

FIFTEENTH LOK SABHA

MINISTRY OF AGRICULTURE
(DEPARTMENT OF ANIMAL HUSBANDRY, DAIRYING AND FISHERIES)

DEMANDS FOR GRANTS (2009-10)

{Action Taken by the Government on the Observations/
Recommendations contained in the Second Report
of the Committee on Agriculture (2009-2010)}

FOURTEENTH REPORT



LOK SABHA SECRETARIAT
NEW DELHI

March, 2011/Phalgun, 1932 (Saka)

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**COMMITTEE ON AGRICULTURE
(2010-2011)**

(FIFTEENTH LOK SABHA)

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(DEPARTMENT OF ANIMAL HUSBANDRY, DAIRYING AND FISHERIES)**

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Observations/Recommendations contained in the Second Report
of the Committee on Agriculture (2009-2010)**

Presented to Lok Sabha on 08.03.2011

Laid on the Table of Rajya Sabha on 08.03.2011



**LOK SABHA SECRETARIAT
NEW DELHI**

March, 2011/Phalgun, 1932 (Saka)

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COMPOSITION OF THE COMMITTEE ON AGRICULTURE (2010-11)

Shri Basudeb Acharia - Chairman

MEMBERS

LOK SABHA

2. **Shri Narayansingh Amlabe**
3. **Shri K.C. Singh 'Baba'**
4. **Shri Thangso Baite**
5. **Shri Jayant Chaudhary**
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RAJYA SABHA

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SECRETARIAT

1.	Shri S. Bal Shekar	-	Additional Secretary
2.	Shri Raj Shekhar Sharma	-	Joint Secretary
3.	Shri P.V.L.N. Murthy	-	Director
4.	Shri P. C. Koul	-	Additional Director

INTRODUCTION

I, the Chairman, Committee on Agriculture (2010-2011) having been authorized by the Committee to submit the Report on their behalf, present this Fourteenth Report on Action Taken by the Government on the Observations/Recommendations contained in the Second Report of the Committee on Agriculture on Demands for Grants (2009-10) pertaining to Ministry of Agriculture (Department of Animal Husbandry, Dairying and Fisheries).

2. The Second Report of the Committee on Agriculture (2009-2010) on 'Demands for Grants' (2009-10) pertaining to Ministry of Agriculture (Department of Animal Husbandry, Dairying and Fisheries) was presented to the Lok Sabha and laid on the Table of Rajya Sabha on 18 December, 2009. The Action Taken Replies on the Report were received on 17 March, 2010.

3. The Report was considered and adopted by the Committee at their Sitting held on 3 March, 2011.

4. An analysis of the Action Taken by the Government on the Observations/Recommendations contained in the Second Report of the Committee is given in Annexure.

NEW DELHI;
7 March, 2011
16 Phalgun, 1932 (Saka)

BASUDEB ACHARIA
Chairman,
Committee on Agriculture.

CHAPTER-I

REPORT

This Report of the Committee on Agriculture deals with the action taken by the Government on the recommendations contained in the Second Report (Fifteenth Lok Sabha) of the Committee on Agriculture (2009-10) on 'Demands for Grants (2009-10)' pertaining to the Ministry of Agriculture (Department of Animal Husbandry, Dairying and Fisheries) which was presented to Lok Sabha and laid on the Table of Rajya Sabha on 18 December, 2009.

1.2 The Ministry of Agriculture (Department of Animal Husbandry, Dairying and Fisheries) have furnished Action Taken Replies in respect of all the 32 observations / recommendations contained in the Report. These have been categorized as under :-

- (i) Observations / Recommendations that have been accepted by the Government :
Recommendation Para Nos. 1.4, 3.30, 3.31, 3.33, 3.34, 3.35, 4.36, 4.37, 4.38, 4.39, 4.40, 4.41, 4.42, 4.43, 4.44, 4.45, 4.46, 4.47, 4.48, 5.8, 5.9, 6.17, 6.18, 6.19, 6.20 and 7.6
- (ii) Observations / Recommendations which the Committee do not desire to pursue in view of the Government's reply :
Recommendation Para Nos. 3.36 and 7.7
- (iii) Observations / Recommendations in respect of which action taken replies of the Government have not been accepted by the Committee :
Recommendation Para Nos. 2.8, 2.9, 3.32 and 6.16
- (iv) Observations / Recommendations in respect of which final replies of the Government are still awaited :
Recommendation Nos. NIL

1.3 The Committee trust that utmost importance would be given to implementation of the Observations / Recommendations accepted by the Government. In cases, where it is not possible for the Department to implement the Recommendations in letter and spirit for any reason, the matter should be reported to the Committee with reasons for non-implementation.

The Committee desire that further Action Taken Notes on the observations / recommendations contained in Chapter-I and final Action Taken Replies to the Recommendations contained in Chapter-V of this Report be furnished to them at an early date.

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

NEED FOR ENHANCED INVESTMENT
(Recommendation Para No. 2.8)

1.5 Having noted that the animal husbandry, dairying and fisheries sectors, undoubtedly, provide greatest protection and resource to fall back to the farming community against natural calamities and the uncertainties of agriculture, which is their primary vocation and acknowledging the undeniable potential of these Sectors as engines of growth, particularly in the context of the rural economy, the Committee, had recommended sector friendly schemes and substantially enhanced investments be made by the Government in these sectors at once in the larger interest of the Country.

1.6 The Ministry of Agriculture (Department of Animal Husbandry, Dairying and Fisheries) in their Action Taken Note have stated that they included the following new schemes for implementation during the Eleventh Five Year Plan:-

1. Poultry Development
2. Integrated Development of Small Ruminants & Rabbits
3. Establishment / Modernisation of Rural Slaughter Houses
4. Utilisation of Fallen Animals
5. Poultry Venture Capital Fund
6. Piggery Development
7. Salvaging and Rearing of Male Buffalo Calves
8. National Animal Disease Reporting System (NADRS)
9. National Control Programme of Peste des Petits Ruminants (PPR)
10. Strengthening of Existing Hospitals/Dispensaries
11. National Control Programme of Brucellosis
12. Food Safety and Traceability
13. Livestock Extension & Delivery Services
14. National Dairy Plan

It would be noted that the new schemes are innovative, sector-friendly and seek to address the felt needs on the ground.

It may also be submitted that the Department has been seeking higher budgetary allocations so as to make required level of investment for development of the animal husbandry, dairying and fisheries sectors. As would be noted from the position brought out below, the allocations actually received by the Department were of a much lower size:-

Amount in Rs. crore			
S.No.	Year	Allocation demanded	Allocation received
1	2007-08	1,435.10	910.00
2	2008-09	1,891.25	1,000.00
3	2009-10	1,889.07	1,100.00
4	2010-11	1,829.38	1,300.00
	TOTAL	7044.80	4310.00

1.7 The Committee note that on their part the Department have done their bit by introducing innovative and sector friendly Schemes in the animal husbandry, dairying and fisheries sectors. Unfortunately, however, they have not been duly supported by the Government. Out of the total allocation for the Eleventh Plan of Rs. 8174.00 crore, as approved by the Planning Commission, the Department have actually been allocated Rs. 4310.00 crore during the first four years of the Eleventh Five Year Plan. In percentage terms it amounts to about 53%, thereby leaving almost half of the funds for the terminal year of the Eleventh Plan. They are highly perturbed to contemplate the cascading effect of this financial crunch on the implementation of various schemes of the Department. The Committee strongly deprecate this continued neglect of the Department by the planners and hope that justice is meted out and a major portion of the balance 47% of the approved allocation of Rs. 8174.00 crore is allocated to them during the year 2011-12.

UNDERUTILISATION OF PLAN FUNDS (Recommendation Para No. 2.9)

1.8 Noting the large scope for increasing the Annual Plan allocation by the Planning Commission in favour of the Department, the Committee had recommended hike in allocations at the RE stage of 2009-10 itself. Further on

observing that out of the total Plan Outlay of Rs. 1910.00 crore in the first two years of the Five Year Plan period expenditure of Rs. 1637.21 crore only has been incurred leaving Rs. 272.19 crore unutilised, the Committee had asked the Department to analyse the reasons for this shortfall in the utilisation of funds and evolve suitable remedial strategies so that the Plan Funds allocated are fully utilised.

1.9 The Department in their Action Taken Note have stated that they have been pursuing with Planning Commission to provide adequate allocation for the Department. In this direction, the Department proposed Rs.1829.38 crore for Annual Plan 2010-11, which was discussed in a meeting held on 14.01.2010 under the Chairmanship of Member (Agriculture), Planning Commission. The Department were advised to reduce revised projection up to an amount of Rs. 1400 crore. However, budget allocation of only Rs.1300 crore was received for 2010-11, which is 18 percent higher than the last year's allocation. The scheme-wise utilisation of funds against allotment has been examined. The scheme-wise reasons for shortfall in expenditure in 2007-08 and 2008-09 have been presented in Annexure I.

1.10 The Committee find an increase of 18% from the previous Fiscal in the allocation of funds to the Department in 2010-11. However, seen in the context of overall allocations to the Department for the entire Plan, this raise is merely a pittance. As stated previously in this Report, the Government's inaction in ensuring well spread and prudent allocation has left about 47% of the total Five Year allocation for the last year of the Plan, thereby presenting the Department with the herculean task of absorbing huge amounts of funds in one single year.

On the aspect of Rs. 272.19 crore having remained unutilized during the first two years of the Plan, the Committee have gone through the reasons put forth by the Department in the context of their various Schemes. They are, however, still not convinced by the reply of the Department, as they note that various new schemes continue to be in the pipeline for implementation even after a lapse of three years of the Eleventh Plan Period. They would also like

the Department to inform them about the suitable remedial strategies that they had been asked to evolve by them in their Second Report so that the Plan Funds allocated to the Department are fully utilized.

ALLOCATIONS TO THE DEPARTMENT vis-à-vis CENTRAL PLAN OUTLAY (Recommendation Para No. 3.32)

1.11 The Committee, in order to give animal husbandry, fisheries and dairying sectors their rightful place in view of their significant contribution to the economy and employment, had asked the Government to, amongst other measures, also consider having an exclusive Ministry mandated with the responsibilities of these sectors at the Union Government level, as is the case in some of the State Governments.

1.12 The Department in their Action Taken Note have stated the matter was taken up with the Planning Commission who have intimated that there is an increasing realization of importance being given to the animal husbandry, dairying and fisheries for securing the expected contribution of 6% growth rate during the 11th Five Year Plan. It has further informed that this intent is closely monitored while implementing various schemes.

1.13 The Committee find no mention of the aspect referred to in their Recommendation in the reply of the Government. Assuming it as an oversight and nothing else, the Committee desire that they may be furnished the views of the Government in the matter of having an exclusive Ministry mandated with the responsibilities of animal husbandry, dairying and fisheries at the Union Government level immediately.

SHORTAGE OF FEED AND FODDER (Recommendation Para No. 4.41)

1.14 Finding that the Fodder Development Scheme had been allocated a meagre sum of Rs. 10.80 crore inspite of the fact that adequate availability of feed and fodder to livestock and poultry is very vital for increasing production of milk, poultry, meat and other animal products, the Committee had recommended that fund allocation for the Scheme be increased substantially, at once. They had further, desired the Department to take initiatives with the help of ICAR to grow less water consuming feeder crops (viz. millets) for livestock as also to provide special

incentives to the farmers who grow fodder crops and increase minimum support prices for millets, so that farmers could get motivated to cultivate these crops.

1.15 The Department in their Action Taken Note have stated that they regularly consult ICAR from time to time in regard to its various initiatives. Fodder minikits of Bajra, Guar and Jowar have been allocated to various States during Kharif and Rabi seasons 2009-10. The Department have also constituted a Sub-group on feed and fodder with members also from the ICAR to deliberate on issues of mutual interest to the two organisations in the area of feed and fodder.

1.16 The Committee are surprised to note that the Action Taken Notes of the Government is silent on the crucial question of efforts made for and results achieved there against with a view to ensure enhanced allocation for the Fodder Development Scheme. They, therefore, desire to be informed about the concrete steps taken by them to get more funds allocated for this Scheme to increase the availability of feed and fodder to livestock and poultry resulting in a commensurate increase in the production of milk, poultry, meat and other animal products.

The Committee also note with surprise that the reply furnished does not mention the action taken in the context of growing of less water consuming fodder crops for livestock, minimum support price for millets to encourage their cultivation as well as the special incentives for farmers who grow fodder crops. The Committee therefore desire that they be apprised of the steps taken by the Department towards fructification of this Recommendation at the earliest and caution them to furnish full and complete replies to their recommendations in future.

FOOD SAFETY AND TRACEABILITY SCHEME **(Recommendation Para No. 4.44)**

1.17 Being aware of the fact that the exports of livestock produce, poultry, fisheries, etc. from India are mainly hindered because of qualitative deficiencies and

finding that the new Scheme 'Food Safety and Traceability' which was meant to tackle the situation had not been initiated even in the third year of the Plan due to the fact that the Report submitted on the Scheme by NABCONS was not found implementable by the Department and subsequent consultations with FAO had not reached any fruitful stage, the Committee had recommended the Department to stop further dithering in the matter and prepare a roadmap for implementation of the Scheme without any further delay.

1.18 The Department in their Action Taken Note have stated that this is an entirely new area for the country for which neither requisite expertise nor experience is available. Hence, it is necessary to proceed with due caution so that any steps taken do not have to be retraced and public money spent infructuously. After Department's consultations within the country through NABARD / NABCONS did not provide an actionable blueprint, the FAO has been approached to provide the services of an international expert. As soon as such an expert becomes available, which is expected to happen soon, a road map for implementation of the traceability system for food safety would be prepared.

1.19 The Committee are perturbed to note that an important area like export of livestock produce, poultry, fisheries etc. continues to be neglected. Even after a lapse of more than three years of Eleventh Plan and consultations with NABARD / NABCONS / FAO, no road map for implementation of the Food Safety and Traceability Scheme is in place. The Department has singularly failed to appreciate the importance of bolstering the exports of these products and the consequent pressing need of having a regulatory scheme for the purpose. They, therefore, reiterate their earlier recommendation that the Department should work towards the implementation of the Food Safety and Traceability Scheme in right earnest without further loss of time.

ALLOCATION TO FISHERIES SECTOR **(Recommendation Para No.6.16)**

1.20 Noting the gradual increase in the allocations for Fisheries Sector in the first three years of the Eleventh Plan, but still funding it insufficient for the inherent potential and the genuine requirements of the Sector, the Committee had

recommended the Department to endeavour to secure additional allocations for the Fisheries Sector on priority basis so that the Schemes pertaining to the Sector are planned and executed with a view to exploit their fullest potential.

1.21 The Department in their Action Taken Note have stated that they have taken up with the Planning Commission for enhanced allocation for the animal husbandry, dairying and fisheries sector. Funds proposed for the fisheries sector and allocations received during different years of the 11th Five Year Plan are as follows:

Amount in Rs. crore		
Year	Funds proposed for Fisheries Sector	Allocation Received for the Fisheries Sector
2007-08	497.20	205.68
2008-09	388.00	215.00
2009-10	669.95	298.50
2010-11	371.54	262.44

1.22 The Committee are highly disturbed by the results of the Department's efforts to secure enhanced allocations from the Planning Commission for the Fisheries Sector. From an allocation of Rs. 298.50 in 2009-10 the allocation for Fisheries Sector has gone down by 12 % to Rs. 262.44 crore in 2010-11. Apparently, the efforts of Department have not proved fruitful. Keeping in view the immense untapped potential of the Fisheries Sector, the Committee desire the Department to continue striving for higher allocations, even if need be with the help of interventions at the highest levels with the Planning Commission and the Ministry of Finance.

ASSISTANCE TO FISHERIES INSTITUTE SCHEME (Recommendation Para No. 6.17)

1.23 The Committee, having noted the lesser spendings in the Scheme 'Assistance to Fisheries Institute' in the first two years of the Plan due to non-acquisition of vessels for the Central Institute for Fisheries and Nautical Engineering and Fishery Survey of India and also due to litigation in respect of construction of Office building of Fishery Survey of India at Mumbai, had asked the Department to take all necessary steps to acquire the vessels for these two Institutions without any further delay even if they are on lease basis, so that the research and other activities of these Institutions do not suffer in the absence of the vessels.

1.24 The Department in their Action Taken Note have stated that the Technical Tender Committee constituted for purchase of vessels for Fishery Survey of India and Central Institute of Fisheries, Nautical and Engineering Training could not get valid quotations from suitable firms for construction of survey/training vessels and the Committee recommended the Ministry to take an appropriate decision in this regard. The Institutes have been advised to initiate the process of acquisition of the vessels through Cochin Shipyard Limited, Kochi which is a public sector undertaking. Further, in the meanwhile, they have been directed to start the process for taking appropriate vessels on lease. As regards, construction of office building of FSI, Mumbai, there has been an escalation of the cost of the projects and the revised estimates are being examined in consultation with Integrated Finance Division.

1.25 The Committee take note of the fact that the Technical Tender Committee constituted for purchase of vessels for Fisheries Survey of India and Central Institute of Fisheries, Nautical and Engineering Training on not being able to get valid quotations from suitable firms for construction of survey/training vessels have recommended the Department to take appropriate decision in the matter. They also note that the Department in turn have asked the Institutes to take two pronged action in the matter by initiating the process of acquisition of vessels through Cochin Shipyard Ltd., a Public Sector Undertaking and also initiate the process for taking vessels on lease to take care of in the interregnum. While appreciating these initiatives of the Department, the Committee desire that action on both the counts should be ensured without any further delay. They also recommend that the construction of office building for Fishery Survey of India, Mumbai which has remained in limbo for quite sometime be expedited so that they are able to carry out the mandated responsibilities without any further loss of time.

NATIONAL FISHERIES DEVELOPMENT BOARD
(Recommendation Para No. 6.18)

1.26 Noting a trend of gross underspending in the financial performance of the National Fisheries Development Board during the last two Fiscals, the Committee

had recommended the Board to manage its financial affairs in a more professional manner to ensure optimum utilisation of scarce resources for attainment of the objectives for which it was set-up.

1.27 The Department in their Action Taken Note have submitted the following :-

“Details indicating the release of funds to National Fisheries Development Board and utilization of these funds.

1. The details of the funds allocated (Budget Estimate) to NFDB and the funds actually made available (Revised Estimate) for the year 2007-06 to 2009-10 is as follows:

Funds Allocated:

2007-08		2008-09		2009-10		Rs. in crore
BE	RE	BE	RE	BE	RE	
100.50	50.00	75.00	46.90	135.00	100.00	

Expenditure incurred:

Year	Opening Balance	Funds Received	Funds Available	Funds Sanctioned	Rs. in crore
2006-07	0	30.00	30.00	3.66	
2007-08	26.85	50.00	76.85	27.09	
2008-09	50.81	46.90	97.71	71.28	
2009-10	26.46	85.00	111.46	98.00	
Total		211.90		200.03	

Constraints in the implementation:

The response from the states and other user organizations has been slow resulting in slow utilization of budget provided during the first two years of NFDB. Some of the reasons that could be attributed for slow absorption of resources are:

(i) The NFDB does not have its own implementing machinery and by design it has to implement the schemes through the state fisheries departments and other institutions. As the organization was new and the schemes and guidelines were also new the states and implementing agencies could not respond quickly to access funding and took time to abide by procedural formalities.

(ii) Conditions of 10% contribution to NFDB by the states, and payment of 25% gross income from reservoir stocking schemes, harbors/landing centers etc. were not acceptable to certain states and it required a lot of convincing effort.

(iii) Equity participation in certain schemes like Tuna Fisheries, wholesale markets and harbours development was found not feasible and hence expenditure on equity was not incurred.

(iv) Other schemes such as RKVY, PM's package etc. are flexible and hence offer higher rates of subsidy. Some of the states are availing RKVY funds for such fisheries projects which require large investments.

Efforts to speed up progress :

Realizing the problems faced during the last three years, NFDB has recast the funding pattern and subsidy for the existing schemes and incorporated certain new schemes with a view to make the programmes acceptable and attractive to the user governments /government organizations/entrepreneurs/ farmers/ fishermen and fish merchants for realizing the NFDB objectives. Government of India has also approved the revised guidelines and these revised guidelines were communicated to all implementing states and other organizations with a request to send the proposals accordingly during this year.

Further, during this financial year, the following steps were taken to speed up implementation of the programmes by NFDB:

(i) Organising regional meetings with the State Governments /implementing agencies.

(ii) Conducting seminars/ workshops to identify new projects with the stakeholders.

(iii) Networking with R&D institutions and implementation of pilot projects for technology transfer.

(iv) Organising Fish festivals and participation in the events and exhibitions to popularize the schemes.

As a result many states and other implementing agencies have shown better response to implement the schemes during the year 2009-10. Therefore, NFDB could sanction schemes costing Rs. 98.00 crore as on 31.12.2009. Further, the Board has also received proposals valued at Rs. 111.00 crore which are at various stages of processing. From the statement given above, it could be seen that there is good progress in implementation of the schemes in the last two years despite the constraints explained in the paragraphs 2 and 3 stated above.

Major activities taken up by the Board:

NFDB has been able to mobilize efforts in the following areas:

- Reservoir Fisheries Development
- Inland Aquaculture
- Technology Up-gradation
- Commercial Exploitation of Chaura and Mauns

- Cage Culture Popularization
- Open sea cage culture
- Sea bass culture in ponds
- Cryopreservation of fish milt
- Popularization of Magur Culture
- Establishment/modernization of hygienic markets
- Modernization of Harbours
- Aquatic Quarantine Facility
- Individual Quick Freezer (IQF) Facility
- Tuna: Sashimi grade processing unit
- Ornamental fisheries
- Human Resource Development”

1.28 The Committee find that the trend of gross underspending in the first two fiscals of the Eleventh Plan was primarily due to the slow response from the States and other user organizations. They also note with satisfaction that the National Fisheries Development Board has recast the funding pattern and subsidy for the existing schemes and incorporated certain new schemes with a view to make the programmes acceptable and attractive to the user Governments / Government organizations / entrepreneurs / farmers / fishermen and fish merchants for realizing the National Fisheries Development Board objectives. The Department have as additional measures, also organized regional meetings with the State Governments / implementing agencies, conducting seminars / workshops to identify new projects with the stakeholders, networking with R&D institutions and implementation of pilot project for technology transfer and organized fish festivals and participation in the events and exhibitions to popularize the schemes to speed up implementation of the programmes by NFDB. The Committee while appreciating the number of measures taken at the levels of Department and the Board desire, that this tempo should be maintained to ensure that the underspending of the first two years does not recur.

MARINE FISHERIES PRODUCTION

(Recommendation Para No. 6.19)

1.29 Having found that the development of inland fisheries is facing problems because of three reasons (i) the ownership of water bodies is not clearly defined in many States, (ii) there is no well laid down procedure for management of resource and (iii) since aquaculture is not considered to be a part of agriculture, it does not enjoy the facilities like non-levy of income tax, concessional tariff, water, access to credit, etc. and feeling that until and unless remedial measures to tackle these three serious bottlenecks are initiated with due promptitude, the development of inland fisheries cannot be optimised, the Committee had recommended the Department to workout a well laid out plan to take care of these three impediments and get down to the task of removing them in consultation with other Ministries/Departments/State Governments/other agencies at the earliest.

1.30 The Department in their Action Taken Note have submitted that they have consistently taken-up the issue of ownership of water bodies with the State Governments and urged that this should be vested with the Fisheries Department. In addition, the issue of long-term leasing of water bodies has also been taken-up by them to facilitate greater investment in the inland fisheries sector. These issues are also being discussed and reiterated with the State Governments in various review meetings, conferences and workshops, whenever such events are organized. Since, fisheries is a state subject, the identification of bottlenecks and remedial action essentially lies with the State Governments. However, there are two initiatives undertaken by the Department - first initiative relates to drafting of a Model Bill for Inland Fisheries and Aquaculture for adoption by the State Governments. The Bill which was drafted by this Department was circulated among all the State Governments and comments were received. These comments were appropriately incorporated in the draft Bill. The draft Bill is being vetted by the Ministry of Law and Justice at the moment after which it would be recommended to the States for adoption. Second initiative relates to reservoir fish productivity. Fish productivity from reservoirs in India is one of the lowest in the world. The Department have circulated comprehensive guidelines for culture-based Fisheries Management in Small Reservoirs in India among all the States, which contains the blue print for modern management practices for reservoir fisheries. Guidelines for management of medium and large reservoirs are being published shortly which would also be circulated to States for adoption. Reservoir Development Programme has been taken up as a flagship activity of the Board in about 12 lakh ha. with a view to enhance the fish production from the present level of 15-20 kg/ha. to at least 150

kg/ha. This new initiative is expected to empower fishermen societies to produce quality seed at lower costs and thus leading to sustainable fish production. In so far as the issue of aquaculture being at par with agriculture is concerned, the actions lie both with the State Governments and the Central Government. State Governments have been requested to actively consider concessions on power and water charges to aquaculture at par with agriculture. In so far as Central Government is concerned, this Department has already taken up the issue of income tax exemption for aquaculture and concessional credit at par with agriculture with the Ministry of Finance.

1.31 The Committee note with satisfaction that pursuant to their recommendation the Department of Animal Husbandry, Dairying and Fisheries have taken up the issue of ownership of water bodies with the State Governments with the aim to ensure that these should be vested with their respective Fisheries Departments. In addition, the issue of long term leasing of water bodies has also been taken up by the Department to facilitate greater investment in the Inland Fisheries Sector. They also highly appreciate two major initiatives of the Department viz. the draft Model Bill for Inland Fisheries and Aquaculture for adoption by the State Governments and the circulation of comprehensive guidelines for culture-based Fisheries Management in Small Reservoirs in India among all States. The Committee are confident that coupled with the above measures, the decision to take up Reservoir Development Programme as a flagship activity of National Fisheries Development Board in about 12 lakh hectares, asking State Governments to consider concessions on power and water charges to aquaculture at par with agriculture and taking up the issue of income tax exemption for aquaculture and concessional credit at par with agriculture with the Ministry of Finance are all laudable initiatives taken by the Department to usher buoyancy and dynamism in the aquaculture sector. They, therefore, desire the Department to pursue all these initiatives to their logical conclusions earnestly and with due promptitude they deserve.

DEVELOPMENT OF ESTUARIES
(Recommendation Para No. 6.20)

1.32 Finding that in spite of the fact that most of the fish is produced in estuaries, the estuaries continue to be in the most neglected state the Committee had taken up the matter with the Department and based on their assurance given during the oral evidence that an appropriate scheme for the development of estuaries would be framed and implemented they had asked the Department to do so expeditiously.

1.33 The Department in their Action Taken Note have submitted that the matter regarding a new scheme for management of estuaries has been examined by them. It has been recognized that estuaries and other breeding grounds of fish are a highly critical eco-system for sustainable development of fisheries.

Accordingly, the Department have advised NFDB to prepare appropriate projects for sustainable management of estuaries and breeding habitats. NFDB has accordingly prepared a scheme which is proposed to be implemented in collaboration with ICAR and State Governments.

1.34 The Committee are happy to note that based on their recommendation the Department have got prepared a Scheme by National Fisheries Development Board for sustainable management of estuaries and breeding habitats which is proposed to be implemented in collaboration with ICAR and State Governments. The Committee would like to be apprised of the details of the Scheme and the cost and timelines proposed for its implementation. Needless to mention they would also like the Department to implement it at the earliest.

CHAPTER- II

OBSERVATIONS / RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

IMPLEMENTATION OF COMMITTEE'S RECOMMENDATIONS (Recommendation Para No. 1.4)

The Committee observe that Direction 73 A of Directions by Speaker entails the monitoring of the implementation of their recommendations and the concerned Minister need to make a statement in the House within a period of six months of the presentation of the original Report. However, it is disturbing to further observe that in the instant case, the Minister made the Statement in the House on 4 August, 2009 after lapse of more than 15 months after presentation of the Thirty Ninth Report. The analysis of the Statement also reveals that 50% recommendations have been implemented while 50% recommendations are either yet to be implemented or are under various stages of implementation and one recommendation has not been implemented.

The Committee take strong exception to the non-adherence by the Ministry to stipulations contained in Direction 73 A. They, therefore, urge the Ministry to adhere to the stipulated time frame of six months for the making of Statement by the Minister in the House in future without fail.

Reply of the Government

Directions of the Committee have been noted for strict compliance in future.

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

Zero Based Budgeting Exercise (Recommendation Para No. 3.30)

The Committee find that a Zero Based Budgeting (ZBB) exercise is conducted by the Department in consultation with the Planning Commission at the formulation stage of the Five Year Plan. This is done in order to review the schemes being implemented in the previous Plan for further continuation, assessment of new schemes for their inclusion, working out fund requirements, inter-se prioritisation of allocated funds, etc. It is pertinent to note that the ZBB exercise of the Department in the context of the Eleventh Plan was held on 29 August, 2007 five months after the

Eleventh Plan commenced. Several decisions were taken during the said ZBB exercise including merger of ongoing and new schemes in certain sectors, implementation of new schemes, modification/recasting of ongoing schemes, etc. The examination by the Committee has, however, revealed that the element of conclusivity was lacking in these decisions. There has, therefore, been a severe cascading effect on the execution and implementation process. This is apparent from the fact that all the concerned Schemes viz. Poultry Development Scheme, Establishment/Modernisation of Rural Slaughter Houses, including Mobile Slaughter Plants, salvaging and Rearing of Male Buffalo Calves, Poultry Venture Capital Fund, Safety and Traceability, Utilisation of Fallen Animals, some Components of animal diseases, National Animal Disease Reporting System, National Dairy Plan, etc. are yet to take off, when we are already halfway through the Eleventh Plan. In the opinion of the Committee the extant Planning process is responsible to a great extent for poor performance and non achievement of the Department so far in the Eleventh Plan. Had the Plan proposals of the Department been worked out well in advance and the ZBB exercise conducted sufficiently ahead of the commencement of the Eleventh Plan, things would have been totally different. The tenets of financial Planning as also financial prudence enjoin advance planning as a must, a basic fact that was evidently lacking while formulating the Eleventh Plan. The Committee to their dismay found that this state of affairs is prevailing in case of all the four Ministries/Departments whose Demands for Grants for the ongoing Fiscal were examined by them. They, therefore, desire that the entire system of planning process needs to be revisited by the Government at once, so that the delays of years together, in the formulation, appraisals and all approvals by SFC/EFC, Planning Commission etc. and implementation of schemes become a thing of the past. The most likely roadmap for the purpose could be planning for the next Five Year Plan in the last year of previous Plan in such a manner that all approvals and sanctions are in the bag, at least three months before the commencement of the next Plan.

Reply of the Government

The Department has communicated Committee's recommendations to the Planning Commission who have acknowledged the said advice as extremely useful for streamlining the process of sanctioning schemes of the Department. It has assured to make all efforts for implementing recommendations of Parliamentary Committee in letter and spirit.

ELEVENTH PLAN ALLOCATIONS

(Recommendation Para No. 3.31)

The Committee have also considered the aspect of Eleventh Plan Allocation to the Department and have found several shortcomings in the way the entire process has been dealt with. The Department had proposed an allocation of Rs. 17695.17 crore for the Eleventh Plan. This was in tune with the projections made by the concerned Working Group of the Planning Commission. This was, however, slashed by more than half by the Planning Commission, who have approved an Outlay of Rs. 8174.00 crore only. In the Tenth Plan the Department had been able to secure almost 77% of the allocation sought by them. To further compound the woes of the Department, even this substantially reduced allocation is not being given to them as per their projections and requirements. Against sums of Rs. 1435.10 crore, Rs.1891.25 crore and Rs. 1889.07 crore respectively sought by the Department for the first three Fiscals of the Eleventh Plan, they have been allocated Rs. 910.00 crore, Rs. 1000.00 crore and Rs. 1100 crore respectively by the Planning Commission. The allocations for the two Fiscals gone by were reduced further to Rs. 810.00 crore and Rs. 940.00 crore respectively at the RE Stage by the Ministry of Finance. The Department have in turn, been able to spend Rs.784.08 crore and Rs.864.50 crore respectively out of these reduced RE allocations. Thus, against the Department's request for allocation of about 64% of the total Outlay, the Planning Commission have allocated them hardly 37% of the total Outlay of the Eleventh Five Year Plan for the first three years of the Plan. With further cuts in funds at RE stage during the first two Fiscals and still lesser actual expenditure by the Department in these two Fiscals, the position that emerges now, when we are well beyond halfway mark of the Eleventh Plan, is that the Department, even if they are able to use the entire Rs.1100.00 crore meant for the ongoing Financial Year, would have hardly utilised one third of the total allocation. This leaves two-third outlay up for grabs in the last two years of the Plan. Viewed in the context of the pace of approvals for Schemes etc., it can be safely concluded that the remaining two-third outlay of Eleventh Plan would largely remain unutilised. The Committee are not at all happy with the ad-hoc, unprofessional and non-serious manner in which the extant system of financial planning and management, release of funds, etc is being handled by all concerned. The lack of certainty and consistency in fund allocations and releases leaves little scope for the executing/implementing agencies for meticulous planning and execution of Schemes, which is a serious matter as it leads to delays and even scuttling of the developmental efforts. With this very apparent backloading of the Plan funds, the Department are left with only two choices, either to rush up with

execution/implementation of their schemes, without any concern for qualitative achievements, prudent planning and proper execution or to stagger these Schemes to the next Plan. In both the situations, regrettably, the casualty would be national interest and public good. The Committee, therefore, strongly recommend that the Government should, in consultation with all concerned, bring out well laid down norms with focussed timelines for the various stages of their budgeting procedures so as to improve financial planning and management of funds. Once such norms are in place, most of the present problems discussed above will be taken care of to a large extent. The Committee desire that this may be attended to by the Government with utmost promptitude. They desire to be apprised of the action taken in this respect at the earliest.

Reply of the Government

The matter was taken up with the Planning commission who have informed that the allocation of only Rs.8,174 crore could be made due to overall funds constraints and competing demands.

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

NEW SCHEMES **(Recommendation Para No. 3.33)**

In the context of new Schemes, the Committee's scrutiny has revealed that new Schemes included in a particular Five Year Plan are identified on the basis of extensive consultation process involving the Department, Planning Commission, subject experts and stake holders. These are, thereafter, taken up for implementation in Annual Plans after obtaining the requisite approvals. The Committee note that as of now in case of 11 new schemes of the Department all of whom are of significant importance, implementation process has not even begun due to various reasons, though more than two and a half years of the Eleventh Five Year Plan have already elapsed. Six of these Schemes are pending for want of requisite approvals/evaluations while the remaining six are pending for want of requisite funds. The Committee feel this is a very unsatisfactory state of affairs. If New Schemes, of crucial importance are treated with such disdain and allowed to languish for years together, it is a serious reflection on the entire system of planning and finance management. Apart from the recommendation made previously in this

Report about systemic improvement, the Committee desire that the Department should initiate prompt and conclusive action in the context of all these 11 New Schemes so that their implementation begins in right earnest in the current fiscal itself without any further delay. With hardly two years and a quarter of Eleventh Plan period left, the Committee would also like to have a blue print of how the Department intend to go about with the implementation of those components of these Schemes, which were to be completed/achieved during the Eleventh Plan.

Reply of the Government

The Department included the following new schemes for implementation during the 11th Five Year Plan:-

- 1 Poultry Development
- 2 Integrated Development of Small Ruminants & Rabbits
- 3 Establishment/Modernisation of Rural Slaughter Houses
- 4 Utilisation of Fallen Animals
- 5 Poultry Venture Capital Fund
- 6 Piggery Development
- 7 Salvaging and Rearing of Male Buffalo Calves
- 8 National Animal Disease Reporting System (NADRS)
- 9 National Control Programme of Peste des Petits Ruminants (PPR)
- 10 Strengthening of Existing Hospitals/Dispensaries
- 11 National Control Programme of Brucellosis
- 12 Food Safety and Traceability
- 13 Livestock Extension & Delivery Services
- 14 National Dairy Plan

The schemes mentioned at serial number 1 to 3 are under implementation after receiving requisite approvals. The Expenditure Finance Committee (EFC) met on 26th February, 2010 to consider the scheme mentioned at serial number 4. The scheme would be taken up for implementation as soon as competent approval is received.

The scheme 'Poultry Venture Capital Fund' (sr. no. 5) is in operation on old pattern and funds to the tune of Rs.10.00 crore have been released.

The schemes 'Piggery Development' and 'Salvaging & Rearing of Male Buffalo Calves' awaits consideration of the EFC. It would be possible to take further action only thereafter.

The EFC Memoranda for the schemes mentioned at Sl. Nos. 8, 9 & 10 were prepared and circulated to the appraisal agencies. However, the Planning Commission observed that the new schemes would require approval of the Full Planning Commission and suggested to explore the possibility of merging these schemes with the on-going scheme. The matter was again discussed with the member, Planning Commission on 07.01.2010 when it was decided that these schemes may be merged with the existing scheme 'Livestock Health and Disease Control'. This has been done and the revised EFC Memorandum circulated to the appraisal agencies.

This Department had engaged NABARD Consultancy Services (NABCONS) to prepare approach papers for formulating the new initiative of Food Safety and Traceability. In order to crystallize thinking on the subject, two stakeholder workshops were also held. In view of non-availability of adequate expertise in the area, the Department has requested technical help from the FAO who has tentatively agreed to provide services of an expert. A formal arrangement in this regard is expected to be put in place soon.

The Department had prepared SFC Memo for the scheme 'Livestock Extension & Delivery Services' and circulated to the appraisal agencies in May 2009. In order to provide further inputs, the Planning Commission set up a sub-group. Based on the inputs received from the subgroup, a revised EFC Memo has been prepared.

The NDDB is in discussion with the World Bank to finalize the Detailed Project Report (DPR) for the 'National Dairy Plan'. The World Bank has conveyed that while National Dairy Plan spans a period of fifteen years, the World Bank usually funds projects for a period of five years. It has been proposed that the Project Concept Note (PCN) could cover the first phase of National Dairy Plan, spanning the period from 1st October 2010 to 31st March 2017, co-terminus with the 12th Five Year Plan. The World Bank is in the process of preparing their Project Concept Note. NDDB and the World Bank would work together to draw up the Detailed Project Document for obtaining approval of the Government of India. NDDB is working towards expediting the process.

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

RESTRICTIVE INSTRUCTIONS OF THE MINISTRY OF FINANCE
(Recommendation Para No.3.34)

For the Annual Plan 2009-10, the Department had proposed a sum of Rs. 1889.07 crore. They were, however, initially allocated only Rs. 1000.00 crore by the Planning Commission, as it had been decided to stick to RE 2008-09 levels owing to fund constraints while fixing BE for 2009-10. An additional sum of Rs. 100.00 crore was allocated to the Department after they remonstrated with the Planning Commission. The reduced allocation has, admittedly affected the ongoing Schemes of the Department viz. National Project for Cattle and Buffalo Breeding, Livestock Health and Disease Control, expansion of Foot and Mouth Disease Control, etc. Furthermore, due to reduced availability of funds, implementation of several new schemes including Establishment and Modernisation of Veterinary Hospitals and Dispensaries, Unitisation of Fallen Animals, Control Programme of Brucellosis, Food Safety & Traceability etc. have been postponed. While paucity of funds, undoubtedly, led to the above situation, the Committee note that certain instructions regarding spending issued by the Ministry of Finance have also adversely affected the execution/implementation of Schemes owing to Vote on Account for the first four months of the current Fiscal. The Ministry of Finance, in this context issued instructions that in the first four months of the Financial Year (April to July) the expenditure on any ongoing Scheme should not exceed one third of the allocation and there should be no expenditure on any New Schemes. These restrictions have further retarded the momentum of implementation of the ongoing Schemes and the progression of new Schemes as they deprived the Department of whatever limited flexibility they enjoyed in the context of inter-se allocation of funds. The result is that in the most crucial middle year of the Plan, the Department's performance will by their own admission take a hit. This, in all likelihood, would affect the implementation of Schemes in the remaining two years of the Plan as well. The Committee feel that the Ministry of Finance ought not to have issued such restrictive instructions on spending. They should have, rather, permitted the Ministries/Departments to deal with the situation on their own and on a case to case basis. The Committee cannot but comment on the highly casual approach of the Ministry of Finance on this crucial issue. Having accepted these instructions as a fait accompli merely because these were applicable to all Ministries/Departments of the Government inspite of being fully aware of the negative impact these restrictions would have on the implementation of their schemes, does not portray the Department in a positive light. The Department should have raised the matter with the Ministry of Finance or at other appropriate fora for withdrawal/relaxation of these instructions so as to ensure the unhindered

implementation of Schemes. They are of the firm view that had the Department taken this initiative, they would not have been alone, but many more Ministries/Departments would have supported their cause. The Committee expect that the Department will act more responsibly in similar situations in future.

Reply of the Government

The recommendation of the Committee has been noted for compliance.

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

DECLINING GROWTH RATE (Recommendation Para No. 3.35)

The Committee note that the Government have fixed a modest 6% growth rate target for the animal husbandry, dairying and fisheries sector in the Eleventh Plan. The Committee are, however, highly concerned to find that the growth rate in these sectors has shown a sharp decline. It has gone down from 5.6% in 2005-06 to 4.6% in 2006-07 and further down to 3.5% in 2007-08. The Committee are, however, not convinced by the argument of the Department that this 'decline is apparently on account of overall disruption of economy' for two simple reasons. One, there was nothing like overall disruption of economy during the years for which growth rate data has been furnished by the Department (upto 2007-08) and two, most of the activities in animal husbandry, dairying and fisheries in India is in unorganised sector in rural areas which remained more or less untouched by the so called overall recession in economy. The Committee would, therefore, like the Department to revisit the whole matter with an open mind to establish the exact cause of this alarming decline in the growth rate in these sectors. More importantly, the Committee exhort the Government, that if the growth rate of 6% is to be achieved, these sectors need to be infused with requisite investments without any further delay. With little more than two years of the Eleventh Plan left, the Committee hope that the Government will ensure that the efforts of the Department in the direction of achieving the 6% growth rate will not be hampered due to paucity of funds and be enabled in an all round manner to implement their Schemes in right earnest in the remaining period of the Plan.

Reply of the Government

The growth rate in GDP is computed by the Central Statistical Organization, Ministry of Statistics and Programme Implementation. As per information

communicated to this Department, following is the rate of growth in GDP in the last few years:

Year	Growth of GDP from Livestock and Fisheries
2005-06	4.8 %
2006-07	4.4 %
2007-08	5.1 %
2008-09	5.4 %

The above information shows that the GDP has been increasing consistently except for the year 2006-07. The growth rate of livestock and fisheries together reported earlier to the Committee was based on the base year 1999-2000. Now the GDP for those years have been computed again by CSO with 2004-05 as the base year. It has also been explained by the CSO that in departure from the earlier basis, the data of concentrates in feed of livestock is now estimated using 'per animal consumption' figure as estimated from the Cost of Cultivation Studies conducted by the Ministry of Agriculture.

Further, in order to improve resource availability for animal husbandry, dairying and fisheries related activities, the Department is pursuing the states for making higher allocations for these sectors from the funds available to them under the Rashtriya Krishi Vikas Yojana (RKVY).

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

ALLOCATIONS TO ANIMAL HUSBANDRY SECTOR **(Recommendation Para No. 4.36)**

The Animal Husbandry Sector being the thrust area of activity of the Department enjoys a major chunk of financial allocation. In the ongoing Fiscal it has been allocated a sum of Rs. 619.40 crore out of the total allocation of Rs. 1100.00 crore. In percentage terms this works out to more than 56% of the total allocation of the Department for the year. In the previous two financial years, the Department's

performance has been mixed. While in the year 2007-08 their actual expenditure at Rs 373.43 crore was more than the RE amount of RS. 357.46 crore, in 2008-09 the Actuals at Rs. 442.70 crore lagged substantially behind the RE amount of Rs. 495.51 crore. The Committee also observe that in both these years the BE amount had been substantially reduced at the RE stage. About the reasons behind this pruning down of allocations, the Department have stated that the reasons behind the cut effected by the Ministry of Finance at RE are not communicated to them. The Committee find the reply of the Department really shocking. The entire budgetary process, as it appears, is based on consultations between various players concerned with planning as well as execution/implementation. It is, therefore, inexplicable as to how the Ministry of Finance effects cuts at RE stage in an arbitrary manner, without conveying the reasons for the same. Ideally, the Ministry should not only convey to the Department concerned, the specific reasons for reducing allocations at RE stage, they should also indicate clearly about future availability of funds in case the reductions at RE stage are not attributable to the non-performance of the Ministry/Department in question, so that the relevant Schemes are planned and implemented accordingly.

Reply of the Government

The Ministry of Finance, Deptt of Expenditure have informed that allocations at the RE stage take into account the position of utilisation of budgetary allocation by the Department and the revised resource availability with the Government. They have stated that the exercise of fixing the revised allocation is undertaken on the basis of the information provided by the concerned Department and in consultation with its Financial Adviser.

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010

CENTRALLY SPONSORED SCHEMES **(Recommendation Para No. 4.37**

Having analysed, indepth, the performance of the Department in implementation of some of the major Centrally Sponsored Schemes, the Committee find to their huge disappointment glaring shortcomings in the performance in this regard. The Establishment/Modernisation of rural slaughter houses for which a sum of Rs. 250.00 crore has been allocated has been a glaring example of tokenism, with Rs. 2.00 lakh and Rs. 1.00 lakh allocated in the first two years of the Plan. This year

the sum has been raised to Rs. 5.00 crore. Going by the performance till date the Committee can very well imagine the fate of this Scheme, which will have a huge bearing on the animal husbandry sector, in the remaining period of the Plan.

The carcasses of dead animals, are a substantial source of by products and earnings for their owners, the world over. In India, however, due to non-availability of the requisite infrastructure and facilities, the disposal of dead animals is usually a big hassle for the owners. The Department had, therefore, included a very ambitious 'Scheme on Utilisation of Fallen Animals' in the Eleventh Plan. The Committee, however, regret to observe that as of now the Department has only been able to draft the Scheme and preparatory action is in hand to circulate it to the appraisal agencies. This Scheme has an allocation of Rs. 75.00 crore for the Eleventh Plan and no funds were, however, allocated for the Scheme in the first two years of the Plan. This year also only a token sum of Rs. 1.00 lakh has been assigned to this Scheme.

Reply of the Government

The Centrally Sponsored Scheme 'Establishment/Modernisation of Rural Slaughter Houses' is being implementing in three States Andhra Pradesh, Uttar Pradesh and Meghalaya during 2009-10 with an outlay of Rs.5 crore through the National Bank for Agriculture and Rural Development (NABARD). The scheme 'Utilization of Fallen Animals' was considered and approved by the Expenditure Finance Committee.

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

ALLOCATION TO CENTRALLY SPONSORED SCHEMES **(Recommendation Para No. 4.38)**

The fate of Livestock Extension and Delivery Services Scheme for which a sum of Rs. 15.00 crore has been earmarked in the Plan, is still worse. The Department had prepared SFC Memo for this Scheme and circulated it to the appraisal agencies and comments had been received from some of them. The Planning Commission has in the meantime set up a sub-group to examine the subject. The Department have submitted before the Committee that the SFC Memo will now be finalised on receipt of the report of the said sub-group. The result is that

no funds were assigned to the Scheme during first two years of the Plan and a token amount of Rs. 1.00 lakh has been allocated in the ongoing Fiscal.

Under the Poultry Development Scheme, for which a sum of Rs. 150.00 crore has been earmarked for the Eleventh Plan, the Department have been able to spend only a sum of Rs. 28.17 crore in the first two Fiscals. This gross underutilisation is mainly due to non-receipt of necessary approvals for the two new components of the Scheme viz. 'Rural Backyard Poultry Development' and 'Poultry Estates'. Even in the current year the allocation is Rs. 28.00 crore only. Even if this entire amount is utilised by the Department, almost two third funds meant for this Scheme would be left for being spent during the last two years of the Plan. As already commented elsewhere in this Report, the system of appraisals, approvals by SFC/EFC, Planning Commission etc. needs to be revised urgently to obviate the fate the schemes of the Department are now undergoing resulting in non allocation of requisite amounts for Schemes, subsequent under utilisation and reductions at RE stage all leading to under performance of the Schemes. The Committee cannot but conclude that this leaves much to be desired in this regard.

Reply of the Government

The Department had prepared SFC Memo for the scheme 'Livestock Extension & Delivery Services' and circulated to the appraisal agencies in May 2009. In order to provide further inputs, the Planning Commission set up a sub-group. Based on the inputs received from the subgroup, a revised EFC Memo has been prepared.

The Centrally Sponsored Scheme, 'Poultry Development' was approved in June 2009 at a total outlay of Rs.150 crore and is presently under implementation. Up to February 2010, amounts of Rs. 248.25 lakhs and Rs.541 lakh have been released for 'Poultry Estates' and 'Rural Backyard Poultry Development' components respectively.

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

LIVESTOCK HEALTH AND DISEASE CONTROL PROGRAMME
(Recommendation Para No. 4.39)

The Committee note that the Livestock Health and Disease Control Programme has four ongoing components viz. Assistance to States for Control of Animal Diseases; National Project on Rinderpest Eradication; Professional Efficiency Development; Foot and Mouth Disease Control Programme. They also note that in the case of these four Programmes the actuals during the last two financial years have either matched the budget estimates or even surpassed them. The Committee, therefore, desire that in view of the good work being done by the Department towards control and eradication of animal diseases through this Scheme, all the existing components of the Scheme be provided sufficiently enhanced allocations in the remaining two years of the Eleventh Plan to increase the ambit of these components as also their effectiveness.

Reply of the Government

Against an allocation of Rs.128.39 crore for the 'Livestock Health & Disease Control' in 2009-10, an amount of Rs.373.90 crore has been provided for it in 2010-11.

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

NEW COMPONENTS OF LIVESTOCK HEALTH AND DISEASE CONTROL PROGRAMME

(Recommendation Para No. 4.40)

As regards the four new components of the Scheme which the Department proposed for implementation in the ongoing financial year viz. Strengthening of existing hospitals/dispensaries; National Control Programme of Peste des petits ruminants (PPR); National Control Programme of Brucellosis; and National Animal Disease Reporting System, the Committee are distressed to note that nothing tangible has been achieved by the Department till date. The Department could not take up the Components 'Strengthening of Existing Hospitals/Dispensaries' and 'National Control Programme of PPR' for want of funds. In case of National Animal

Disease Reporting System, only a token provision was made because of non-allocation of Rs. 53.24 crore earlier agreed to by the Planning Commission. In case of the National Control Programme of PPR, the position is still worse. Though Planning Commission allocated a sum of Rs. 39.00 crore for the Programme for the current financial year and the EFC Memo was circulated to appraisal agencies, The Department was subsequently informed the Department that the approval of full Planning Commission is required in the matter. It was suggested by them to explore the possibility to accommodate the PPR Component under any existing scheme. Thus again, the Department has to be content with a token amount for this component in the ongoing financial year. Keeping this element of uncertainty in view, the Committee during their examination had suggested to the Department that in tune with the advice of the Planning Commission they may think of accommodating the PPR Component, in the already existing Component of 'Assistance to State to Control Animal Diseases' which is also meant for vaccination, control and eradication of certain diseases as is the case with PPR. The Department had however, chosen to disagree on the plea that the National Control Programme on PPR is a mission mode activity to achieve eradication of the disease from the Country in a fixed time frame. Hence, it requires focused attention of a dedicated programme and it cannot be clubbed with other unconnected activities. The Committee after considering all the aspects of the issue, desire that instead of endlessly delaying implementation of this important Component for control of animal diseases, the Department should seriously consider co-opting it in the existing scheme for 'Assistance to Control of Animal Diseases' so that the intended objectives are attained to some extent.

Reply of the Government

The following four new schemes relating to the livestock health and disease control were, inter alia, identified for implementation in the 11th Plan:

National Animal Disease Reporting System (NADRS)

National Control Programme on Peste des Petits Rumianants (NCPPPR)

Strengthening of existing Veterinary Hospitals and Dispensaries (SVHD)

National Control Programme on Brucellosis (NCPB)

Accordingly, in order to secure their approval, memoranda for the EFC for the first three schemes were prepared and circulated to the appraisal agencies in June to August ,2009. The Planning Commission advised that instead of taking them as up as separate schemes, the same should be merged with the ongoing scheme of the

‘Livestock Health & Disease Control’ and necessary approval obtained accordingly. The Agriculture Division of the Planning Commission also had reservations about the ‘Establishment and strengthening of Veterinary Hospitals and Dispensaries’ (SVHD). In order to reiterate the significance of this scheme, as also those of other new schemes, a presentation was made to the Member (Agriculture), Planning Commission on 07/1/2010. Based on the discussions held in the meeting, a new EFC Memoranda merging all the above mentioned schemes with the ongoing scheme of ‘Livestock Health & Disease Control’ has been circulated to the appraisal agencies.

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

SHORTAGE OF FEED AND FODDER
(Recommendation Para No. 4.41)

The Committee note that there is already a huge shortage of green fodder in the Country. Scanty rainfall and drought this year have further worsened the problem. The Committee note with concern that still Fodder Development Scheme has been allocated a meagre sum of Rs.10.80 crore. The Committee are of the view that adequate availability of feed and fodder to livestock and poultry is very vital for increasing production of milk, poultry, meat and other animal products. They, therefore, recommend that fund allocation to the scheme be increased substantially, at once.

The Committee, further, desire the Department to take initiatives with the help of ICAR to grow less water consuming feeder crops for livestock, like millets such as Jowar, bajara and ragi which are not only a good source of nutrition in food but their stalks are also a good source of fodder for livestock. Millet crops consume less water and can easily grow in scanty rain areas. Specific grasses should also be planted as per soil type and in Special incentives be given to the farmers who grow fodder crops and minimum support prices for millets should be increased so that farmers could get motivated to cultivate these crops. These steps, they feel would certainly go alongway in easing out the situation on this front and increase the incomes of small and marginal farmers at the same time.

Reply of the Government

In this regard, it is stated that this Department regularly consults ICAR from time to time in regard to its various initiatives. Fodder minikits of Bajra, Guar and Jowar have been allocated to various States during Kharif and Rabi season 2009-10. The Department has also constituted a Sub-group on feed and fodder with members also from the ICAR to deliberate on issues of mutual interest to the two organisations in the area of feed and fodder.

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

Comments of the Committee

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

POULTRY VENTURE CAPITAL FUND SCHEME **(Recommendation Para No. 4.42)**

The Committee note that a Poultry Venture Capital Fund has been established in view of huge demand and potential for employment generation. The Committee have been informed that earlier this was a part of the Dairy and Poultry Venture Capital Fund and it has now been decided that poultry should have its own Venture Capital Fund. The Scheme is under evaluation.

The Committee, however, find that there is no clarity in two elements in the Demands for Grants of the Department of this year pertaining to this aspect. A Scheme 'Poultry Venture Capital Fund' with an allocation of Rs.200.00 crore has been shown in the Demands separately while another Scheme 'Dairy/Poultry Venture Capital Fund' with an allocation of Rs.300.00 crore has also been shown separately in the demands. During the oral evidence also the representatives of the Department could not properly explain how funds were being allocated from the old Scheme when the Scheme of Poultry Venture Capital Fund was still under evaluation. They, therefore, desire that the confusion created in the context of Poultry Venture Capital Fund may be removed by initiating appropriate necessary procedural correctives without any further delay.

Reply of the Government

A scheme, 'Dairy/ Poultry Venture Capital Fund' is being implemented by the Department since 10th Plan. To boost the Poultry Sector, it was decided to have a separate Scheme 'Poultry Venture Capital Fund'. Accordingly a scheme was drawn up and EFC meeting for the scheme, 'Poultry Venture Capital Fund' was held on 12.01.2009. The Committee recommended that department should await the findings of the evaluation of erstwhile 'Dairy/ Poultry Venture Capital Fund'. The evaluation has been carried out by the Centre for Management Development, Thiruvananthapuram. Meanwhile, in order to ensure a continuous support to various poultry activities, the funding of the scheme under the erstwhile pattern from the new head of 'Poultry Venture Capital Fund' has been continued. Based on the evaluation report of the erstwhile 'Dairy/ Poultry Venture Capital Fund', it has now been decided to propose the 'Poultry Venture Capital Fund' scheme under capital subsidy pattern. Scheme is being reviewed in consultation with NABARD for implementation during the next two years of 11th Five Year Plan.

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

SALVAGING AND REARING OF MALE BUFFALO CALVES
(Recommendation Para No. 4.43)

The Committee note with concern that the Scheme for Salvaging and Rearing of Male Buffalo Calves for which an amount of Rs.300.00 crore has been earmarked in the Eleventh Plan, is yet to see the light of the day. The Scheme was dropped by the Planning Commission in favour of Private Sector during the ZBB meeting held on 7 May, 2007. On being persuaded by the Department, the Planning Commission approved the Scheme on 29 August, 2007.

Further it is note clear as to why and what happened between May and August 2007 for the flip-flop witnessed on this front between the Department and the Planning Commission. The Committee desire an explanation for the delay of more than two years in this regard. The Committee wonder whether the Scheme would be implemented at all in the Eleventh Plan. Out of Rs.300.00 crore no funds have been spent during the first two years of the Plan and a sum of Rs.4.00 crore has been allocated as BE in the ongoing Fiscal. The Committee, therefore, exhort the Department to attend to the finalisation of this Scheme in right earnest so that its implementation proper begins without any further delay.

Reply of the Government

This Department engaged NABCONS (NABARD) to prepare an approach papers for the scheme. On finalization of the approach paper and consulting the Department's Internal Finance Division on the same, an EFC Memorandum seeking approval to the new scheme was circulated to the appraisal agencies on 9.6.08 for their comments. Since the scheme was not finalized, funds were reduced at RE stage and utilized for other ongoing schemes of the Department.

The Department has fixed the meeting of the Expenditure Finance Committee on 25.03.10.

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

FOOD SAFETY AND TRACEABILITY SCHEME
(Recommendation Para No. 4.44)

The Committee note that a new scheme 'Food Safety and Traceability' has been launched with an outlay of Rs.50.00 crore for the Eleventh Plan. However for the third continuous year no funds have been spent on the scheme. Surprisingly, the modalities of implementation of the Scheme are yet to be decided. NABCONS, the agency hired by the Department for drafting the Approach Paper for the Scheme have given their Report. The Department have now appointed another Consultant, who is an expert in the area of livestock disease surveillance and management. The Department are also toying with the idea of implementing the Scheme as a part of Foot and Mouth Disease Control Programme. It is a known fact that the export of livestock produce, poultry, fisheries, etc. from India are mainly hindered because of qualitative deficiencies. This point was time and again emphasised by the Department before the Committee during the examination of Demands for Grants (2009-10). The Committee fail to understand as to why the Department is unable to make any progress in respect of this Scheme of utmost importance for increasing the exports of livestock produce, poultry, fisheries, etc. The Committee, therefore, desire that the Department should stop further dithering in the matter and prepare a roadmap for implementation of this Scheme without any further delay.

Reply of the Government

This is an entirely new area for the country for which neither requisite expertise nor experience is available. Hence, it is necessary to proceed with due caution so that any steps taken do not have to be retraced and public money spent infructuously. After Department's consultations within the country through NABARD / NABCONS did not provide an actionable blueprint, the FAO has been approached to provide the services of an international expert. As soon as such an expert becomes available, which is expected to happen soon, a road map for implementation of the traceability system for food safety would be prepared.

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

Comments of the Committee

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

EXTERNALLY AIDED PROJECT 'CONTROL AND CONTAINMENT OF AVIAN INFLUENZA'

(Recommendation Para No. 4.45)

During the examination of the Demands for Grants (2009-10) of the Department, the Committee also dwelt upon the implementation of the Externally Aided Scheme 'Control and Containment of Avian Influenza'. In the Basic Material submitted to the Committee, a sum of Rs. 40.00 crore has been indicated as BE for the year 2008-09. This was reduced to Rs. 34.20 crore at the RE stage. The Actual Expenditure was only Rs. 5.83 crore (Prov.). When this gross-underutilisation was pointed out to the Department, they informed in the subsequent written reply that the actual expenditure incurred was Rs. 7.04 crore and not Rs. 5.83 core. In the Outcome Budget of the Department Submitted as a part of record to the Committee, the Actual Expenditure for this Project has been shown as Rs. 6.43 crore. While desiring that the correct figures be conveyed to them immediately, the Committee take strong exception to the submission of contradictory figures in a casual and careless manner by the Department. They expect the Department to be more careful in future, while furnishing information to the Parliament and its various bodies.

Reply of the Government

A sum of Rs.7.04 crore was released during the financial year 2008-09 under the Externally Aided Project 'Preparedness Control and Containment of Avian Influenza' during 2008-09. Out of this, Rs.5.83 crore was released through cheques and Rs.1.21 crore was released through Letter of Authority. Details are given as below:

Amount in Rs. Crore

Activity	Cheques Issued
Capacity Building: Veterinary Personnel (Vets. & Paravets.)	0.17
Participatory Disease Intelligence: Training of community	3.00
Animal Disease Surveillance Information System: Satellite Imagery/ GIS/GPS/Data Network	0.05
Surveillance of Poultry: Creation of Basic Facility for Sample/Specimen Collection	0.50
Strategic Reserves of Equipments, PPE, etc.	0.66
Bird Flu Cell	0.12
IEC: Development of Material and Dissemination	1.33
Total	5.83
Letter of Authority (LoA) issued for Information, Education and Communication: Development of Material and Dissemination	1.21
Grand Total	7.04

Accordingly, the figure of Rs.7.04 crore was reported to the Committee. However, the Ministry of Information and Broadcasting could spend an amount of Rs.0.60 crore only, out of an amount of Rs.1.21 crore released to it through the LoA. Hence, the actual expenditure incurred in 2008-09 was Rs.6.43 crore.

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

INTEGRATED DEVELOPMENT OF SMALL RUMINANT AND RABBITS SCHEME
(Recommendation Para No. 4.46)

The Committee having examined the performance of the Integrated Development of Small Ruminant and Rabbits Scheme, note that an outlay of Rs. 200.00 crore has been allocated in the Eleventh Plan for this Central Sector Scheme. However, it is distressing to note that even though meagre sums of Rs.10.22 crore and Rs.15.00 crore were allocated for the Scheme during 2007-08 and 2008-09 respectively, the Actual Expenditure was Zero in both the years. This happened due to the fact that the necessary approvals for the Scheme were accorded only in 2009. Notwithstanding the assertion of the Department that the Scheme will now be implemented in bimodal approach through NABARD and the State Implementing Agencies, the Committee apprehend that if the present state of affairs continue, the Scheme would miss its cost as well as time lines thereby spilling over to the next Plan. They, therefore, recommend that the Department should come up with a specific and well laid down schedule for this scheme, at once, and implement the Scheme within that rigid framework to avoid cost and time over-runs. The Committee would like to be apprised of the action taken by the Government in this regard within a month of presentation of this Report to the Parliament.

Reply of the Government

The Central Sector Scheme 'Integrated Development of Small Ruminants and Rabbits' was approved by the Expenditure Finance Committee on 16th February 2009 with an allocation of Rs.134.83 crore for the remaining period of 11th Five Year Plan. Budget allocation for 2009-10 is Rs. 18.33 crore. As the scheme is to be implemented through NABARD and the State Implementing Agencies in bimodal approach, there was some delay in implementing the scheme in the initial period of 2009-10. However, guidelines provide year-wise phasing of physical and financial activities for the remaining period of 11th Five Year Plan to avoid cost and time over-runs. The Department is in constant touch with NABARD and the State Govts. to implement the scheme successfully.

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

PIGGERY DEVELOPMENT **(Recommendation Para No. 4.47)**

The Central Sector Scheme 'Piggery Development' is again beset with the same problem of delay in requisite approvals/sanctions. The Scheme has a sum of Rs. 150.00 crore earmarked in the Eleventh Plan. However, spending during first two years has been 'NIL'. This year also a minuscule amount of Rs. 3.00 crore has been allocated for the Scheme. The Committee note with dismay that the Scheme was circulated to the appraisal agencies in 2008-09 one year after commencement of Eleventh Plan. Further, after certain modifications, it has been again circulated to the appraisal agencies in the current Financial Year and comments of one of them are still awaited. Thereafter, the Department will place the proposal before EFC and only after these approvals are received, the Scheme could be implemented. The Committee are of the firm view that with such an approach nothing tangible can be achieved. They would like the Department to take a proactive stand in the matter to expedite the response of the remaining appraisal agency and EFC approval on priority basis. Unless this is done, they apprehend that the Scheme will merely remain on the drawing board in this Plan.

Reply of the Government

The Department has fixed the meeting of the expenditure finance committee on 25.03.10

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

DROPPING OF NEW SCHEMES
(Recommendation Para No. 4.48)

The Committee are dismayed to note that two new Schemes of the Department viz. 'Special Feeding Programme for Raising Heifers' and 'Establishment of Livestock Food Corporation' have been finally dropped at the behest of Planning Commission. Both these Schemes have been featuring in all three Demands For Grants of the Department in the Eleventh Plan. In fact, token allocations of Rs. 1.00 lakh each had also been made for the two Schemes in 2007-08, the first year of Eleventh Plan. The Committee feel that if decisions on inclusion or otherwise of the Schemes takes so long, it does not augur well. The Planning and conceptualising of Schemes do require certain commitments from the Department in terms of manpower, finances and time. They, therefore, desire the Department to invariably ensure that adequate ground work is done for their justification, before they are proposed so that they are not dropped at such late stages of consideration.

In the similar vein, the Committee would also like to comment on the performance of the Department vis-à-vis two more Schemes viz. 'Resource Mapping in 100 Potential districts and Promotion of entrepreneurial programme in small ruminants & pigs' and 'setting up of retail poultry dressing units'. Both these schemes have been shown in the DFGs of the Department for 2007-08 and 2008-09 with token/no allocation. They have also been included in the ongoing fiscal as well with 'NIL' allocations. The Committee find that EFC Memo for both these Schemes have been prepared. With a view to ensure that the implementation of these Schemes is not delayed any further, the Committee recommend that special initiatives are needed to get the EFC Memo of these Schemes considered on priority for a favourable decision. The Committee would like to be apprised of the efforts of the Department in this regard at the earliest.

Reply of the Government

At the advice of the Planning Commission, the scheme 'Resource Mapping in 100 Potential Districts and Promotion of Entrepreneurial Programme in Small Ruminants and Pigs' has been dropped and a new Central Sector Scheme

‘Integrated Development of Small Ruminants and Rabbits’ has been initiated in the 11th Five Year Plan with an allocation of Rs.134.83 crore.

Further, the Working Group on Animal Husbandry and Dairying for 11th Plan had recommended taking up a scheme for Piggery Development in the country. Accordingly, NABARD Consultancy Services was engaged by the Department to prepare an Approach Paper on the subject. Based on this Approach Paper, a new Central Sector Scheme for Piggery Development has been formulated. Memorandum for Expenditure Finance Committee (EFC) for the new scheme with an outlay of Rs.150 crore was circulated on 02.09.2008 and again on 06.08.2009 with supplementary information. However, the EFC meeting under the Chairmanship of Secretary (Expenditure) could not be held on 10.03.2010.

Now, in view of the limited time available during the 11th Plan, the Department has decided to scale down the outlay to Rs.73.58 crore and the EFC meeting under the Chairmanship of Secretary (ADF) is scheduled on 25.03.2010. It has a component on Resource Mapping with an outlay of Rs.0.39 crore.

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

ALLOCATIONS TO DAIRY SECTOR **(Recommendation Para No. 5.8)**

The Committee are extremely happy to note that with the estimated production of 110 million tonnes of milk during 2008-09, India has become the largest producer of milk in the world. The Committee are however, saddened to note that inspite of the well known employment generation and export potentials of milk and dairy products, the Government has not paid sufficient attention to the Dairy Sector. This is amply reflected by meagre allocation of Rs. 580.00 crore for this Sector for the entire Eleventh Five Year Plan. At a time when the consolidation and investment are the bye-words for all industries, the allocation to this Sector only reflects the indifference of the Government to a prospective sunshine area. The Committee, therefore, desire that the Government should enhance the allocations to the Dairy Sector in a substantial way in the Eleventh Plan itself so that the full potential of the Sector both in terms of employment generation and export earnings is achieved to the maximum of the known potential.

Reply of the Government

An amount of Rs.2,170.79 crore has been allocated for development of dairy sector during the 11th Five Year Plan period against Rs.1,161.00 crore allocated during 10th Five Year Plan period under the scheme implemented by the Department for this purpose. There has been increase in allocation of funds during the 11th Five Year Plan as compared to 10th Five Year Plan by 86.97%. Details of scheme-wise allocation during the 10th & 11th Plan is given below:

S. No.	Name of the scheme	10 th Plan outlay	11 th Plan outlay
	A. Centrally Sponsored Schemes		
1.	National Project for Cattle and Buffalo Breeding	375.00	554.00
2.	Assistance to States for Fodder Development	25.00	141.40
3.	Assistance to States for Control of Animal Diseases	255.00	550.00
S. No.	Name of the scheme	10 th Plan outlay	11 th Plan outlay
4.	National Project on Rinderpest Eradication	40.00	25.00
5.	Livestock Insurance	0.00	149.40
6.	Intensive Dairy Development Programme	175.00	124.99
7.	Strengthening Infrastructure for Quality and Clean Milk Production	30.00	100.00
8.	Delhi Milk Scheme	1.00	5.00
	Total-A	901.00	1,649.79
	B. Central Sector Schemes		
1.	Central Cattle Breeding Farm	49.00	75.00
2.	Assistance to Cooperatives	130.00	50.00
3.	Dairy/Poultry Venture Capital Fund	25.00	0.00
4.	Dairy Venture Capital Fund	0.00	300.00
5.	Central Herd Registration Scheme	11.00	16.00

6.	Central Fodder Development Organization	45.00	80.00
	Total-B	260.00	521.00
	Total A+B	1,161.00	2,170.79

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

NATIONAL DAIRY PLAN
(Recommendation Para No. 5.9)

The Committee note that a National Dairy Plan (NDP) with an estimated Outlay of Rs.17371.00 crore has been proposed by the Department. NDP contains strategies to increase the milk production of the Country to meet the projected demand of about 180 million tonnes by 2021-22 and also enhance the share of organised sector to about 65% from the present 30%. The Plan has three major components viz. Enhancing Milk Production through better productivity; Strengthening/expanding infrastructure in procurement, processing, marketing; and Quality Assurance and Human Resource Development.

The Committee also note that the Planning Commission has accorded in-principle approval for the Scheme subject to certain conditions. The financial requirements for the Scheme, as per the Project Report of National Dairy Development Board, would be met mainly through external assistance (Rs.15994 crore) in the form of soft loans and grants. The remaining funds would be contributed by the implementing agency as margin money (Rs.1377 crore). Any shortfalls in the external assistance would be met through grants in the Schemes of Central Government and/or other agencies. The Preliminary Project Report of NDDB has been forwarded by the Government to the World Bank in March, 2009. The timeframe for various activities would be drawn once the Detailed Project Report is finalised and approval of various Departments and the Cabinet is obtained. The Committee are happy that at last the Government has made a beginning towards achieving holistic development of the Dairying Sector in the Country. The NDP has come not a day too soon. The Committee, therefore, desire that the Department should work in tandem with other Ministries/Departments/Agencies with a single minded zeal to fructify this Scheme of immense national interest and ensure that its implementation does not suffer like many other Schemes of the Department that have been commented upon elsewhere in this Report. The Committee would like to

be apprised of the positive outcome of the endeavours of the Department in the matter at the earliest.

Reply of the Government

National Dairy Plan (NDP) is a strategic plan with an outlay of Rs.17,371 crore to achieve a target of 180 million tonnes of milk production annually by 2021-22. Milk production is expected to grow at 4% with an annual incremental output of 5 million tonnes in the next 15 years. Districts will be categorised into 324 high potential districts for intensive development and remaining 282 low potential districts for further expansion of the sector.

The Government is exploring World Bank assistance to bring down the cost to the Government and also to provide loans at a concessional rate. Approach paper/Preliminary Project Report (PPR) has been forwarded to the World Bank through the Ministry of Finance. NDDB is preparing State specific plans in consultation with State Governments/Milk Federations to increase milk production.

NDDB is having discussion with World Bank officials to finalise Detailed Project Report (DPR). The World Bank team indicated that they would need to first prepare a Project Concept Note (PCN) for their internal approval after which they would be about to finalise the nature of participation of the World Bank in jointly preparing the Detailed Project Report on the NDP. The World Bank team explained some of the options that could be pursued for possible funding of the NDP by the World Bank.

The World Bank team conveyed that while NDP spans a period of 15 years, the World Bank usually funds projects for a period of around five years. It was felt that the PCN would cover the first phase of NDP spanning 6 ½ years – 1st October, 2010 to 31st March, 2017, co-terminous with the 12th Five Year Plan.

It is also mentioned that after the PCN is approved, it usually takes about 18 months to complete activities to the preparation of the Detailed Project Report, obtaining the approval by the Government of India and the appraisal of the project by the World Bank. Considering the urgency, these processes could be expedited so as to launch the project by 1st October, 2010 or latest by 1st April, 2011.

ASSISTANCE TO FISHERIES INSTITUTE SCHEME **(Recommendation Para No. 6.17)**

The Committee note that there have been substantially less spendings in the Scheme 'Assistance to Fisheries Institute' in the first two years of the Plan. This

happened due to non-acquisition of vessels for the Central Institute for Fisheries and Nautical Engineering and Fishery Survey of India and also due to litigation in respect of construction of Office building of Fishery Survey of India at Mumbai. The Committee hope that the Department will take all necessary steps to acquire the vessels for these two Institutions without any further delay even if they are on lease basis, so that the research and other activities of these Institutions do not suffer in the absence of the vessels.

Reply of the Government

The Technical Tender Committee constituted for purchase of vessels for Fishery Survey of India (FSI) and Central Institute of Fisheries, Nautical and Engineering Training (CIFNET) could not get valid quotations from suitable firms for construction of survey/training vessels and the Committee recommended the Ministry to take an appropriate decision in this regard. The Institutes have been advised to initiate the process of acquisition of the vessels through Cochin Shipyard Limited (CSL), Kochi which is a public sector undertaking. Further, in the meanwhile, they have been directed to start the process for taking appropriate vessels on lease.

As regards, construction of office building of FSI, Mumbai, there has been an escalation of the cost of the projects and the revised estimates are being examined in consultation with Integrated Finance Division (IFD).

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

Comments of the Committee

For comments of the Committee please refer to Para No. 1.25 of Chapter I of this Report.

NATIONAL FISHERIES DEVELOPMENT BOARD **(Recommendation Para No. 6.18)**

The Committee have noted a trend of gross underspending in the financial performance of the National Fisheries Development Board during the last two Fiscals. The BE in both the years had to be slashed down from Rs.100.50 crore and Rs.75.00 crore respectively to Rs.50.00 crore and Rs.46.90 crore respectively. However, as submitted by the Department, these being the formative years of the Board, it was in the process of settling. Now that this phase is over, the Committee expect the Board to manage its financial affairs in a more professional manner to ensure optimum utilisation of scarce resources for attainment of the objectives for which it was setup.

Reply of the Government

A. Details indicating the release of funds to National Fisheries Development Board (NFDB) and utilization of these funds.

1. The details of the funds allocated (Budget Estimate) to NFDB and the funds actually made available (Revised Estimate) for the year 2007-06 to 2009-10 is as follows:

Funds Allocated: Rs. in crore

2007-08		2008-09		2009-10	
BE	RE	BE	RE	BE	RE
100.50	50.00	75.00	46.90	135.00	100.00

Expenditure incurred: Rs. in crore

Year	Opening Balance	Funds Received	Funds Available	Funds Sanctioned
2006-07	0	30.00	30.00	3.66
2007-08	26.85	50.00	76.85	27.09
2008-09	50.81	46.90	97.71	71.28
2009-10	26.46	85.00	111.46	98.00
Total		211.90		200.03

B. Formative years and institution building:

The Board was established on July 10th 2006 and it was inaugurated on 9th September 2006. During 2006-07 and 2007-08, the NFDB was still in the formative stage and the Board initiated recruitment process for appointing suitable officers. It was only by January 2008 that a majority of the officers and technical staff were inducted into the Board. The guidelines for various activities were prepared and approved in the 3rd Governing Body meeting held on 05.01.2008. These guidelines relating to various schemes were communicated to all states and other implementing organizations. Hence it took some time to set up the process of creating the required

infrastructure and manpower and a working framework for implementation of the various schemes.

C. Constraints in the implementation:

The response from the states and other user organizations has been slow resulting in slow utilization of budget provided during the first two years of NFDB. Some of the reasons that could be attributed for slow absorption of resources are:

- i) The NFDB does not have its own implementing machinery and by design it has to implement the schemes through the state fisheries departments and other institutions. As the organization was new and the schemes and guidelines were also new the states and implementing agencies could not respond quickly to access funding and took time to abide by procedural formalities.
- ii) Conditions of 10% contribution to NFDB by the states, and payment of 25% gross income from reservoir stocking schemes, harbors/landing centers etc. were not acceptable to certain states and it required a lot of convincing effort.
- iii) Equity participation in certain schemes like Tuna Fisheries, whole sale markets and harbours development was found not feasible and hence expenditure on equity was not incurred.
- iv) Other schemes such as RKVY, PM's package etc. are flexible and hence offer higher rates of subsidy. Some of the states are availing RKVY funds for such fisheries projects which require large investments.

D. Efforts to speed up progress :

Realizing the problems faced during the last three years, NFDB has recast the funding pattern and subsidy for the existing schemes and incorporated certain new schemes with a view to make the programmes acceptable and attractive to the user governments /government organizations/entrepreneurs/ farmers/ fishermen and fish merchants for realizing the NFDB objectives. Government of India has also approved the revised guidelines and these revised guidelines were communicated to all implementing states and other organizations with a request to send the proposals accordingly during this year.

5. Further, during this financial year, the following steps were taken to speed up implementation of the programmes by NFDB:

- i. Organising regional meetings with the State Governments /implementing agencies.
- ii. Conducting seminars/ workshops to identify new projects with the stakeholders.
- iii. Networking with R&D institutions and implementation of pilot projects for technology transfer.
- iv. Organising Fish festivals and participation in the events and exhibitions to popularize the schemes.

As a result many states and other implementing agencies have shown better response to implement the schemes during the year 2009-10. Therefore, NFDB could sanction schemes costing Rs. 98.00 crore as on 31.12.2009. Further, the Board has also received proposals valued at Rs. 111.00 crore which are at various stages of processing. From the statement given above, it could be seen that there is good progress in implementation of the schemes in the last two years despite the constraints explained in the paragraphs 2 and 3 stated above.

E. Major activities taken up by the Board:

NFDB has been able to mobilize efforts in the following areas:

- Reservoir Fisheries Development
- Inland Aquaculture
- Technology Up-gradation
- Commercial Exploitation of Chaura and Mauns
- Cage Culture Popularization
- Open sea cage culture
- Sea bass culture in ponds
- Cryopreservation of fish milt
- Popularization of Magur Culture
- Establishment/modernization of hygienic markets
- Modernization of Harbours
- Aquatic Quarantine Facility
- Individual Quick Freezer (IQF) Facility

- Tuna: Sashimi grade processing unit
- Ornamental fisheries
- Human Resource Development:

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

Comments of the Committee

For comments of the Committee please refer to Para No. 1.28 of Chapter I of this Report.

MARINE FISHERIES PRODUCTION **(Recommendation Para No. 6.19)**

The Committee observe that with the marine fisheries production having reached a plateau, the Department is rightly focusing on development of inland fisheries. The Committee, however, find that the development of inland fisheries is facing problems because of three reasons (i) the ownership of water bodies is not clearly defined in many States, (ii) There is no well laid down procedure for management of resource and (iii) since aquaculture is not considered to be a part of agriculture, it does not enjoy the facilities like non-levy of income tax, concessional tariff, water, access to credit, etc.. The Committee are of the firm view that until and unless remedial measures to tackle these three serious bottlenecks are initiated with due promptitude, the development of inland fisheries cannot be optimised. They, therefore, recommend the Department to workout a well laid out plan to take care of these three impediments and get down to the task of removing them in consultation with other Ministries/Departments/State Governments/other agencies at the earliest.

Reply of the Government

This Department has consistently taken-up the issue of ownership of water bodies with the State Governments and urged that this should be vested with the Fisheries Department. In addition, the issue of long-term leasing of water bodies has also been taken-up by this Department to facilitate greater investment in the inland fisheries sector. These issues are also being discussed and reiterated with the State Governments in various review meetings, conferences and workshops whenever such events are organized. However, since, fisheries is a state subject, the identification of bottlenecks and remedial action essentially lies with the State Governments.

However, there are two initiatives undertaken by this Department which would go a long way to tackle the first two bottlenecks mentioned in the Report, namely the issue of diversified ownership of water bodies and efficient management of resources. The first initiative relates to drafting of a Model Bill for Inland Fisheries and Aquaculture for adoption by the State Governments. The Bill which was drafted by this Department was circulated among all the State Governments and comments were received. These comments were appropriately incorporated in the draft Bill. The draft Bill is being vetted by the Ministry of Law and Justice at the moment after which it would be recommended to the States for adoption. Many a bottlenecks of the fisheries sector would be adequately addressed alongwith ownership issues if the provisions of the Bill are adopted by the State Governments.

Second initiative relates to reservoir fish productivity. Fish productivity from reservoirs in India is one of the lowest in the world. This Department has circulated comprehensive guidelines for culture-based Fisheries Management in Small Reservoirs in India among all the States, which contains the blue print for modern management practices for reservoir fisheries. Guidelines for management of medium and large reservoirs are being published shortly which would also be circulated to States for adoption. As mentioned in the action taken on para 6.18 on NFDB, Reservoir Development Programme has been taken up as a flagship activity of the Board in about 12 lakh ha. with a view to enhance the fish production from the present level of 15-20 kg/ha. to at least 150 kg/ha. Apart from stocking seed from external sources, seed rearing within and in the vicinity of the reservoirs under both pond/cage/pen rearing systems is promoted by NFDB to internalize the seed production capacity of the concerned states. This new initiative is expected to empower fishermen societies to produce quality seed at lower costs and thus leading to sustainable fish production.

In so far as the issue of aquaculture being at par with agriculture is concerned, the actions lie both with the State Governments and the Central Government. State Governments have been requested to actively consider concessions on power and water charges to aquaculture at par with agriculture. In so far as Central Government is concerned, this Department has already taken up the issue of income tax exemption for aquaculture and concessional credit at par with agriculture with the Ministry of Finance.

Comments of the Committee

For comments of the Committee please refer to Para No. 1.31 of Chapter I of this Report.

DEVELOPMENT OF ESTUARIES

(Recommendation Para No. 6.20)

The Committee find that in spite of the fact that most of the fish is produced in estuaries, the estuaries continue to be in the most neglected state. Admittedly, the Department realised the importance of this aspect hitherto neglected by them only when the matter was taken up by the Committee. The Committee expect that the assurance given to them by the Department during evidence that an appropriate scheme for the development of estuaries would be framed and implemented by them at the earliest would be honoured.

Reply of the Government

The matter regarding a new scheme for management of estuaries has been examined by this Department. It has been recognized that estuaries and other breeding grounds of fish are a highly critical eco-system for sustainable development of fisheries.

Accordingly, this Department had advised NFDB to prepare appropriate projects for sustainable management of estuaries and breeding habitats. NFDB has accordingly prepared a scheme which is proposed to be implemented in collaboration with ICAR and State Governments.

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

Comments of the Committee

For comments of the Committee please refer to Para No. 1.34 of Chapter I of this Report.

SPECIAL PACKAGE FOR SUICIDE PRONE DISTRICTS

(Recommendation Para No. 7.6)

The Committee note that the actual expenditure under the Scheme 'Special Package for Suicide Prone Districts' has been significantly less than the allocated funds. It was Rs.131.61 crore in 2007-08 against an RE of Rs. 170.00 crore. Similarly, it was Rs. 132.91 crore during 2008-09 against an RE of Rs. 160.00 crore. The Department contended that the drawal of funds by the beneficiary States remained below the allocations made by the Department for the purpose in these years. The Committee would however like to comment on the total projection made by the Department for the Scheme for the entire Eleventh Plan which is Rs. 340.00 crore. Assuming the entire RE funds of last two years had been availed by the States, the Department would be left with only Rs.10.00 crore for the remaining three years. Presently, a sum of Rs.264.52 crore has already been spent in the first two years of the Plan and if the entire amount of Rs.75.00 crore which is the BE for 2009-10 is spent this year, the Department would be virtually left with no funds for the remaining two years. The Committee hope that the Department will anticipate the fund requirement for such important scheme in a more careful manner in future. They further desire that a mid-term review of the attainment of the objectives vis-à-vis the expenditure already incurred on the Scheme be made on an urgent basis before the projections for BE 2010-2011 are made by the Department. They also desire to be apprised of the outcome of the review at the earliest.

Reply of the Government

The Special Package was approved in August 2007 with a total budgetary outlay of Rs. 510.79 crore covering a period of three years i.e. up to March 2009. Accordingly, the Department made pro-rata allocations for 2006-07, 2007-08 and 2008-09. The actual off-take of funds by the beneficiary states was much lower than the funds provided for as would be seen from the table below:

Amount in Rs. Crore

Year	Funds provided	Funds drawn by beneficiary states
2006-07	169.37	90.33
2007-08	153.00	131.62
2008-09	160.00	132.91

The Department did not receive any additional allocation for implementing the Special package. The funds for the purpose were mobilised by cutting back the requirements of other schemes. The above situation of lower offtake by the beneficiary states created a situation where the funds provided for the Special Package were not utilised to extent provided and these were also not permitted to be reappropriated for other schemes, which were suffering for want of adequate allocations. The Govt. of India also decided to extend the term of the package up to September 2011. In order to avoid the situation that is seen from the above table, the Department provided an amount of Rs. 75 crore only for implementation of the Special Package in 2009-10. The actual drawal so far is only Rs.61.02 crore.

In the meanwhile, the Govt. of India decided to implement 'Development of Kuttanad Wetland Eco-system' (August 2008) and 'Mitigation of Agrarian Distress in Idukki District' (December 2008) as part of the Special Package. The total outlay of 'Mitigation of Agrarian Distress in Idukki District' is Rs.91.15 crore and that of 'Development of Kuttanad Wetland Eco-system' is Rs.9.50 crore. An amount of Rs.9.14 crore has already been incurred on these two new components, taking the total expenditure under the Special Package to Rs.415.88 crore.

Keeping in view these additional requirements, the Department proposed a requirement of Rs.135 crore for the Special Package for 2010-11. However, keeping in view the reduced allocation of Rs. 1300 actually made to the Department for the year 2010-11, the revised allocation for the Special Package for the year stands at Rs.95.85 crore.

CHAPTER III

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

MID-TERM APPRAISAL (Recommendation Para No. 3.36)

The Committee find that the Department have completed their mid-term appraisal exercise and presented the results, thereof, to the Planning Commission and the experts committee constituted by the Planning Commission. The Committee have gone through the outcome of mid term appraisal submitted to them by the Department. The Committee are, however, not satisfied with the manner in which the outcome of mid-term appraisal has been projected by the Department. While citing achievements of the Eleventh Plan, the Department have needlessly and inexplicably made comparisons with data as old as that of year 1997. In other cases, achievements have been couched in a vague language thereby making their exact assessment difficult to understand. The constraints cited are also the ones which are generally known and not specific to the Schemes included in the Eleventh Plan. Likewise, the way ahead also doesn't present any cogent roadmap for achievement of goals enumerated. Such type of inputs, in the opinion of the Committee, are neither going to make the mid-term appraisal a professional and purposeful exercise nor help the Department in taking appropriate mid course corrections. Since the mid term appraisal would continue beyond the Committee's examination of the Demands for Grants 2009-10, they desire that the final outcome of this appraisal along with the specific follow up measures initiated by the Department may be furnished to them alongwith the Action Taken Replies of the Government within three months of presentation of this Report to the Parliament.

Reply of the Government

The Planning Commission has not yet intimated the outcome of the Mid-term Review of the Department's 11th Five Year Plan undertaken by it.

EXPORT OF ANIMAL, DAIRYING AND FISHERIES PRODUCTS
(Recommendation Para No. 7.7)

The Committee's perusal of the figures furnished by the Department for export of animal, dairying and fisheries products during the last three years reveals a disturbing trend. They are concerned to note that while the export of animal products is increasing in quantitative terms, they are not yielding higher value in monetary terms. In the case of fisheries product also, while the quantity of exports has increased during the last three years, the value of exports has decreased. Since the exports of these products are important for the country's economic growth and that they also provide employment to a substantial segment of the population, the Committee recommend that the Department should look into the reasons for these alarming trends and take remedial measures urgently so that the exports of animal, dairying and fisheries products get remunerative returns in the remaining period of the Eleventh Plan.

Reply of the Government

Following is the information relating to the export of animal and marine products in the last three years:

Qty. in MT

Values Rs. in crores

Items	2006-07		2007-08		2008-09	
	Qty	Value	Qty	Value	Qty	Value
Buffalo Meat	4,94,506.30	3,213.70	4,83,478.29	3,549.80	4,62,749.62	4,839.70
Sheep and Goat Meat	5,777.52	65.87	8,908.72	134.09	37,790.64	493.36
Poultry Products	7,11,245.67	318.17	13,55,246.31	441.08	10,57,016.46	422.05
Dairy Products	45,371.84	434.57	69,415.44	866.56	70,146.77	980.86
Animal Casings	436.98	9.50	619.68	684.14	1823.72	884.32
Processed Meat	860.69	7.12	1,245.47	12.96	857.63	10.14
Items	2006-07		2007-08		2008-09	

	Qty	Value	Qty	Value	Qty	Value
Natural Honey	8,135.60	60.91	12,231.19	93.29	15,587.53	148.96
Swine Meat	1,523.47	8.65	1,710.89	24.63	817.82	9.17
Total Animal Products	12,67,857.07	4,118.56	19,32,855.99	5,129.26	16,46,790.19	6,913.12
Total Marine Products	6,126,41.5	8,363.5	5,41,700.8	7,620.90	6,02,834.0	8,608.0
Total	18,80,498.57	12,482.06	24,74,556.79	12,750.16	22,49,625.19	15,521.12

Source APEDA and MPEDA

It would be seen from the above that there has been an increase in value of exports in case of all the products, except for marginal decrease in the case of swine meat, processed meat and poultry products. The main reason for this decline is the outbreak of Avian Influenza and resulting bans imposed by various countries on these imports.

These years have seen a significant increase in the value of exports from Rs.12,750.16 crores in 2007-08 to Rs.15,521.12 crores in 2008-09, i.e. an increase of about 21.7%.

CHAPTER IV

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

NEED FOR ENHANCED INVESTMENT

(Recommendation Para No. 2.8)

The Committee note the acclaimed position of India as a huge reservoir of livestock and poultry and the vital role these abundant resources have played and continue to play in providing the much needed sustenance to the rural populace of the Country. The Animal Husbandry, Dairying and Fisheries sectors, undoubtedly, also provide greatest protection and resource to fall back to the farming community against natural calamities and the uncertainties of agriculture, which is their primary vocation. The Committee further note that these sectors have also contributed a significant 5.21% in total GDP of the Country in the year 2007-08 when the Budgetary Allocation to the Ministry of Agriculture (Department of Animal Husbandry, Dairying and Fisheries) was a paltry 0.28% of the Central Plan Outlay. These sectors also provide total employment to more than 9% of the work force in the Country. The Committee's examination, as borne out by the succeeding narrative, has revealed the undeniable potential of these Sectors as engines of growth, particularly in the context of the rural economy. They, therefore, are of the firm view that sector friendly schemes and substantially enhanced investments be made by the Government in these sectors at once which is the need of the hour as also in the larger interest of the Country.

Reply of the Government

The Department included the following new schemes for implementation during the 11th Five Year Plan:-

- 1 Poultry Development
- 2 Integrated Development of Small Ruminants & Rabbits

- 3 Establishment/Modernisation of Rural Slaughter Houses
- 4 Utilisation of Fallen Animals
- 5 Poultry Venture Capital Fund
- 6 Piggery Development
- 7 Salvaging and Rearing of Male Buffalo Calves
- 8 National Animal Disease Reporting System (NADRS)
- 9 National Control Programme of Peste des Petits Ruminants (PPR)
- 10 Strengthening of Existing Hospitals/Dispensaries
- 11 National Control Programme of Brucellosis
- 12 Food Safety and Traceability
- 13 Livestock Extension & Delivery Services
- 14 National Dairy Plan

It would be noted that the new schemes are innovative, sector-friendly and seek to address the felt needs on the ground.

It may also be submitted that the Department has been seeking higher budgetary allocations so as to make required level of investment for development of the animal husbandry, dairying and fisheries sectors. As would be noted from the position brought out below, the allocations actually received by the Department were of a much lower size:-

Amount in Rs. crore

S.No.	Year	Allocation demanded	Allocation received
1	2007-08	1,435.10	910.00
2	2008-09	1,891.25	1,000.00
3	2009-10	1,889.07	1,100.00
4	2010-11	1,829.38	1,300.00

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

Comments of the Committee

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

UNDER-UTILISATION OF PLAN FUNDS **(Recommendation Para No. 2.9)**

The Committee note that Demand No. 3 pertaining to Department of Animal Husbandry, Dairying and Fisheries provides for Rs. 1583.50 crore in BE 2009-2010. This consists of Rs. 1564.95 crore in the Revenue Section and Rs. 18.55 crore in the Capital Section. While the entire amount in the Capital Section is in the Plan side, in the Revenue Section a sum of Rs. 1081.45 crore is on Plan side and the remaining Rs. 483.50 crore is on the Non-Plan side. Compared to corresponding Revised Estimates figures of previous Fiscal, there is an increase of 16.5% in the Revenue Section (Plan Side) and an increase of 33% in Revenue Section (Non-Plan side). In the Capital Section there is an increase in allocation by about 62% over the previous year. The Committee have also noted that the Department implements their agenda through a number of Central Sector and Centrally Sponsored Schemes.

The Committee find that the approved Eleventh Plan outlay for the Department is Rs. 8174.00 crores, and the plan outlays in the first three years of the plan period from 2007-08 to 2009-10 works out to Rs. 3010.00 crores, leaving a huge balance of Rs. 5164.00 crores for the last two years of the Plan period. The committee feel that there is a large scope for increasing the Annual Plan allocation by the Planning Commission in favour of the Department of Animal Husbandry, Dairying and Fisheries and they desire that the allocation for 2009-10 should suitably be revised upwards at the Revised Estimates this year itself by the Planning Commission.

The Committee also finds that out of the total Plan outlay of Rs. 1910.00 crores in the first two years of the Five Year Plan period, and expenditure of Rs. 1637.21 crores only has been incurred leaving Rs. 272.19 crore unutilised. The Committee feel that the Department should analyse the reasons for this shortfall in the utilisation of funds and evolve suitable remedial strategies so that the Plan Funds allocated to the Department are fully utilised.

Reply of the Government

The department has been pursuing with planning commission to provide adequate allocation for the department of animal husbandry, dairying and fisheries. in this direction, the department proposed rs.1829.38 crore for annual plan 2010-11, which was discussed in a meeting held on 14.01.2010 under the chairmanship of member (agri.), planning commission. the department was advised to reduce revised projection up to an amount of rs. 1400 crore. however, budget allocation of only rs.1,300 crore was received for 2010-11, which is 18 percent higher than the last year's allocation.

The scheme-wise utilisation of funds against allotment has been examined. The scheme-wise reasons for shortfall in expenditure in 2007-08 and 2008-09 have been presented in Annexure I.

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

Comments of the Committee

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

ALLOCATIONS TO THE DEPARTMENT VIS-A-VIS CENTRAL PLAN OUTLAY **(Recommendation Para No. 3.32)**

The Committee observe that though the Central Plan Outlay is a mammoth Rs. 4,47,921 crore, the share of the Department of Animal Husbandry, Dairying and Fisheries is a measly Rs. 1,100.00 crore, which is about 0.25% of the Central Plan Outlay in the fiscal. This disparity is more prominent in the inter-se allocation of funds, within the three Departments of the Ministry of Agriculture. While Department of Agriculture and Cooperation and Department of Agricultural Research and Education have been allocated Rs. 7200.00 crore and Rs. 1760.00 crore respectively, the Department of Animal Husbandry, Dairying and Fisheries have to remain content with Rs. 1100.00 crore only. In percentage terms, while the Department have been allocated 11% of the overall funds, DAC and DARE have been provided 89% of the total funds allocated to the Ministry of Agriculture. This is despite the fact that livestock and fisheries sectors contribute to 31.6% of the value of output from agriculture and allied sectors. The Committee find it incomprehensible

as to why the Department is being given such a step motherly treatment in the allocation of funds. One obvious reason that comes to their mind in the context of the continued neglect of these sectors is the agriculture/crop centric planning of the Government which has over the years relegated this sector to the periphery as mere subsidiary activities.

The Animal husbandry, dairying and fisheries sectors have a very wide but sadly unexplored canvas, Given proper impetus, these sectors can change the face of rural India, more specifically, the lives of the small and marginal farmers and the underprivileged sections. Even otherwise, as contributors of more than 5% to our GDP (in 2007-08) and providers of total employment to 9% of our work force, it is incumbent on the part of Government to enhance infusion of more funds in these sectors to not only sustain their present level of contribution to our economy but also to exploit further their vast untapped potential in furtherance of national interest. The Committee, therefore, recommend that not only the Government get rid of their agriculture centric mindset without any further delay but also workout in right earnest, the exact potential of animal husbandry, dairying and fisheries sectors and accordingly enhance investment in these sectors for their proper and prompt development. To give these sectors, their rightful place in view of their significant contribution to the economy and employment, the Government should, amongst other measures, also consider having an exclusive Ministry mandated with the responsibilities of these sectors at the Union Government level, as is the case in some of the State Governments.

Reply of the Government

The matter was taken up with the Planning Commission who have intimated that there is an increasing realisation of importance being given to the animal husbandry, dairying and fisheries for securing the expected contribution of 6% growth rate during the 11th Five Year Plan. It has further informed that this intent is closely monitored while implementing various schemes.

[Letter No.25-5(8)/2009 – AHD (Coord) dated 17th March 2010]

Comments of the Committee

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

ALLOCATION TO FISHERIES SECTOR **(Recommendation Para No. 6.16)**

The Fisheries Sector has been allocated Rs.298.00 crore as BE for 2009-10. Though this is substantially higher than the RE allocations of last two years (Rs.168.14 crore and Rs.180.39 crore respectively), the Committee find that the allocations are not in consonance with the requirements and the potential of a Sector, which is a source of livelihood to 14.49 million people and provides employment to a large segment of population engaged in ancillary activities. The Committee had, therefore, recommended enhancement of allocation to the Fishery Sector, even in their 39th Report on DFG (2008-09) of the Department. At the cost of sounding repetitive, the Committee desire that the Department should endeavour to get additional allocations for the Fisheries Sector on priority basis so that the Schemes pertaining to the Sector are planned and executed with a view to exploit their fullest potential.

Reply of the Government

The Department has taken up with the Planning Commission for enhanced allocation for the animal husbandry, dairying and fisheries sector. Funds proposed for the fisheries sector and allocations received during different years of the 11th Five Year Plan are as follows:

Year	Funds proposed for Fisheries Sector	Allocation Received for the Fisheries Sector
2007-08	497.20	205.68
2008-09	388.00	215.00
2009-10	669.95	298.50
2010-11	371.54	262.44

Comments of the Committee

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

CHAPTER V

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

NIL

NEW DELHI
3 March, 2011
12 Phalgun, 1932, (Saka)

BASUDEB ACHARIA
Chairman
Committee on Agriculture

APPENDIX

COMMITTEE ON AGRICULTURE (2010-11)

MINUTES OF THE EIGHTEENTH SITTING OF THE COMMITTEE

The Committee sat on Thursday, the 3rd March, 2011 from 1500 hours to 1515 hours in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Basudeb Acharia - Chairman

LOK SABHA

2. **Shri Narayansingh Amlabe**
3. **Shri Thangso Baite**
4. **Shri Jayant Chaudhary**
5. **Smt. Shruti Choudhary**
6. **Smt. Ashwamedh Devi**
7. **Smt. Paramjit Kaur Gulshan**
8. **Shri Naranbhai Kachhadia**
9. **Shri Prabodh Panda**
10. **Shri Premdas**
11. **Shri Uday Singh**
12. **Shri Hukmadeo Narayan Yadav**

RAJYA SABHA

13. **Shri Mohd. Ali Khan**
14. **Shri Rajpal Singh Saini**
15. **Shri S. Thangavelu**

SECRETARIAT

1. **Shri P. V. L. N. Murthy - Director**
2. **Shri P. C. Koul - Additional Director**

2. At the outset, the Chairman welcomed the members to the Sitting of the Committee. They Committee, thereafter, took up the following Draft Reports for consideration:

(i) XXXX XXXX XXXX XXXX

(ii) Action Taken Report on Observations/Recommendations contained in the Second Report of the Committee (2009-10) on Demands for Grants (2009-2010) relating to the Ministry of Agriculture (Department of Animal Husbandry, Dairying and Fisheries).

(iii) XXXX XXXX XXXX XXXX

(iv) XXXX XXXX XXXX XXXX

3. After some deliberations, the Committee adopted the draft Reports. They also authorized the Chairman to finalise the above Draft Reports in the light of the factual verifications made by the concerned Ministry/Department and present the same to the Houses.

4. XXXX XXXX XXXX XXXX

The Committee then adjourned.

XXXX Matter not related to this Report.

(Vide Para 4 of Introduction of the Report)

**ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON
THE SECOND REPORT OF COMMITTEE ON AGRICULTURE ON
DEMANDS FOR GRANTS (2009-10) PERTAINING TO MINISTRY OF
AGRICULTURE (DEPARTMENT OF ANIMAL HUSBANDRY, DAIRYING AND
FISHERIES)**

(i)	Total number of Recommendations	32
(ii)	Recommendations/Observations which have been Accepted by the Government	
	Para Nos. 1.4, 3.30, 3.31, 3.33, 3.34, 3.35, 4.36, 4.37, 4.38, 4.39, 4.40, 4.41, 4.42, 4.43, 4.44, 4.45, 4.46, 4.47, 4.48, 5.8, 5.9, 6.17, 6.18, 6.19, 6.20 and 7.6	
	Total	26
	Percentage	81.25%
(iii)	Recommendations/Observations which the Committee Do not desire to pursue in view of the Government's replies	
	Para Nos. 3.36 and 7.7	
	Total	2
	Percentage	6.25%
(iv)	Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee	
	Para Nos. 2.8, 2.9, 3.32 and 6.16	
	Total	4
	Percentage	12.5%
(v)	Recommendations/Observations in respect of which Final replies of the Government are still awaited	
	Para No. NIL	