that the Government should take a quick review of the policy of manning of all the posts in the Agriculture Ministry by experts/scientists and reorient the entire personnel policy in regard to all the senior posts in all the Departments under the Agriculture Ministry so that right support for the development of the Agriculture Sector is provided by the Government in future. The Committee have taken a very serious note and further desire that all the key posts should be filled up within 6 months and in case of any failure in this regard, responsibility should be fixed for the lapse.

#### **Recommendation Sl. No. 23 (Para 11.6)**

##### *Input Supply to Farmers through Cooperatives*

1.13 The Committee note that Cooperative efforts in agriculture sector was initiated to check the exploitation of farmers by the private sector and to ensure availability of necessary inputs at reasonable prices. It was also intended to strengthen the Cooperative marketing network to ensure remunerative prices to the farmers through market interventions. In respect of establishing a strong network of input

supply-line down to the village level, barring a few States like Gujarat and Maharashtra, the system has not been functioning effectively. The Committee feels that the department should conduct a thorough study of this very big, but very essential ingredient of the cooperative movement. The country's farmers will be greatly helped, if the needed inputs such as seeds, fertilizers, pesticides etc. are made available at the doorstep of the farmers.

### **Reply of the Government**

1.14 The Market Intervention Scheme (MIS) is an *ad hoc* scheme. Under this Scheme, horticultural commodities and other agricultural commodities which are perishable in nature are included. A particular commodity is included in the MIS only on the request of a State Government which is ready to bear 50% of the loss, if any, in its implementation. The Market Intervention Price (MIP) is finalised after mutual consultation between the Department of Agriculture & Cooperation, Ministry of Agriculture and the State Government concerned, based on the cost of production and the ruling market rates at producing centres/markets during the last three to five normal years. The Government of India bears only 50% of the loss, if any. Purchases under the Scheme are continued till the prices stabilise.

### **Comments of the Committee**

1.15 The Committee are unhappy at the incomplete and evasive reply furnished by the Department. The Committee had specifically recommended that Department should conduct a thorough study of the functioning of co-operative system in respect of establishing a strong network of input supply-line down to the village-level. The Department has not replied to this important recommendation. The Committee, therefore, desire the Department to take immediate action on the recommendation and furnish the action taken reply to them within three months.

### **Recommendation Sl. No. 24 (Para 11.7)**

#### *Non-Implementation of EEC assisted Fisheries Cooperative Programme*

1.16 The Committee note that in 1989 an agreement was signed with EEC for an Inland Cooperative Fisheries Development Project and an outlay of Rs. 32.27 crores was made in the Eighth Plan. The

Committee are disappointed to note that throughout the Eighth Plan period the scheme was not put into operation and consequently not a single rupee was spent on the programme. The Committee have been informed that the EEC stipulated a new condition that the scheme could be taken up only in one State on Pilot basis and experts of their choice have to be appointed. The Committee find that all these four years, the Government could not resolve the issue of the new conditions and the programme remained only in papers.

### **Reply of the Government**

1.17 The Department of Agriculture & Cooperation has repeatedly requested the EEC to approve the Inland Cooperative Fisheries Development Project in terms of the Original agreement. On the request of this department and the instance of the Department of Economic Affairs several discussions were also held with the representatives of EEC during the last four years to resolve the issues involved but the EEC did not accede to this Department's request.

### **Comments of the Committee**

1.18 The Committee are disappointed to find that the EEC assisted Inland Cooperative Fisheries Development Project could not be implemented at all, although the Eighth Plan provided an outlay for the scheme. The Committee find that a dead-lock over the scheme was allowed to continue for more than four years due to the intransigent attitude on the part of both the sides and the net result of this deadlock was that precious foreign assistance that was readily forthcoming to this already neglected sector could not be made use of. The Committee feel that there is a serious systemic inadequacy in the matter of utilising foreign assistance to development programmes which leads to a situation of stale-mate and the country is put to a great loss. The Committee take a very serious view of the negligent attitude of the Government due to which precious foreign aid could not be utilized in favour of the most neglected persons of this country engaged in fishing activities. The Committee, therefore, feel that the whole working arrangements and the procedures adopted for finalising foreign funding of projects deserve a thorough re-look in the light of the above-mentioned instance and they recommend that the Ministry of Agriculture and the Ministry of Finance should urgently analyse the matter so that remedial steps are incorporated in the procedures with a view to eliminate situations of dead-lock.

### **Recommendation Sl. No. 25 (Para 11.7)**

#### *Inclusion of Fisheries Cooperatives in the Scheme for Weaker Section*

1.19 The Committee also find that there is another 100% Centrally assisted programme known as "Assistance to Cooperative for Weaker Section" programme which is meant for organisation of Cooperatives of Weaker Sections with a view to improve their economic conditions. The Committee find that there is no mention about organisation of fisheries cooperative under this programme. Under this programme, the Committee find only 546 out of the Eighth Plan target 1050 societies have been assisted and only a sum of Rs. 5.48 crores has been spent out of Rs. 7.41 crores allocated in the budgets from 1992-93 to 1995-96.

### **Reply of the Government**

1.20 The Committee noted that only 546 out of the Eighth Plan target of 1050 societies have been assisted and only a sum of Rs. 5.48 crores has been spent out of the Rs. 7.41 crores allocated in the budgets from 1992-93 to 1995-96. The shortfall was due to the reason that in 1992-93 as per the pattern of the scheme there was matching contribution from the State Govts. From the year 1993-94 onwards, this was done away with and the quantum of assistance also increased from Rs. 35,000 to per Weaker Section Cooperative Society to Rs. 1.00 lakhs and it was made 100% Central assistance. Accordingly the response from the State Govts. was very good. As regards scheme in the cooperative sector for the organisation of fisheries cooperatives, the present scheme does not have any provision to include the Fishermen's Cooperatives. However, steps can be taken to include the same in the Budget Estimates of Ninth Five Year Plan.

### **Comments of the Committee**

1.21 The Committee find the reply of the Ministry that steps can be taken to include the fisheries cooperatives in the ambit of the 100% Centrally assisted programme known as 'Assistance to Cooperatives for Weaker Sections'. The Committee do not appreciate this kind of vague replies which does not indicate whether or not



the Government have accepted the recommendation of the Committee and have taken a final and conclusive steps to implement the recommendation. The Committee feel that the manner and language in which the reply has been couched is indicative of the scant regard that the government has for a Parliamentary Committee and they strongly denounce this practice. The Committee reiterate this earlier recommendation about the inclusion of fisheries cooperatives in the 100% centrally assisted scheme and they desire that the Budgetary estimates during the Ninth Plan period should necessarily reflect this inclusion.

### **Recommendation Sl. No. 26 (Para 11.7)**

#### *Automatic Universal Membership for Fishermen in Cooperatives*

1.22 The Committee observe that the matter of organisation and development of fisheries cooperatives has not been given due attention by the Government. They recommend that the Government should come up with a proper scheme in the cooperative sector for the organisation of fisheries cooperatives which should provide for automatic universal membership of all the fishermen by paying the entire share money on their behalf, as virtually nothing has been done in the Eighth Plan period for the development and sustenance of the Fisheries Cooperatives.

### **Reply of the Government**

1.23 Since Cooperative is a State Subject, Organisation and Registration of the Fisheries Cooperative is the concern of State Govts. through Director Fisheries/Registrar, Cooperative Societies.

### **Comments of the Committee**

1.24 The Committee are not satisfied with the mechanical and irresponsible reply of the Government that the recommendation relates to a State subject. When the recommendation was made by the Committee, they were fully aware as to how cooperative societies are organised and the role of Union Government in providing general policy advice on such subjects. The Committee expect that the Union Government should forthwith communicate the contents of their recommendation to all the State Governments and Union Territories

**so that they may reorient their role in respect of cooperatives which have a focus on the weaker sections of the society.**

The Committee further note the argument of the Department of Agriculture and Cooperation that 'Cooperation' is a State subject and therefore they feel that there is no need for having a cooperative division with the present size and paraphernalia in the Ministry and as such they recommend that the entire Division should be wound up in the interest of economy leaving only two desks to deal with multi-state cooperative law and the National Cooperative Development Corporation. The Committee expect an immediate compliance report in this regard.

## **CHAPTER II**

### **RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT**

#### **Recommendation Sl. No. 2 (Para Nos. 3.7 & 3.8)**

##### *Low Productivity of Pulses*

2.1 Because of the strategy of multiple and inter cropping contained in the National Pulses Development Project, this appears to be a good alternative for increasing the area under the Pulses cultivation and also the yield per unit area. However, the Committee are of the view that the area under Pulse cultivation has been steadily going down and giving way to highly profitable, irrigation intensive crops. There is a certain amount of defraction in the attitude of the Government in dealing with pulses. Although the Government has identified the major problems affecting the pulses production, no proper strategy has been evolved to address them. In the opinion of the Committee, the major problems are (i) diversion of area from pulses as and when irrigated and (ii) lack of genetic break through. The Committee feel that to tackle the problem of diversion, the Government must formulate proper price policy which must include price support operation for pulses so that cultivation of pulses would become an attractive proposition for the farmers. To take care of the problem of lack of genetic break through there should be greater co-ordination with the scientific institutions/organisations so that greater efforts are made in the field of genetic research in pulses. The Committee feel that these two areas should receive much more attention than what the Government has been able to give so far.

The Committee has noted that despite the pulse production programme having been undertaken on a mission basis, there is no appreciable increase in the productivity of pulses. The shortage of pulses led to decreased per capita availability and at the same time soaring prices makes it difficult for the common man to be able to use pulses in their diet.

#### **Reply of the Government**

2.2 After the inclusion of pulses under the ambit of Technology Mission from August, 1990, an increasing trend in the productivity of

pulses has been observed. The average productivity of pulses has increased from 555 kg. per ha. during the triennium ending 1989-90 i.e. prior to the inclusion of pulses under the Technology Mission to 594 kg. per ha during the triennium ending 1994-95. However, increase have not been very appreciable because of the limit actions like cultivation of pulses in unirrigated marginal lands with low fertility, low input use by the farmers on low profitability grounds and the lack in any genetic break-through. The decreased per capita availability of pulses is because of disproportionate increase in population and comparatively slow growth in pulses production.

Arhar, Gram, Urad and Moong are already covered under the Minimum Support Price. For having incentive prices for pulses so as to attract farmers to cultivate pulses on irrigated lands and not to divert these areas to other crops, the issue, has been taken up with the Commission for Agricultural Costs & Prices (CACP).

For achieving a break through in varietal development the ICAR has been requested to initiate suitable measures.

#### **Recommendation Sl. No. 3 (Para No. 3.9)**

##### *Inadequate Multiplication of seeds of Pulses*

2.3 From the reply furnished by the Department regarding Shortfall in the achievement of various targets such as distribution of certified seeds the Committee noted that due to varietal mismatch the seeds of desired variety could not be multiplied in sufficient quantities. The State Governments did not lift the breeder seeds resulting in inadequate multiplication of foundation and certified seeds and the State Seeds Corporation found the multiplication of pulses seeds less remunerative. The Committee would like to know as to what steps the department would take to rectify these bottle-necks in future. The Committee also noted that under block demonstration the achievement has been to the extent of 80% and would like to be informed about the impact of these demonstrations on the productivity of pulses.

#### **Reply of the Government**

2.4 To overcome the problem of varietal mismatch and inadequate multiplication of foundation and certified seeds of pulses and existing system of production of breeder seed by the ICAR and its further multiplication by Central and the State Seed

Producing Agencies will be strengthened. The seed village scheme under the National Pulses Development Project will be implemented with greater effectiveness.

The main purpose of block demonstrations is to ensure effective transfer/adoption of improved pulses production technology amongst the farmers. By organising block demonstrations, an awareness about the use of monetary and non-monetary inputs has been created among the farmers which has contributed in improving the productivity. The productivity of pulses has increased from 549 kg. per ha. in 1989-90 to 609 kg. per ha. in 1994-95.

#### **Recommendation Sl. No. 4 (Para Nos. 4.9 & 4.10)**

##### *National Watershed Development Project for Rainfed Areas (NWDPA)*

2.5 Considering the need to bring under cultivation the hitherto neglected vast rainfed area comprising about 68% of the cultivated area, the Ministry has appropriately launched a centrally sponsored scheme National Watershed Development Project for Rainfed Areas. The Committee, however, are concerned about the slow pace of implementation of this scheme, as against the VIIIth plan allocation of Rs. 1100 crores, the release of funds during the last four years has been only Rs. 596.17 crores. Assuming that the outlay of Rs. 198 crores for 1996-97 would be fully utilised, the Department would be able to utilise only Rs. 794.17 crores leaving a gap of Rs. 306 crores which is about 30% of the total plan outlay.

Since rainfed areas need to be developed on priority, the Committee recommend that the Department may examine the reasons for shortfall in the utilisation of funds and undertake appropriate corrective measures including strengthening of manpower and infrastructure both at Central and State level. Keeping in view the need for multi-disciplinary experts for adept handling of watershed development schemes, professionals/experts of high calibre should be appointed at the Central level as well in the States.

#### **Reply of the Government**

2.6 The Committee has observed that there is slow pace of implementation of the scheme. Against the approved outlay of Rs. 1100 crores for the VIII Plan, the funds actually allocated are

Rs. 944 crores only. Since there was an unspent balance of Rs. 130 crores at the beginning of VIII Plan, an amount of Rs. 1074 crores (Rs. 944 + 130 crores) was available for VIII Plan. During discussion at the recently held National Conference on Agriculture and the Rabi Conference, the State Governments have indicated that they may be able to utilise a cumulative amount of Rs. 915 crores under NWDPRP by the end of VIII Plan against the above said allocation of Rs. 1074 crores. This leaves a gap of Rs. 159 crores only which is about 16% of the total allocation made.

However, to ensure timely and maximum utilisation of funds and to step up the pace of implementation, the following measures have been taken :

- (i) The State Governments/UTs have been requested to prepare annual action plans in respect of the works to be executed under NWDPRP.
- (ii) Intensive monitoring by conducting National/Regional/State level Reviews have been taken up to review the progress of the project. So far 3 National Reviews, 4 Regional Reviews and about 50 State level reviews have been conducted.
- (iii) Three meetings of National Watershed Development Policy and Implementation Committee (NWDPIC) were held under the Chairmanship of Union Secretary (Agriculture & Cooperation) which provides the overall policy framework and monitors the progress of the project.
- (iv) The issue of utilisation of funds is also discussed during the other conferences of the Ministry of Agriculture in which the State Governments participate. Recently the progress of NWDPRP in different States has been reviewed during the National Conference on Agriculture for the Rabi Campaign.

Initially the pace of implementation of the project was slow because the project envisages identification and survey of the project area. One model micro-watershed for each agro-climatic zone was sanctioned at the level of Govt. of India and based on the model project the State Govt. prepared subsequent project proposals which were approved by the State Level Sanctioning Committee. It also took sometime to disseminate the technology under the project to the field level.

The following corrective measures have been taken:

- (i) Detailed guidelines on various aspects of watershed development have been brought out.
- (ii) Comprehensive training programmes have been launched for the Subject Matter Specialists of the line departments and field functionaries in all the States/UTs.
- (iii) Intensive monitoring by conducting National/Regional/State level Reviews have been taken up for qualitative improvement in planning and implementation of NWDPR.
- (iv) In order that no time is lost for identification, survey and projectisation during IX Plan period and full five year period of IX Plan remains available for the project implementation, State/UT Governments have been requested to complete this process during the remaining period of VIII Plan.

In view of the recommendation of the Parliamentary Committee, the requirement of infrastructure facilities and additional manpower for Rainfed Farming Systems Division are being assessed for improving the implementation of the project during the ensuing IX Five Year Plan.

#### **Recommendation Sl. No. 8 (Para No. 7.13)**

##### *Steps to Increase area Under Cultivation*

2.7 Committee desire that in order to improve production the area under cultivation should be increased and the department should ensure optimum and timely availability of inputs such as water, fertiliser, pesticides and machinery to the farmers. Further, the Committee desire that the Union Government should contemplate taking some steps to make these important programmes more attractive which may induce the State Governments as well as the user agencies to implement these schemes in letter and spirit.

#### **Reply of the Government**

2.8 Though there is not much scope for area expansion. However, land reclamation efforts may bring some area under cultivation. Steps are being taken to increase gross area under crops through increasing the cropping intensity etc. A mechanism also

already exists in the Department to monitor regularly the supply of adequate quantity of the agriculture inputs like fertiliser, seeds, pesticides, credit etc.

**Recommendation Sl. No. 9 (Para No. 7.14)**

*Analysis of Crop-wise Productivity Scenario*

2.9 The Committee further, feels that under the given scenario in which the productivity of major foodgrain crops namely wheat and rice has reached a plateau in the State of Punjab, Haryana, U.P., Rajasthan, M.P. and many other States, the existing schemes of the Ministry may not be adequate to meet the targets of production. The Committee would, therefore, recommend cropwise productivity scenario in each State should be thoroughly analysed to find out the constraints with regard to infrastructure and technological requirements and re-orient the various schemes accordingly to bridge the deficiencies.

**Reply of the Government**

2.10 The approach paper for the 9th Five Year Plan already submitted to the Planning Commission envisages re-orienting the development schemes with appropriately reformulated strategies based on analysis of the constraints.

**Recommendation Sl. No. 11 (Para No. 7.18)**

*Remunerative Prices for Sugarcane Growers*

2.11 As regards sugarcane, the Committee noted that the department had initiated a scheme called Sustainable development of Sugarcane Based Cropping Systems in the year 1995-96. Incidentally in some States e.g. U.P. and M.P. There was bumper sugarcane crops and the farmers had to suffer huge losses due to the sugarmills not being able to consume the entire sugarcane production. The Committee, therefore, recommend that the Department should either in the existing scheme or through the new schemes make a provision for adequate compensation for the losses suffered by the farmers in the event of sugarmills not honouring their commitment to purchase the produce from the farmers. The Committee recommend that the number of sugarmills should be adequately increased all over the country. The utilisation of by-products in the sugar-mills should be properly exploited and



this should be looked into by drawing up suitable schemes. The Government should ensure that remunerative prices are paid to be sugarcane growers.

### Reply of the Government

2.12 This recommendation of the Committee is on crushing of Sugarcane by mills which is the concern of Ministry of Food. Accordingly, the matter was referred to that Ministry for their comments. These are as under :—

It may be indicated that as against 1475.98 lakh tonnes of sugarcane crushed during the whole season 1994-95, the sugar-mills during the current 1995-96 season have crushed a quantity of 1670.64 lakh tonnes upto 30.6.96. As such, the mills have crushed the available sugarcane to the maximum extent possible.

As on 31.7.96, a total number of 615 letters of intent/licences have been granted involving an annual sugar production capacity of 231.535 lakh tonnes. Out of these, 447 *sugar factories* having total annual sugar production capacity of 127.673 lakh tonnes *have been installed*. The remaining letters of intent/licences are under various stages of implementation.

The two main by-products of sugar industry are bagasses and molasses. Molasses is mainly utilised for the production of alcohol and bagasses as a fuel in the boilers of the sugar factories. The surplus, if any, is diverted for production of paper, news print, etc. Ministry of Chemicals and Fertilisers is dealing with the aspects relating to production of alcohol from molasses and Ministry of Industry with regard to production of paper and news print from bagasses.

So far as remunerative sugarcane price is concerned, Statutory Minimum Price (SMP) has been increased from Rs. 39.10 per quintal for the season 1994-95 to Rs. 42.50 per quintal for the season 1995-96. An advance announcement has also been made in respect of the cane price for the season 1996-97 to the rate of Rs. 15.90 per quintal. However, sugar factories are paying State Advised Prices (SAP) which are substantially higher than SMP. SAP in respect of Bihar, U.P. and Haryana ranged between Rs. 70 - Rs. 75 per quintal of Sugarcane during the season 1995-96.

**Recommendation Sl. No. 13 (Para No. 8.16)**

*Restructuring of Fishery Schemes*

2.13 With regard to Scheme for Development of Fresh Water Aquaculture and Development of Brackish Water Fish Farm the Committee desire that the Union Government should contemplate taking some steps to make these programmes more attractive which may induce the State Governments to fully utilise the funds for the successful implementation of these programmes.

**Reply of the Government**

2.14 The recommendation has been noted. Steps have been initiated to obtain the suggestions of the State/U.T. Governments to restructure and revitalize the schemes of 'Development of Fresh Water Aquaculture' and 'Development of Brackish Water Aquaculture'. The recommendation of the Committee will be complied with while formulating the revised scheme.

**Recommendation Sl. No. 14 (Para No. 8.16)**

*Adequate Staff for FFDAs*

2.15 The Committee also recommend that the States should be persuaded to deploy adequate technical staff in FFDAs and in the Fisheries Department of the States.

**Reply of the Government**

2.16 The recommendation is noted for compliance.

**Recommendation Sl. No. 15 (Para No. 8.16)**

*Shrimp Farming*

2.17 Regarding shrimp disease, the Committee recommend that suitable mitigatory measures should be worked out on an urgent manner. The States should be asked to educate the shrimp farmers to undertake timely preventive measures and suitable financial incentives should be given to the small and marginal farms to take up shrimp farming. The Committee also expect the Government to ensure that the physical achievements are commensurate with the expenditure incurred thereon.

**Reply of the Government**

2.18 The recommendation is noted for compliance.

### **Recommendation Sl. No. 16 (Para No. 9.5)**

#### *Shortfall in Expenditure in the Horticulture Sector*

2.19 The Committee note that against the total VIII Plan outlay of Rs. 1000 crores for development of horticulture, the budgetary allocations in the first four years of the Plan period was Rs. 592.90 crores and even out of this allocation, the actual expenditure was only Rs. 497.50 crores, leaving Rs. 95.40 crores unutilised. The Committee are not happy with the poor financial performance in the horticulture sector, and expect that the allocation of Rs. 191.55 crores for 1996-97 should at least be fully utilised by gearing up the implementation machinery both in the Central and State Governments.

#### **Reply of the Government**

2.20 The observations of the Committee in the context of the financial progress of implementation of the schemes in the horticulture sector during the first four years of the VIII Plan *inter alia* that the Committee expects that the allocation of Rs. 191.55 crore for the year 1996-97 should be fully utilised by gearing up the implementation machinery both at the central and state level have been noted. In this connection, all the States have been impressed upon the need for effective implementation of the schemes in order to ensure that funds are fully utilised for the development of horticulture in the country.

### **Recommendation Sl. No. 17 (Para No. 9.7)**

#### *Delay in Sanction of Schemes of National Horticulture Board*

2.21 The Committee note that development of infrastructure is one of the thrust areas envisaged in the 8th Plan. However, the schemes put forward by National Horticulture Board, for the development of infrastructure and for promoting the use of improved technology for post harvest management and marketing of horticulture produce was sanctioned in June, 1994 only. The Committee do not approve of such delays in sanctioning schemes as late as June, 1994, while the 8th Plan commenced in 1992-93. Therefore, the Committee desire that the Ministry must make sincere efforts for implementing the schemes in time and utilise all the funds allocated for the Board.

### **Reply of the Government**

2.22 While schemes were sanctioned in June, 1994 there was some delay in their sanction and consequent proposals under them. NHB has taken advance action by framing guidelines, awareness campaigns, providing technical guidance for Project formulation etc. with respect to effective utilisation of funds for infrastructural development. Thus, Board was able to sanction/approve soft loan for Rs. 63.69 crores, against budgetary outlay of Rs. 54.30 crores, registering higher sanction by 17.3% during 1994-95 and 1995-96 with a view to maximum utilisation of funds. This increase is manifold than earlier years.

Sincere efforts are being made to utilise the allocated budget under various schemes of the Board during current financial year which is the last year of 8th Plan.

#### **Recommendation Sl. No. 18 (Para No. 9.10)**

##### *Utilisation of funds for drip irrigation in Horticulture*

2.23 The Committee note that the Ministry had set up physical targets for achievement in respect of drip irrigation on an year-to-year basis depending upon the quantum of funds made available to them each year. The Committee feel that the physical targets set by them appear to be on the lower side in view of the high target of 1,39,185 hectares for the entire 8th Plan. Even against a target of 79850 hectares for the first four years of the 8th Plan, the physical achievement is only 77,977 hectares and the expenditure made was Rs. 138.78 crores out of Rs. 150.00 crores. The Committee expect that the allocation of Rs. 50 crores for 1996-97 should be fully utilised and the physical targets for 1996-97 should be fully achieved.

### **Reply of the Government**

2.24 The enhanced rate of subsidy on drip irrigation 1996-97 has started showing results. Information received from the States show that the farmers are proposing to bring larger areas under drip irrigation this year. Thus, it is envisaged that the current year's allocation of Rs. 50.00 crore will be fully utilised during the current financial year i.e. 1996-97 and the physical target also met.

### **Recommendation Sl. No. 20 (Para 9.13)**

#### *Establishment of Horticulture Nurseries for Supply of Adequate Sapling*

2.25 The Committee note that under the scheme for Integrated Development of Tropical, Arid and Temperate zone fruits against a target of 522 small nurseries for the first four years of the 8th Plan, only 249 could be established and the achievement in respect of big nurseries is only 30 out of 69. The Committee have been informed that the targets have been scaled down considering the achievement and also the few number of requests from the State Governments. The Committee are not satisfied with the poor performance of the Government in this regard and wish to point out that the nurseries form the most important key input that supplies the necessary saplings required by the farmers for the development of horticulture in the country. The Committee do not understand as to how the Government can hope for the development of horticulture if they could not establish in sufficient numbers the big and small nurseries which supply the necessary high-yielding saplings to the farmer. The Committee, therefore, recommend that the Government should pay special attention to the task of establishment of nurseries all over the country under all the horticultural development programmes so that the ambitious goals of production and export are achieved in full by proper and adequate supply of saplings.

### **Reply of the Government**

2.26 The observations of the Committee have been noted for follow-up action. The targets for components like big/small nurseries had to be scaled down as these involved infrastructure development including availability of land which was one of the major constraints. However the position of planting material for various horticulture crops as such, presently, is more or less comfortable. In order to further intensify the efforts in this direction, it is also now proposed to organise Zonal Conferences with the States. As regards the IXth Plan, the State Governments in this context have also been requested to furnish their planting material requirement of various fruit crops indicating the present potentiality of the State to fulfil the norms so that adequate efforts are taken in this direction while formulating programmes for the IXth Plan.

### **Recommendation Sl. No. 21 (Para 10.8)**

#### *Infrastructure Development in Seeds Sector*

2.27 The Committee feel that the seed sector needs to be geared up adequately to meet the growing demands for quality seeds. Both the seed production and seed distribution needs to be streamlined to ensure timely availability of seeds at the doorstep of the farmers. The agencies/organisations which are lacking in responsibility should be held accountable for the shortfalls in the production and distribution. The gap, if any, in the infrastructure in the seed sector should be bridged at the earliest. The Committee may be informed of the steps taken to improve the performance of seed sector.

#### **Action Taken Reply of the Government**

2.28 The production and distribution of certified/quality seed has increased impressively over the years. Distribution of certified/quality seed has increased from a level of 57.10 lakh quintals in 1990-91 to 68 lakh quintals in 1995-96. It is expected to reach a level of 70 lakh quintals in 1996-97 which is the target for the terminal year of the VIII Plan. It is projected to reach a level of 109 lakh quintals by the terminal year of the IX Plan.

The Schemes of the Seeds Division are oriented towards strengthening the seed production and distribution infrastructure. The National Seeds Project-III which was implemented between March 1990 and June 1996 with World Bank assistance of US \$ 150 million has made a significant contribution to the development of infrastructure in the seeds sector. Under the Project, assistance was provided to the National Seeds Corporation, State Farms Corporation of India and 11 State Seeds Corporations for financial and organizational restructuring, capital investment for storage and processing infrastructure, purchase of machinery and equipment and implementation of cost reduction measures. Assistance was provided to 10 State Seed Certification Agencies for development of quality control infrastructure. Assistance was also provided to more than 60 institutions of ICAR/SAUs for strengthening research for varietal development and facilities for breeder seed production.

The infrastructure development programme undertaken under NSP-III is being continued under the newly launched "National Programme for Varietal Development". Under this scheme assistance

is being provided for critical investments in State Seed Farms, for improving operational efficiency of Seed Testing Laboratories and Seed Certification Agencies and for upgrading technical skills of manpower in the seed sector. The seed sector is also poised to exploit export opportunities in a big way. The private sector is also being encouraged to play a significant role in the production and distribution of quality seeds.

### **Recommendation Sl. No. 27 (Para 112.7)**

#### *Soil Conservation in River Valley Project Areas*

2.29 The Committee note with concern the improper use of funds under the soil and water conservation programmes and the low achievement levels in regard to physical targets. The monitoring of siltation of major/medium irrigation dams done by Central Water Commission has revealed that the life of these reservoirs/dams has decreased considerably. The Department has a scheme entitled Soil Conservation in the catchment areas of river valley projects which has been under implementation for a very long period. Besides there are a number of other schemes on Soil and Water Conservation also under which huge sums are being spent.

The Committee recommend that a thorough review of these schemes should be undertaken in a time bound manner to ascertain the reasons for ineffectiveness of these schemes in checking the siltation of the reservoirs and based upon the findings a thorough restructuring of all Soil and Water Conservation Schemes should be undertaken. This is of paramount importance in view of the fact that if the siltation keeps taking place cutting short the life of the reservoirs, the entire irrigation network may go hywire endangering the country's good security. Effective steps should also be taken to check labuse of funds meant for Soil and Water Conservation Works.

### **Reply of the Government**

#### *Centrally Sponsored Scheme of RVP*

2.30 Centrally Sponsored Scheme of Soil Conservation in the catchments of River Valley Projects (RVP) is being implemented in 31 catchments spread over in 18 States. Out of 31 catchments, 4 catchments namely Thein Dam Project, Sardar Sarovar Project, Upper Kolab and Upper Indravati, were included during 8th Five Year Plan after approval from the Planning Commission. The catchments of Upper

Kolab and Upper Indravati have been included during 1995-96 and the surveys of these catchments by All India Soil & Land Use Survey Organisation is in progress.

The approved outlay for RVP scheme for 8th Plan is Rs. 400 crores with a physical target of 10.5 lakhs ha.

The annual allocation and utilisation under the scheme are as follows :

(Rs. in crores)		
Years	Yearly allocation	Utilisation
92-93	45.00	37.70
93-94	57.97	54.97
94-95	60.00	61.60
95-96	65.00	66.50
Sub-Total	227.97	220.77
96-97	65.00	65.00 (anticipated)
Total	292.97	285.77

Out of total allocation of Rs. 400 crores for 8th Plan an amount of Rs. 227.97 crores (57%) was allocated during first four years of the 8th Plan. During this period an amount of Rs. 220.77 crores has been utilised which is 96.8% of allocated funds. During 5th Year, the allocation is Rs. 65 crores and it is likely that entire funds would be utilised. The utilisation under the scheme during first two years of 8th Five Year Plan was low because the proposals from State Governments were not received in accordance with the revised guidelines. However, later it was improved but funds were not available inspite of demands.

3. The physical achievement during first 4 years of the 8th Five Year Plan is 5.46 lakh ha. which is 52% of the projected target of 8th Plan. The short-fall in physical achievement is mainly due to lower level of yearly allocation however, progress is proportionate to the available funds.



4. One of the objectives of the scheme is to minimise the high rate of siltation of reservoirs due to soil conservation treatment of catchment areas. There is no regular survey of siltation of reservoirs either by Union Ministry of Water Resources or by State Irrigation Departments. However, Central Water Commission, Ministry of Water Resources, has brought out a Compendium on Silting of Reservoirs in India (Jan. 91) giving the sediment data in respect of 46 reservoirs of the country out of which 14 catchments of the reservoirs are covered under RVP scheme. The data on sedimentation in respect of the 14 reservoirs (Annexure I) indicate that there is a trend of reduction of sedimentation rates in 8 reservoirs namely Panchet, Maithon, Mahi (Kadana), Tungbhadra, Gandhisagar (Chambal), Hirakud, Lower Bhawani and Kundah. In respect of three reservoirs namely Pochampad, Nizamsagar and Mayurakshi, the first survey (initial) data on sedimentation are not available and, therefore, trend can not be ascertained. In case of Pong Dam (Beas) and Ukai data show an increasing trend.

5. Under the scheme, only high and very high (Priority) watersheds are being treated out of 5 categories of watersheds *i.e.* Very High, high, medium, low and very low delineated by All India Soil & Land Use Survey Organisation. The priority area is only 27% (20.7 M.ha.) of total catchment area of 76.82 M.ha. and, therefore, remaining 73% remains un-treated. Even out of priority area till 95-96 only 3.06 million ha. (15%) have been treated. The rate of treatment has been very slow whereas the rate of degradation in the catchment areas has increased due to over exploitation of resources, increased pressure of human and livestock population etc. These are the main causes of less significant effect of treatment in overall reduction of sedimentation at reservoir level.

6. The implementation of the scheme is being reviewed, monitored and evaluated regularly. In addition to regular internal monitoring, the Soil & Water Conservation programmes have been evaluated by outside agencies such as Administrative Staff College of India, Hyderabad, Agriculture Finance Corporation Ltd., Bombay, Centre for Management, Development, Trivandrum, Institute for Resource Development and Social Management, Hyderabad etc.

These evaluation studies have indicated that Soil & Water Conservation programmes are effective in controlling the sedimentation in the reservoirs but have recommended for more comprehensive treatment measures. Keeping in view the recommendations of these evaluation report, suggestions made by State Governments and in consultation with ICAR and Central Ministries, the guidelines of the Scheme were revised during 8th Plan giving thrust to sustainable treatment measures, involvement of beneficiaries in the programme, projectised approach for the treatment etc. during 9th Five Year Plan more focus would be given on involvement of people, water harvesting structures and silt detention dams and larger coverage by pooling the financial resources.

7. Under Department of Agriculture & Cooperation a Committee has been constituted (Standing Committee) under the Chairmanship of Additional Secretary to review the Centrally Sponsored Scheme of RVP on regular basis annually. For effective review, all the 31 catchments have been grouped into four regions *i.e.* (i) Himalayan Regions; (ii) Central Plateau regions; (iii) Deccan Nilgiris Regions; and (iv) Southern Plateau and Plains. During 8th Five Year Plan, the meetings of the Review Committee have been held regularly and during current year also, a programme of review meetings to be held has been finalised.

The implementation of the scheme would be reviewed in detail during these meetings. Recommendations that emerged would be adopted to overcome the shortcomings in the programme of implementation. In addition Joint Inspection Teams have been constituted which have officers from State and Central Governments. This team would visit the field and see the implementation of the scheme. The visits of field inspection team would be completed before end of Feb., 97. The visit of the teams and review meetings of the Standing Committee would also look into the question of proper utilisation of funds.

**COMPARATIVE STATEMENT OF ASSUMED & OBSERVED SEDIMENT PRODUCTION RATE WITH RESPECT  
TO PRIORITY AREA TREATMENT UNDER CENTRALLY SPONSORED SCHEME OF SOIL CONSERVATION  
IN THE CATCHMENTS OF RIVER VALLEY PROJECT**

Sl. No.	Name of Catchment	State Covered	Assumed	Sediment Production Rate (S.P.R. - ha.m/100 Km <sup>2</sup> /Yr.)				Priority Area (000' ha)	Area Treated Up to 84-85 (000' ha)	% Priority Area Treated	% Reduction in S.P.R.
				1st Survey		IInd Survey					
				Year	S.P.R.	Year	S.P.R.				
1	2	3	4	5	6	7	8	9	10	11	12
1.	Sriramsagar (Pochampad)	A.P.	3.57	1972	N.A.	1984	6.186	402.00	5.05	1.26	—
2.	Nizamsagar	A.P., Karnataka & Mah.	2.38	1961	N.A.	1975	4.298	504.00	36.64	7.27	—
3.	Panchet	D.V.C.	6.67	1962	12.130	1985	3.360	920.00	271.53	29.51	72.00
4.	Maithon		9.05	1963	12.530	1979	9.060				27.70
5.	Ukai	M.P., Guj. & Mah.	1.49	1979	6.200	1984	8.900	215.00	53.67	24.96	—43.00
6.	Kadana (Mahi)	Guj., M.P. & Raj.	1.30	1981	4.890	1984	2.610	890.00	60.20	6.76	46.60
7.	Pong (Beas)	H.P.	N.A.	1980	22.710	1986	39.120	452.00	18.17	4.02	—72.00

1	2	3	4	5	6	7	8	9	10	11	12
8.	Tungabhadra	Karnataka	4.29	1963	17.900	1985	9.660	872.00	180.48	20.70	46.00
9.	Gandhisagar (Chambal)	M.P. & Raj.	3.57	1976	8.960	1976	8.950	712.00	330.75	46.45	0.11
10.	Hirakud	M.P. & Orissa	2.50	1978	5.570	1984	0.700	362.00	264.33	73.02	87.40
11.	Bhakra (Sutlej)	H.P.	4.29	1958	0.030*	1987	6.530	564.00	116.28	20.62	—
12.	Lower- Bhawani	Tamilnadu	N.A.	1964	18.980	1983	0.710	91.00	10.69	11.75	96.20
13.	Kundah	Tamilnadu & Kerala	N.A.	1977	3.900	1982	2.310	73.00	26.60	36.44	40.76
14.	Mayurakshi	Bihar	3.75	1965	N.A.	1970	16.830	146.00	43.23	29.61	—

Source : Compendium on Silting of Reservoirs in India, Central Water Commission, Reservoir Sedimentation Directorate, Jan. 1991, P.P. 63 to 65.

\*Unacceptable data.

Negative sign indicate increase in S.P.R.

**Recommendation Sl. No. 30 (Para 13.5)**

*Utilization of funds under IPM Project*

2.31 (part) The Committee desire that the Department should ensure that the funds sanctioned by the Planning Commission are fully utilised for the realisation of targets earmarked.

**Reply of the Government**

2.32 The Action Plan for the terminal year 1996-97 of the 8th Plan period has already been prepared and progress of achieving the targets including the financial targets is being closely monitored. All-out efforts will be taken to achieve the financial target set-forth during the current financial year i.e. 1996-97. A copy of the Action Plan is annexed.

**Recommendation Sl. No. 31 (Para 4.12 and 4.13)**

*Demonstration under the Scheme for balanced use of Fertilisers*

2.33 For maintaining the fertility/productivity of soils, integrated and balanced use of fertilizers and manures is a must. Over the years, due to increase in use of chemical fertilizers and decline in the use of manures, soil health has greatly deteriorated. The situation has been further compounded by the decontrol of phosphatic and potassium fertilizers, as due to steep hike in the prices, the farmers are unable to use the phosphatic and potassic fertilizers in the year 1991-92. The scheme of Balanced and Integrated Use of Fertilizers was launched with the intention of strengthening of testing facilities, demonstrations on micro-nutrients, training on bio-composting and establishing compost units. The Committee notes that physical and financial targets envisage under this scheme were very small compared to the countrywide need for promoting balanced and integrated use of fertilizers. The Committee would like to know the impact of the limited efforts made under the scheme.

The Committee also strongly feels that in view of the increasing cost of chemical fertilizers, organic farming should be encouraged in a big way through a planned and determined effort. The Committee, therefore, recommends that the department may undertake a thorough analysis of what all needs to be done to maintain the soil health and

its fertility/productivity and formulate necessary schemes/programmes accordingly.

### **Reply of the Government**

2.34 Observations made by the Committee are noted. In this regard, a new component on Frontline Demonstrations on Soil Test based Crop Response has been introduced during the year 1996-97 in the Centrally Sponsored Scheme 'Balanced and Integrated Use of Fertilisers'. Demonstrations will be jointly conducted by ICAR, SAU and State Departments of Agriculture. A financial provision of Rs. one crore has been made for this component and out of this Rs. 50.00 lakhs have already been released to ICAR for conducting demonstrations. In order to maintain soil health, the above scheme has been reviewed and substantial provisions based on various components have been made and included in the Report of the Working Group on Critical Agricultural Inputs for the 9th Plan.

### **Recommendation Sl. No. 32 (Para Nos. 14.14 & 14.15)**

#### *Assistance to Small and Marginal Farmers to Promote Use of Fertiliser*

2.35 With regard to the scheme for development of infrastructure to assist the small and marginal farmers, the Committee are happy to note that as per the recommendation of the Committee in its 19th and 31st Report, the Ministry has included this matter in the Working Group Report on critical Agricultural Inputs for 9th Five Year Plan. However, the Committee express their concern over non-inclusion of this scheme in budget Estimates for 1996-97 on the ground of resource constraint. The Committee deplore the Planning Commission's apathetic attitude towards the small and marginal farmers in this regard.

Planning Commission have failed to appreciate that these farmers cannot afford to use other fertilizers which have become very costly and would have to depend on phosphatic and potassium fertilisers offered at concessional rates under the scheme. By discontinuing the scheme, the Committee feel that the goals set for agricultural development during the 8th Plan stand gravely jeopardised. The Committee, therefore, expect a reasonable and liberal approach to be adopted by the Planning Commission to include this scheme in 9th Five Year Plan as a revolving scheme with replenishment of funds instead of organising it as a scheme with one time special assistance.

### **Reply of the Government**

2.36 Observation of the Committee is noted. A newly Centrally Sponsored Scheme "Development of Infrastructure for Promotion of Fertiliser Use by Small and Marginal Farmers" has been included in the Report of Working Group on Critical Agricultural Inputs for the 9th Plan.

### **Recommendation Sl. No. 33 (Para 14.16)**

#### *Fixation of Prices of Fertilizers by Manufacturers*

2.37 In regard to the scheme of concession on sale of decontrolled phosphatic and potassium fertilizers, the Committee note that this scheme is being implemented by the Department of Agriculture and Cooperation since 1992-93, whereby the manufacturers/importers sell the decontrolled fertilizers at a reduced price. The provision in this regard has been enhanced from Rs. 500 to Rs. 2224 crores during 1996-97 on account of enhancement in rates of concession offered on decontrolled fertilizers. With a view to ensuring that the intended benefits under the scheme actually reach the farmers and the fertilizers reach them in time, the Committee feel that the Government should appropriately intervene for slashing down the prices fixed by manufacturers so that farmers could easily afford the prices as well as for supplying the fertilizers to farmers in time.

### **Reply of the Government**

2.38 The Department of Agriculture and Cooperation is committed to make available decontrolled phosphatic and potassic fertilisers to farmers at reasonable prices. The prices are being negotiated with the manufacturers by the State Governments based on indicative price band conveyed by Government of India to the State Governments which will enable them to negotiate and fix prices in their respective States at reasonable levels.

## **CHAPTER III**

### **RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF GOVERNMENT'S REPLIES**

#### **Recommendation Sl. No. 19 (Para 9.12)**

##### *Decline in Export of Horticulture Produce*

3.1 The Committee observe that there is a declining trend in the growth of horticulture export from 1994-95 onwards. Though in absolute terms, the total export registered an increase, the increase over the previous years as compared to 1993-94 as a base year shows a declining trend. Since horticultural crops are highly remunerative in nature, high priority should be given to the promotion of export of horticultural produce and, therefore, the Committee recommend that the Department should take appropriate steps to increase the export.

#### **Reply of the Government**

3.2 Export as such is the subject of Ministry of Commerce. Department of Agriculture & Cooperation is concerned with it from the production and quality (of horticulture produce) point of view, for which efforts are being made during the 8th Five Year Plan. Department of Agriculture & Cooperation is also emphasising in addition on creation of marketing infrastructure through National Horticulture Board which would improve the export of horticulture produce further. Efforts would be made further for increasing the above facility during the current year as well as during the 9th Plan period. These are expected to facilitate increase in exports during the coming year.

#### **Recommendation Sl. No. 22 (Para 10.12 & 10.14)**

##### *Supply of Quality Seeds to Farmers in North Eastern States*

3.3 However, the Committee express its dissatisfaction with the reasons stated by the Ministry. They feel that farmers in North-Eastern States are facing difficulty in getting certified seeds. There is always complaint that the seeds does not reach them in time.



The Committee observe that to make seeds available in time to farmers of North Eastern States at reasonable price as prevailing in other parts of the country, this Central Sector Scheme of transport subsidy on seeds has been under implementation. The Committee note that against an outlay of Rs. 3.00 crores for the 8th Plan, the budgetary provision of Rs. 1.8 crores only has been made during the first four years of 8th Plan *i.e.* from 1992—96 which is 50% of the 8th Plan outlay. Against Rs. 1.8 crores the actual expenditure was only Rs. 1.27 crores. The Committee do not approve of the under-allocation by the Planning Commission and the under-utilization of funds by the Department of Agriculture & Cooperation. The reasons for less expenditure as stated by the Ministry is due to shortfall in the offtake of seeds in the North Eastern States. The Committee feel that special efforts should be made to impress upon the farmers of the North-Eastern States about the advantages of using the improved varieties to enhance production and an action plan for this has to be drawn up. Therefore, the Committee desire that the Department of Agriculture and Cooperation should vigorously pursue this matter with the Planning Commission to allocate the full amount of money as proposed in the 8th Plan as well as utilize the whole amount actually sanctioned by encouraging the farmers of North East to use improved seeds.

#### **Reply of the Government**

3.4 The Department of Agriculture and Cooperation will make all efforts to fully utilize the provisions under this scheme and to persuade the Planning Commission to allocate the full amount proposed for the VIII Plan. However, it may be mentioned that all indents for seed from North-Eastern States are fully met through NSC, SFCI and other State Seeds Corporations. The requirements projected by these States are fully met. The relatively low expenditure under the scheme is on account of poor offtake of seeds in the North-Eastern States as already stated earlier. To improve the off-take intensive extension efforts are required to be undertaken which is primarily the responsibility of State Governments. The Transport Subsidy on Seeds only serves to facilitate supply of quality of seeds to farmers in the North-East at reasonable prices.

## CHAPTER IV

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

#### **Recommendation Sl. No. 1 (Para 2.9)**

##### *Decline in Percentage of Allocation for Agriculture out of the total Central Plan Allocation*

4.1 The Committee observe that the total Plan budget allocation of the Department of Agriculture and Cooperation has been decreasing year after year as a proportion of the total Central Plan budget for all the Ministries and Departments. In 1991-92 the percentage of the total Central Plan allocation in favour of Agriculture and Cooperation was 2.6% which has come down to 1.69% in 1996-97. Despite the Committee's recommendation in its 7th, 19th, 24th & 31st Reports for a higher allocation it has been slashed down considerably at the time of budget formulation. The Committee are very much perturbed by this trend in budget allocation for a vital sector like agriculture. Neither the Planning Commission nor the Ministry of Finance has paid serious attention to these recommendations of the Committee. The allocations for the Department of Agriculture & Cooperation of Rs. 2590.75 crores for Central Sector and Centrally Sponsored Schemes during 1995-96 have been slashed down to Rs. 1725 crores by the Planning and at the time of budget formulation this was further reduced to Rs. 1471.25 crores by the Finance Ministry. The Committee are constrained to observe that such a step on the part of the Planning Commission as well as the Ministry of Finance towards the agricultural sector which is the prime concern of more than two-thirds of the country's population would most certainly decelerate the process of development in the field of agriculture

as the ambitious targets envisaged in the Eighth Plan cannot be achieved in the absence of the matching financial outlays every year. The Committee feel that the strategy of planned development would lose all its meaning, if the flow of funds to this vital and basic sector is throttle, as the growth of all other sectors of the economy is inextricably linked to the growth of the agricultural sector. The Committee, therefore, reiterate its demand that the Planning Commission and the Ministry of Finance should make higher allocations for the agricultural sector at the Revised Estimate stage for 1996-97 and also during the Ninth Plan period.

### **Reply of the Government**

4.2 The Plan allocation for the Deptt. of Agriculture & Cooperation was fixed at Rs. 1725 crores during the discussions with the Planning Commission for 1996-97, against a demand of Rs. 2590.75 crores projected by the Deptt. At the time of Budget formulation, this was further reduced to Rs. 1471.25 crores. The matter was taken up with the Prime Minister by the Agriculture Minister for increase of allocation for Agriculture Sector. The recommendation of the Committee has also been communicated to Ministry of Finance and Planning Commission for necessary action. The Planning Commission has intimated that if the Ministry of Agriculture desires any increase under any specific schemes, the Commission would consider the same and Ministry of Finance will have to take a final decision on the RE proposals based on the over all resources position. As regards higher allocation during the 9th Plan, the Commission has indicated that the Working Group on Agriculture have reviewed the various sub sectors of agriculture and allied activities and their views will be taken into account during the formulation of the 9th Plan. The Ministry of Finance have intimated that the allocation for Agriculture Sector should be seen from the totality and not from the allocation to the Department of Agriculture & Cooperation alone. The agricultural credit, infrastructural development in the rural areas, rural development, agriculture and flood control, Power and Transport are vital areas which also really contribute to promotion of Agriculture. The total

outlays in these sectors under Central Plan in 1996-97 B.E. as compared to 1995-96 R.E. are as follows :

(Rs. in crores)

	1995-96 R.E.	1996-97 B.E.
1. Agriculture	2708	2831
2. Rural Development	7137	7520
3. Irrigation & Flood Control	249	1248
4. Power & Non-Conventional Energy Sources	7796	8603
5. Village & Small Industries	840	855
6. Transport	8263	9221
	26993	30278

#### **Recommendation Sl. No. 6 (Para No. 6.5)**

##### *National Disaster Management*

4.3 The Committee note that during the first four years of the Eighth Plan, an expenditure of Rs. 1.87 crores which is just 22% of the total plan outlay of Rs. 9.00 crores has been incurred towards this Central Sector Scheme on Natural Disaster Management. The Committee note that an amount of Rs. 4.40 crores was earmarked for this purpose but about 55% of the funds remained unutilized in the last 4 years as the Government could not obviously put in sufficient efforts in order to generate adequate response from the State Governments, research Institutions/Organisations etc. the Committee view such practices seriously. Funds remained unutilised while heavy loss of life and destruction of the agricultural lands as well as crops occurred in the hilly regions like Uttarakashi in U.P., Latur district of Maharashtra due to earthquake and other natural calamities like drought in Orissa, Bihar and Madhya Pradesh and flood in Jammu & Kashmir. Apart from that, the NDM Division in the Ministry of Agriculture is not adequately equipped to cope with the magnitude of the task of disaster management. This shows

the lethargic attitude and lack of will on the part of the governmental machinery. Therefore, the Committee recommend that the NDM Division of the Ministry should be restructured and adequately equipped with human resource, having thorough research and consultancy experience in this field and an action plan should be drawn up to generate and more awareness among the farming community to use the best services available with this division. The Committee also desire that in the R.E. stage the allocation should be enhanced and should be completely utilised in 1996-97 with a view to make up for the shortfalls in the previous year.

### **Reply of the Government**

4.4 The Central Sector Scheme of Natural Disaster Management Programme provides for undertaking activities with the objective to promote preparedness and mitigation measures for reducing the adverse impact of Natural Disasters. The activities undertaken under the scheme include human resource development by organising various training programmes/seminars/workshops, research and consultancy services, undertaking programmes to increase the level of awareness of the community, documentation of various natural disasters, creation of faculties on Natural Disaster Management at the National and State levels.

The momentum of activities under the Plan scheme is increasing gradually as many institutions/organisations are showing interest in the field of disaster reduction activities. During the current year, an amount of Rs. 200 lakhs has been allocated for the scheme. So far an amount of Rs. 62 lakhs has been utilised.

The activities of the above mentioned scheme are altogether different from the financing of expenditure on relief, rehabilitation and reconstruction measures in the wake of natural calamities. Such assistance is provided from a Calamity Relief Fund in accordance with the recommendations of the Tenth Finance Commission. The responsibilities of execution of relief measures rests with the State Governments. A provision also exists to extend additional financial assistance to the States in the case of calamity of rare severity.

**Recommendation Sl. No. 10 (Para No. 7.15)**

*Management of the Agriculture Ministry by Scientific Experts*

4.5 The Committee are surprised to find that in all these 50 years of our Independence, the posts of Agriculture Commissioner, Horticulture Commissioner and other Senior Technical Posts have remained as temporary post only, although Agriculture remains as the prime occupation of two-third of the people of this Country. They, therefore, strongly recommend that the important positions such as Agricultural Commissioner, Horticultural Commissioner, Fertilizer Commissioner etc. should be made regular/permanent and should not remain vacant for long periods. In fact, the Department at the highest level should be managed by the experts/Scientists of high calibre and eminence in the field of Agriculture to provide effective guidance and support to the agricultural sector in the country during the IXth Plan and beyond.

**Reply of the Government**

*(i) Agriculture Commissioner*

4.6 The post of Agriculture Commissioner (Rs. 7300-7600) is equivalent to that of Additional Secretary to the Government of India.

As per existing instructions/guidelines of the Department of Personnel and Training as contained in their O.M. No. A—11019/6/76-EGI dated the 24th March, 1976, no post above the level of Deputy Secretary can be made as permanent, as such posts are generally held on deputation/tenure basis by officers of the organised services who hold lien on substantive post in their parent cadre or by officers of the Central Secretariat Service and the temporary nature of such posts does not affect anybody adversely. However, to obviate the necessity of having to extend such temporary posts from year to year, it has been decided that such posts, which have been in existence for three years on year to year basis, can be categorized as "continuing post" and their continuance sanctioned for a block period of 5 years.

The post of Agriculture Commissioner falls in the category of posts, as referred to above, and as such cannot be made permanent, according to the existing guidelines on the subject.

The post of Agriculture Commissioner in the Department of Agriculture and Cooperation is presently vacant from the 1st March, 1993 as it was considered necessary to amend the Recruitment Rules so as to widen the scope of selection and to attract the best talent. The amendment in the Recruitment Rules, the consultation with Department of Personnel and Training and UPSC took a considerable time. The post was advertised, based on the amended Recruitment Rules and the process of filling up the post is at an advanced stage. In the meantime, Ministry of Finance has taken a view that the post is "deemed" to have been abolished in accordance with the orders dated the 3rd of May, 1993 issued by the Ministry of Finance, as it has remained vacant for more than one year. This Department is not agreeable to such a view being taken, as efforts were being made by this Department to fill up the post since 1993. However, orders are being sought to revive the post. Further action to fill up the post will be taken thereafter.

*(ii) Horticulture Commissioner*

The post of Horticulture Commissioner (in the pay scale of Rs. 5900-6700) was created in the late 70s and is being continued on a year to year basis. The continuation of this post on a year to year basis is being done in accordance with the guidelines issued by the Department of Personnel and Training whereby temporary post above the level of Deputy Secretary in the Secretariat of Government of India, are not made permanent, as such posts are generally held either on tenure basis by officers of the organised services who hold liens on substantive posts in their parent cadres or by officers of the Central Secretariat Service and the temporary nature of such posts does not affect anybody adversely. However, in order to obviate the necessity of having to extend such posts on yearly basis, posts above the level of Deputy Secretary which has been in existence initially for three years on a year to year basis, can be categorised as "continuing post" and their continuance sanctioned for a block period of 5 years. It will therefore, not be possible to convert this post into a permanent one.

The post of Horticulture Commissioner is presently filled up and the term of the present incumbent is upto 31.3.1997. Action has already been initiated to fill up the post well in time.

*(iii) Fertilizer Commissioner*

A temporary (Non-Plan) post of Commissioner (Fertilizer-Technical) in the pay scale of Rs. 4500-5700 was created in 1991 and as the Recruitment Rules were to be framed, the current charge of the post was entrusted to Dr. M.R. Motsara with effect from 9th August, 1991 till 8th October, 1994.

Action for framing of Recruitment Rules was initiated in consultation with Department of Personnel and Training and UPSC. The framing of Recruitment Rules took considerable time and the post could not be filled up on regular basis. It was deemed to be abolished in accordance with the orders issued by Ministry of Finance whereby any post remaining vacant for more than one year was/is "deemed" to be abolished. The post is being recreated in consultation with Ministry of Finance.

As per existing guidelines issued by the Department of Personnel and Training posts above the level of Deputy Secretary in the Secretariat, Government of India are created on a temporary basis as they are held either on tenure basis by officers of the organised service who hold lien of substantive post in their parent cadre or by officers of Central Secretariat Service and the temporary nature of these posts does not affect anyone adversely. If the post of Fertilizer Commissioner is created, then the same would again be on a temporary basis and as per the practice being followed, the tenure of the post would range from 2 to 5 years and, as such, cannot be made permanent according to the existing guidelines on the subject.

**Recommendation Sl. No. 23 (Para No. 11.6)**

*Input Supply to Farmers through Cooperative*

4.7 The Committee note that Cooperative efforts in agriculture sector was initiated to check the exploitation of farmers by the private sector and to ensure availability of necessary inputs at reasonable prices. It was also intended to strengthen the Cooperative marketing network to ensure remunerative prices to the farmers through market interventions. In respect of establishing a strong network of input



supply - line down to the village level, barring a few States like Gujarat and Maharashtra, the system has not been functioning effectively. The Committee feels that the department should conduct a thorough study of this very big, but very essential ingredient of the cooperative movement. The country's farmers will be greatly helped, if the needed inputs such as seeds, fertilizers, pesticides etc. are made available at the doorstep of the farmer.

### **Reply of the Government**

4.8 The Market Intervention Scheme (MIS) is an adhoc scheme. Under this Scheme, horticultural commodities and other agricultural commodities which are perishable in nature are included. A particular commodity is included in the MIS only on the request of a State Government which is ready to bear 50% of the loss, if any, in its implementation. The Market Intervention Price (MIP) is finalised after mutual consultation between the Department of Agriculture & Cooperation, Ministry of Agriculture and the State Government concerned, based on the cost of production and the ruling market rates at producing centres/markets during the last three to five normal years. The Government of India bears only 50% of the loss, if any. Purchases under the Scheme are continued till the prices stabilise.

### **Recommendation Sl. No. 24 (Para No. 11.7)**

#### *Non-implementation of EEC assisted Fisheries Cooperative Programmes*

4.9 The Committee note that in 1989 an agreement was signed with EEC for an Inland Cooperative Fisheries Development Project and an outlay of Rs. 32.27 crores was made in the Eighth Plan. The Committee are disappointed to note that throughout the Eighth Plan period the scheme was not put into operation and consequently not a single rupee was spent on the programme. The Committee have been informed that the EEC stipulated a new condition that the scheme could be taken up only in one State on Pilot basis and experts of their choice have to be appointed. The Committee find that all these four years, the Government could not resolve the issue of the new conditions and the programme remained only in papers.

### **Reply of the Government**

4.10 The Department of Agriculture & Cooperation has repeatedly requested the EEC to approve the Inland Cooperative Fisheries Development Project in terms of the original agreement. On the request of this Department and the instance of the Department of Economic Affairs several discussions were also held with the representatives of EEC during the last four years to resolve the issues involved but the EEC did not accede to this Department's request.

### **Recommendation Sl. No. 25 (Para No. 11.7)**

#### *Inclusion of Fisheries Cooperatives in the Scheme for Weaker Section*

4.11 The Committee also find that there is another 100% Centrally assisted programme known as "Assistance to Cooperative for Weaker Section" programme which is meant for organisation of Cooperatives of Weaker Sections with a view to improve their economic conditions. The Committee find that there is no mention about organisation of fisheries cooperative under this programme. Under this programme, the Committee find only 546 out of the Eighth Plan target 1050 societies have been assisted and only a sum of Rs. 5.48 crores has been spent out of Rs. 7.41 crores allocated in the budgets from 1992-93 to 1995-96.

### **Reply of the Government**

4.12 The Committee noted that only 546 out of the Eighth Plan target of 1050 societies have been assisted and only a sum of Rs. 5.40 crores has been spent out of the Rs. 7.41 crores allocated in the budgets from 1992-93 to 1995-96. The shortfall was due to the reason that in 1992-93 as per the pattern of the scheme there was matching contribution from the State Govts. from the year 1993-94 onwards, this was done away with and the quantum of assistance also increased from Rs. 35,000/- to per Weaker Section Cooperative Society to Rs. 1.00 lakhs and it was made 100% central assistance. Accordingly the response from the State Govts. was very good. As regards scheme in the cooperative sector for the organisation of fisheries cooperatives, the present scheme does not have any provision to include the Fishermen's Cooperatives. However, steps can be taken to include the same in the Budget Estimates of Ninth Five Year Plan.

**Recommendation Sl. No. 26 (Para No. 11.7)*****Automatic Universal Membership for Fishermen in Cooperatives***

4.13 The Committee observe that the matter of organisation and development of fisheries cooperatives has not been given due attention by the Government. They recommend that the Government should come up with a proper scheme in the cooperative sector for the organisation of fisheries cooperatives which should provide for automatic universal membership of all the fishermen by paying the entire share money on their behalf, as virtually nothing has been done in the Eighth Plan period for the development and sustenance of the Fisheries Cooperatives.

**Reply of the Government**

4.14 Since Cooperative is a State subject, Organisation and Registration of the Fisheries Cooperative is the concern of State Govts. through Director Fisheries/Registrar Cooperative Societies.

## CHAPTER V

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

#### **Recommendation Sl. No. 5 (Para No. 5.9)**

##### *Comprehensive Crop Insurance Scheme*

5.1 The Committee note that the Comprehensive Crop Insurance Scheme is voluntary scheme and the States are free to opt for the scheme. Only 19 States and 4 Union Territories have implemented it. The Committee also note that this scheme has been envisaged only as an indemnity measure towards the institutional loans secured by the farmers and it does not cover comprehensively all other risks due to natural calamities and other causes. The Committee further note that only a crop loan upto a maximum of Rs. 10,000/- could be covered by the scheme and no final decision has been taken about extending its scope to other crops. Therefore, the Committee recommend that the scheme should be modified to cover comprehensively all kinds of risks due to natural calamities etc. and should cover the entire risk instead of merely using it as an indemnity towards the institutional loans secured by the farmers for their seasonal crops and that to only upto a paltry sum of Rs. 10,000/-. The Committee desire that the modified scheme should extend to all kinds of agricultural crops instead of restricting it only to certain selective crops. The Committee also feel that insurance companies should be given a free hand to undertake all comprehensive insurance coverage activities with some directional norms and guidelines issued from the Union Government. Therefore, the Committee desire that a modified and really comprehensive insurance scheme should be formulated urgently and implemented within six months. Since the Government intend to declare agriculture as an industry, the Committee further desire that the Government should take necessary steps to treat the Comprehensive Insurance at par with the insurance cover given to the Industrial sector.

#### **Reply of the Government**

5.2 A concept paper to modify the existing comprehensive crop insurance scheme (CCIS) on the lines indicated has already been

circulated to all the members of Parliament for their views in the matter. After the reactions are received a formal proposal for the revision of the scheme would be prepared. As far as possible time limit indicated by the Committee will be adhered to subject to the exigencies of administration.

**Recommendation Sl. No. 7 (Para 7.12)**

*Comprehensive Measures for Maximising Foodgrain Production*

5.3 The Committee express concern about stagnation in foodgrain production during the last two years and asked the Department about the steps being taken to achieve a production target of 210 million tonnes of foodgrains by the year 2000 A.D. The representative of the department while speaking on the existing crop production schemes mentioned that planning has been done to meet the foodgrains requirements till 2010 A.D.

In order to achieve the required foodgrains production of 210 million tonnes for a population of over 910 million in 1996-97 and in the coming years the Committee recommend that the Ministry should take comprehensive measures for maximising the production.

**Reply of the Government**

5.4 From the year 1994-95, the integrated cereals development programmes in rice/coarse cereals/wheat based cropping systems areas have been taken up with a view to increase the productivity per unit area, per unit time and thereby increasing the total production of the cereals. The approach paper for 9th Plan has been prepared based on lessons learnt during the previous plan and keeping the national requirement in view, and submitted to Planning Commission.

**Recommendation Sl. No. 12 (Para 8.11)**

*Acquisition of land for Central Institute of Coastal Engineering Bangalore*

5.5 Regarding the shortfall in the financial achievement under Central Institute of Coastal Engineering, the Committee observe that the 8th Plan outlay of Rs. 150.00 lakh remained unspent and various programmes pertaining to that Institute were not implemented, because the land from Bangalore Development Authority is yet to be acquired. The Committee therefore, recommend that the Union Government should vigorously pursue this matter with the Government of

Karnataka without further delay and should acquire the land within three months, keeping in mind the cost escalation and the importance of the objectives of this scheme.

### **Reply of the Government**

5.6 Noted. The matter is being vigorously pursued with the Bangalore Development Authority. BDA had offered a few sites which were found to be unsuitable to the CICEF's requirement. CICEF has also requested New Government Electric Factory (NGEF) to offer them suitable land and also intimate the terms & conditions of allotment including the cost, location of land etc. This matter has also been discussed with Hon'ble Minister for Fishery and Secretary (FY.), Government of Karnataka and Secretary (FY.) has assured that the request of CICEF will be favourably considered.

### **Recommendation Sl. No. 28 (Para No. 13.4)**

#### *Impact of IPM Programmes*

5.7 The Committee observe that on account of indiscriminate use of chemical pesticides over the years poisonous substances have entered into the food chains posing a severe health hazard. The situation is more alarming in case of vegetable crops. The Committee note that the department has launched an ambitious programme on integrated pest management through which a number of IPM field schools/ training centres have been established and demonstrations at various places are being organised. The effort is worth appreciating. *The Committee desire that they may be constantly apprised of the impact of IPM Programmes implemented so far on reducing the use of hazardous chemicals.*

### **Reply of the Government**

5.8 The impact of IPM Programme implemented so far, in reducing the use of hazardous chemicals could be realised from the fact that the consumption of pesticides has come down from about 75,000 MT during 1990-91 to 60,000 MT during 1995-96. This clearly implies that our country is producing foodgrains with lesser consumption of pesticides. The decreasing trend in consumption of pesticides would protect our environment and improved the quality of our food. Adoption of IPM, *inter alia* lays emphasis on use of chemical pesticides as a last resort, is becoming popular with the farming community. Major attention under the IPM is being focused on the promotion and

use of non-chemical compounds like neem based pesticides, Nuclear Polyhydrosis Virus (NPV), *Bacillus thuringiensis* (B.T.), Pheromones etc.

Different components of IPM programme are being undertaken during 1996-97 in various States/UTs of the country. The achievements as against the target for these programmes indicated in the report of the Standing Committee on Agriculture (11th Lok Sabha) would be pursued vigorously and status of achievements thereof shall be submitted after the current kharif season.

#### **Recommendation Sl. No. 29 (Para 13.5)**

##### *Delay in Sanction of Posts Under IPM Projects*


5.9 The Committee also note with concern the delays in filling up the posts as approved under the schemes. *The authorities concerned should sanction the requisite posts without further delay so that the programme may be implemented effectively without constraints.*

#### **Reply of the Government**

5.10 Both the Directorate of Plant Protection, Quarantine and Storage and Plant Protection Division would pursue the creation of pending posts, so that the capability to implement various schemes in the field of plant protection can be improved further, as desired by the Committee. Progress of these aspects would be reported to the Committee at periodical intervals.

NEW DELHI;  
June, 1998  
*Asadha, 1920 (Saka)*

KINJARAPU YERRANNAIDU,  
Chairman,  
Standing Committee on Agriculture.

AUTHENTICATED  
  
Chairman  
Standing Committee  
on Agriculture

## APPENDIX I

### MINUTES OF THE SECOND SITTING OF THE STANDING COMMITTEE ON AGRICULTURE HELD ON WEDNESDAY, THE 17TH JUNE, 1998 AT 1100 HRS. IN COMMITTEE ROOM 'B', PARLIAMENT HOUSE ANNEXE, NEW DELHI

The Committee sat from 1100 hrs. to 1300 hrs.

#### PRESENT

Shri Kinjarapu Yerranna — *Chairman*

#### MEMBERS

*Lok Sabha*

2. Shri Ramchandra Binda
3. Shri D.C. Sreekantappa
4. Dr. Ramkrishna Kusmaria
5. Shri Baliram Kashyap
6. Smt. Sangeeta Kumari Singh Deo
7. Shri M. Master Mathan
8. Shri Raj Narain Passi
9. Shri Virendra Verma
10. Shri Sudhakarrao Rajusing Naik
11. Shri Ramkrishna Baba Patil
12. Shri Maganti Venkateswara Rao
13. Shri Kantilal Bhuria
14. Shri Mahaboob Zahedi
15. Shri Abdul Hasnat Khan
16. Shri Mitrasen Yadav
17. Shri K.P. Munusamy
18. Shri Anup Lal Yadav
19. Shri Bashist Narayan Singh
20. Shri Ram Shanker
21. Dr. Sushil Kumar Indora



*Rajya Sabha*

22. Maulana Habibur Rahman Nomani
23. Shri Ramji Lal
24. Shri Devi Prasad Singh
25. Shri Shiv Charan Singh
26. Shri Ramnarayan Goswami
27. Shri Sharief-Ud-Din Shariq
28. Shri Sukh Dev Singh Dhindsa

## SECRETARIAT

- |                       |                               |
|-----------------------|-------------------------------|
| 1. Shri G.C. Malhotra | — <i>Additional Secretary</i> |
| 2. Shri S. Bal Shekar | — <i>Deputy Secretary</i>     |
| 3. Smt. Anita Jain    | — <i>Under Secretary</i>      |
| 4. Shri K.L. Arora    | — <i>Assistant Director</i>   |

Chairman (AC) took the Chair and welcomed the Members. Thereafter the Committee took up for consideration the draft Reports on Action Taken by the Government in respect of the recommendations/observations contained in the following reports:

1. 1st Report on Demands for Grants (1996-97) relating to Ministry of Agriculture (Department of Agriculture and Co-operation).
2. 9th Report on Demands for Grants (1997-98) relating to Ministry of Agriculture (Department of Agriculture & Co-operation).
3. 10th Report on Demands for Grants (1997-98) relating to Ministry of Agriculture (Department of Agricultural Research & Education).
4. 11th Report on Demands for Grants (1997-98) relating to Ministry of Agriculture (Department of Animal Husbandry & Dairying).
5. 12th Report on Demands for Grants (1997-98) relating to Ministry of Water Resources.
6. 13th Report on Demands for Grants (1997-98) relating to Ministry of Food Processing Industries.

The Committee considered the draft comments of the Committee and adopted the 1st, 2nd, 3rd, 4th, 5th and 6th Action Taken Reports (1998-99) one by one with minor additions.

The Committee, then, authorised the Chairman to present all the six Action Taken Reports (1998-99) of the Committee to the House on a date and time convenient to him.

The Committee then adjourned to meet again soon after the lunch at 1400 hrs. on the same day.

## APPENDIX II

(Vide Para No. 4 of the Introduction of the Report)

### *Analysis of Action Taken by Government on the 1st Report of the Standing Committee on Agriculture (12th Lok Sabha)*

I. Total number of recommendations	33
II. Recommendations/Observations which have been accepted by Government	
(Para Nos. 2, 3, 4, 8, 9, 11, 13, 14, 15, 16, 17, 18, 20, 21, 27, 30, 31, 32 and 33)	
Total	19
Percentage	57.57%
III. Recommendations/Observations which the Committee do not desire to pursue in view of Government's replies	
(Para Nos. 19 and 20)	
Total	2
Percentage	6.06%
IV. Recommendations/Observations in respect of which Government's replies have not been accepted by the Committee	
(Para Nos. 1, 6, 10, 23, 24, 25 and 26)	
Total	7
Percentage	21.21
V. Recommendations/Observations in respect of which final replies are still awaited	
(Para Nos. 5, 7, 12, 28 and 29)	
Total	5
Percentage	15.15%