

COMMITTEE ON AGRICULTURE
(2012-2013)

FIFTEENTH LOK SABHA

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

**DEMANDS FOR GRANTS
(2013-14)**

FORTY EIGHTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

APRIL, 2013 / VAISAKHA, 1935 (Saka)

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(2013-14)**

Presented to Lok Sabha on 23.04.2013

Laid on the Table of Rajya Sabha on 25.04.2013



**LOK SABHA SECRETARIAT
NEW DELHI**

APRIL, 2013 / VAISAKHA, 1935 (Saka)

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COMPOSITION OF THE COMMITTEE ON AGRICULTURE (2012-13)

Shri Basudeb Acharia - Chairman

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LOK SABHA

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SECRETARIAT

1.	Shri R.S. Kambo	-	Joint Secretary
2.	Shri C. Vanlalruata	-	Deputy Secretary
3.	Shri Pragyanshu Amaoni	-	Committee Officer

INTRODUCTION

I, the Chairman, Committee on Agriculture, having been authorized by the Committee to submit the Report on their behalf, present this Forty-eighth Report on the Demands for Grants (2013-2014) of the Ministry of Agriculture (Department of Animal Husbandry, Dairying and Fisheries).

2. The Committee under Rule 331 E(1)(a) of the Rules of Procedure and Conduct of Business in Lok Sabha considered the Demands for Grants (2012-13) of the Department of Animal Husbandry, Dairying and Fisheries, which were laid on the table of the House on 19th March, 2013. The Committee took evidence of the representatives of the Department of Animal Husbandry, Dairying and Fisheries, Planning Commission and other organisations at their Sitting held on 03 April, 2013.

The Committee wish to express their thanks to the officers of the Department of Animal Husbandry, Dairying and Fisheries, Planning Commission and other Organisations for appearing before the Committee and for furnishing the information they desired in connection with the examination of Demands for Grants (2013-14) of the Department.

3. The Report was considered and adopted by the Committee at their Sitting held on 17 April, 2013.

4. For facility of reference, the Observations / Recommendations of the Committee have been printed in bold letters at the end of each Chapter of the Report.

NEW DELHI;
17 April, 2013
27 Chaitra, 1935 (Saka)

BASUDEB ACHARIA
Chairman,
Committee on Agriculture

ABBREVIATIONS

APVMA	Australian Pesticides and Veterinary Medicine Authority
ASCAD	Assistance to State for Control of Animal Diseases
ATMA	Agriculture Technology Management Agencies
BE	Budget Estimate
BPL	Below Poverty Line
CSF	Classical Swine Fever
CSO	Central Statistics Office
CSS	Centrally Sponsored Schemes
DAC	Department of Agriculture and Cooperation
DADF	Department of Animal Husbandry, Dairying & Fisheries
DARE	Department of Agricultural Research and Education
DAVP	Directorate of Advertising and Visual Publicity
DCGA	Drug Controller General of India
DDR	Dry Docking and Repair
DEDS	Dairy Entrepreneurship Development Scheme
DFP	Directorate of Field Publicity
DIPP	Department of Industrial Policy and Promotion
DMS	Delhi Milk Scheme
DTAB	Drug & Technical Advisory Board
EEZ	Exclusive Economic Zone
EFC	Expenditure Finance Committees
EIAs	End-Implementing Agencies
ESVHD	Establishment and Strengthening of Existing Veterinary Hospitals / Dispensaries
EU	European Union
FFA	Fire Fighting Appliances
FMD	Foot & Mouth Disease
FMD-CP	Foot & Mouth Disease Control Programme
FTA	Free Trade Agreement
GBS	Gross Budgetary Support
GDP	Gross Domestic Product
GI	Geographical Indication
GMP	Good Manufacturing Practice
HPC	High Powered Committee
ICAR	Indian Council of Agriculture Research

IEBR	Internal and Extra Budgetary Resource
IEC	Information, Education and Communication
ISO	International Organization for Standardization
KVK	<i>Krishi Vigyan Kendras</i>
LH&DC	Livestock Health and Disease Control
LSA	Life Saving Appliances
MAFF	Ministry of Agriculture, Forestry and Fisheries (Japan)
MGNREGS	Mahatma Gandhi National Rural Employment Generation Scheme
MoHFW	Ministry of Health & Family Welfare
NABARD	National Bank for Agriculture and Rural Development
NADRS	National Animal Disease Reporting System
NBFGR	National Bureau of Fish Genetic Resources
NDC	National Development Council
NDBB	National Dairy Development Board
NDP	National Dairy Plan
NFDB	National Fisheries Development Board
NLM	National Livestock Mission
NPBB	National Programme for Bovine Breeding
NPBBD	National Programme for Bovine Breeding and Dairy
NPCBB	National Project for Cattle and Buffalo Breeding
NSSO	National Sample Survey Office
PAO	Principal Accounts Office
PER	Performance Evaluation Report
PIB	Press Information Bureau
PPR	<i>Peste des Petits Ruminants</i>
R&D	Research and Development
RE	Revised Estimate
RFD	Result Framework Document
RKVK	<i>Rashtriya Krishi Vikas Yojana</i>
RTI	Right to Information
SIAs	State Implementing Agencies
SIQ&CMP	Strengthening Infrastructure for Quality and Clean Milk Production
SPS	Sanitary and Phyto Sanitary
SPV	Special Purpose Vehicle

UCs	Utilisation Certificates
USFDA	US Food and Drug Administration
VCI	Veterinary Council of India
VDD	Veterinary Drugs Directorate (Canada)

CHAPTER – I

IMPLEMENTATION OF COMMITTEE'S RECOMMENDATIONS

The Thirty-fifth Report of Committee on Agriculture on Demands for Grants (2012-13) of the Ministry of Agriculture (Department of Animal Husbandry, Dairying and Fisheries) was presented to the Lok Sabha on 30 April, 2012. The Report was laid on the Table of Rajya Sabha on the same day.

1.2 In terms of Direction 73 A of Directions by the Speaker, Lok Sabha, the Minister for Agriculture and Food Processing Industries made a Statement in the Lok Sabha on 28 August, 2012 giving the status of implementation of various Recommendations made by the Committee in their Thirty-fifth Report.

1.3 On the basis of Action Taken Notes received from the Department in respect of the above Report on 23 July, 2012, the Committee presented their Forty-third Report to the Lok Sabha and laid it on the Table of Rajya Sabha on 26 February, 2013. Out of the 18 Recommendations of the Committee, 08 have been accepted by the Government. Replies to two Recommendations viz. Para Nos. 3.58 and 3.60 were of interim nature. The Committee commented upon the Action Taken Notes furnished by the Government in respect of Recommendations at Para Nos. 1.4, 2.33, 2.34, 2.35, 2.36, 2.37, 2.39, 3.55, 3.56, 3.56, 3.57, 3.58, 3.60, 3.61 and 3.63 in the Original Report.

1.4 The Committee note that the Action Taken Replies regarding the action taken by the Government on the Observations / Recommendations contained in the Thirty-fifth Report of the Committee were furnished by the Government within the stipulated three months and the Statement of the Minister under Direction 73-A was made within the stipulated six months period. An analysis of the action

taken by the Government reveals that 45% Recommendations have been implemented, 44% Recommendations have not been implemented and 11% of Recommendations are in various stages of implementation. While the Committee hope and trust that the scheduled time line, prescribed for submission of Action Taken Statement, under Direction 73-A would be adhered to in future, without fail, at the same time, they urge the Government to take conclusive action in respect of recommendations commented upon in their Forty-third Action Taken Report and furnish further action takes notes to the Committee expeditiously.

CHAPTER – II

CHALLENGES CONFRONTING ANIMAL HUSBANDRY, DAIRYING AND FISHERIES SECTORS IN INDIA

INTRODUCTORY

Animal Husbandry, Dairy Development and Fisheries sectors play an important role in the national economy and in the socio-economic development of the Country. These sectors also play a significant role in supplementing family incomes and generating gainful employment in the rural sector, particularly among the landless labourers, small and marginal farmers and women, besides providing cheap nutritional food to millions of people as livestock are the best insurance against the vagaries of nature like drought, famine and other natural calamities.

2.2 India is endowed with the largest livestock population in the world. It accounts for 56.8 per cent of the world's buffalo population and 14.5 per cent of the cattle population. There are about 71.6 million sheep, 140.5 million goats and about 11.1 million pigs in the country. The population of livestock is still increasing rapidly in India. The fisheries potential is also vast owing to country's coastline of over 8000 km. and immense inland water resources. According to estimates of the Central Statistics Office (CSO), the value of output from livestock and fisheries sector together at current prices was about Rs. 4,61,434 crore during 2010-11 which is about 28.4% of the value of output of Rs 16,23,968 crore from total agricultural and allied sector. Also, the estimate of GDP from livestock and fisheries sector together at current prices was about Rs. 3,22,894 crore during 2010-11, which is about 30.40 percent of the Gross Domestic Product (GDP) of Rs. 10,62,004 crore from agriculture and allied sectors.

2.3 The livestock sector also contributes to export in spite of the fact very few livestock enterprises function in the country on commercial basis. Total export earnings from livestock, poultry and related products were Rs. 25,408.86 crore in 2010-11 compared to Rs. 19,036.44 crore in previous year i.e., 2009-10. Animal husbandry sector provides large self-employment opportunities. According to National Sample Survey Office's latest quinquennial Survey (NSS 66th round; July 2009-June 2010), total number of workers in usual status, engaged in farming of animals is 13.6 million in rural areas and 14.9 million in rural and urban areas combined. Total number of workers engaged in farming of animals and fishing is 14.9 million in rural area and 16.5 million in rural and urban areas combined.

2.4 When asked to explain the role played by animal husbandry, dairying and fisheries sector in the economic empowerment of especially small and marginal farmers, the Secretary, Department of Animal Husbandry, Dairying and Fisheries (DADF) during the oral evidence, stated:

“Animal Husbandry, Dairying and Fisheries sector is an important sub sector of the Indian agriculture, particularly from the perspective of small, marginal farmers, landless farmers and women farmers. The livestock and fisheries play a significant role in supplementing the household income of the landless, small and marginal farmers and women farmers. This is particularly so in the context of declining agricultural landholding, which sometimes makes agricultural operations not very viable. These small holdings can be made viable if it is supplemented with animal husbandry activities. We are fully conscious of this fact. Secondly, any development of this sector will be more inclusive. The statistics shows that about 87 per cent of the livestock are owned by small, marginal and semi-medium farmers having a land holding of less than four hectare. The marginal farmers having landholding less than one hectare own

about 37 per cent of the livestock resources. Therefore, any development in the livestock sector will be more inclusive from that point of view”.

MAJOR CHALLENGES

2.5 The animal husbandry sector is confronted with challenges like (i) veterinary hospitals, dispensaries and technical manpower are inadequate (ii) the disease reporting system is neither timely nor complete which delays proper interventions and (iii) inadequate availability of vaccines and lack of cold storage infrastructure. Similarly, the dairy sector is facing numerous challenges and include small herd size and poor productivity, inadequate availability of credit, poor access to organized markets, improper milk price, poor artificial insemination (AI) service network, shortage of manpower and funds, limited availability of quality breeding bulls, disease outbreaks, mortality and morbidity, induction of crossbred animals in areas poor in feed resources, majority of grazing lands are either degraded or encroached, diversion of feed & fodder ingredients for industrial use.

2.6 To overcome these challenges and ensure accelerated growth during the Twelfth Five Year Plan, the Department have taken slew of measures. Explaining the details, the Department informed in written submission:-

- (i) Taking into account the importance of effective control of animal diseases, the Department has proposed strengthening the on-going Scheme ‘Livestock Health and Disease Control, which envisages expanding Foot and Mouth Disease Control Programme so as to cover all districts of the country in phased manner, covering all remaining States/UTs under PPR Control Programme and inclusion of new component namely “National Control Programme for Classical Swine Fever”. Under Assistance to States for Control of Animal Diseases (ASCAD), funds are proposed to be provided for vaccination against canine rabies under immunization

programme and also to upgrade the State Vaccine Production Units to Good Manufacturing Practice (GMP) compliant to facilitate production of quality vaccines for livestock. Under the Act for Prevention and Control of Infectious and Contagious Diseases for Animals, the States are required to frame rules with the approval of Central Government to strengthen regulatory capability of the States for effective control of animal diseases.

To strengthen the system of report of animal diseases and disease surveillance a software based system for reporting of animal diseases, National Animal Disease Reporting System (NADRS) has been launched. More than 6,000 nodes with internet connectivity have been installed at the block, district and state level to facilitate real time online reporting of the data relating to outbreak of animal diseases, which will greatly facilitate the control and preventive measures.

- (ii) Strengthening the bovine breeding programme by adopting scientific principles for production of high quality bulls for breeding, production of frozen semen for use in artificial insemination programme, emphasis on developing recognized indigenous breeds of the country and improving quality of training of inseminators would be emphasized in Twelfth Plan. Minimum standard protocol regulating production of quality semen and protocol for production progeny bulls through progeny testing and pedigree selection have been finalized in consultation with National Dairy Development Board (NDDB). The schemes of dairy development will be integrated and converged alongwith bovine breeding and the dairy cooperatives would be encouraged to take up the breeding and providing veterinary services to the farmers.
- (iii) National Livestock Mission (NLM) will have major components relating to development of feed and fodder, development of small ruminants, poultry development, piggery development in North-East region, livestock insurance and skill development etc. In case of fodder development the emphasis will be given to having in place a seed chain for enhancing the availability of quality fodder seeds to the farmers. Tapping the resources

available under other ongoing programmes and schemes like Mahatma Gandhi National Rural Employment Generation Scheme (MGNREGS) would be encouraged for augmenting production and availability of quality fodder for the livestock.

(a) Control of Animal Diseases

2.7 High prevalence of various animal diseases is serious impediment to growth of livestock sector. Most of these animal diseases can be prevented through timely immunization. Elaborating further, the steps taken to prevent-spread of animal diseases, Secretary, during the oral evidence, stated:

“We are strengthening the efforts to control animal diseases, expanding the National Control Progrmame for FMD, expediting the State Rules under Prevention and Control of Infectious and Contagious Diseases in Animals Act, 2009 so that the States will have a better regulatory mechanism for preventing spread of animal diseases and for better control, by strengthening the diseases reporting and surveillance system.”

(b) Improvement in Genetic Resources of Livestock

2.8 Genetic up-gradation with a focus on development and conservation of important indigenous breed in bovines is hallmark to enhance productivity. For improving genetic resources of livestock, Secretary, Department of Animal Husbandry, Dairying and Fisheries, explained the strategy drawn for the purpose and stated during evidence:

“Our strategy of breeding cattle and buffaloes has been to use the exotic breeds like Jersey and Holstein Friesian to crossbreed the non-descript indigenous cattle, and for buffaloes, the approach has been to use our indigenous improved breed like *Murrah* to upgrade the indigenous buffalo population. So far because of this crossbreeding strategy, our percentage of crossbred population has increased to about 16 per cent of the total and that segment is growing.

The introduction of crossbred cattle has resulted in other problems like incidence of diseases. Our indigenous cattle are much more resistant to the diseases, while the crossbred cattle are not. So, we are trying to revise our approach from that point of view. We would now like to give much more emphasis on developing our own improved indigenous varieties or breeds which are there. In case of buffaloes, as I had explained, we are not going for any crossbreeding. We are using on our own improved breeds like *Murrah* and other indigenous breeds. Similar approach we will try in case of cattle".

2.9 When the Committee specifically sought measures to increase the coverage of breedable population under artificial insemination during Twelfth Plan, the Secretary replied:

"To increase the coverage of breedable population under artificial insemination from the existing level of about 20 to 22 per cent of the breedable cattle and buffaloes to the level of about 35 per cent by the end of the Twelfth Plan. If we take the actual number of cattle and buffaloes which require the insemination, that number is less than the breedable population. The percentage will be 50 percent of the cattle and buffaloes population, which require this insemination service. We are trying to increase this coverage from the existing level of about 20 to 25 percent to around 50 percent for which we require about 100 million doses of frozen semen and 100 million doses of artificial insemination as against 64 million or 65 million doses of frozen semen that we are producing now."

2.10 When Committee enquired about the breeding of indigenous bulls, the Secretary during evidence stated:

"We have a dearth in terms of supply of quality bulls and breeding animals for upgrading the indigenous breeds. Unlike agriculture, where improved varieties can be developed very quickly, here we require time to develop a new breed, which will acclimatize with the local conditions, and hence it takes a much longer time. Our best strategy would be to select the best indigenous breed that we have which are already acclimatized with the local conditions, utilize these

improved indigenous breeds to upgrade the other indigenous breeds and go for crossbreeding in selected cases”.

(c) Impact of Climate Change

2.11 The fast-changing environment is posing multi-faceted challenges to the ecology and livestock. When enquired about Government’s efforts to combat the adverse impact of climate change, the Secretary deposed before the Committee:

“Regarding the climate research, this area is not commensurate with agriculture. There is a need for increasing the effort in this area and we have been in constant interaction with the ICAR to address this particular issue. We are trying to identify certain focused issues and which are the breeds which are better resilient to the impact on climate change. It is already established that our indigenous breeds are much better in our climate compared to the cross breed animals. That is why, our focus in the Twelfth Plan will shift towards improved indigenous breeds which we would like to use in artificial insemination and also for selecting quality goats.”

(d) Challenges for Fisheries Sector

2.12 The fisheries sector is beset with problems of shortage of quality and healthy fish seeds and other critical inputs, lack of resource-specific fishing vessels, inadequate awareness about nutritional and economic benefits of fish, inadequate extension and training to staff and personnel in fisheries sector, low utilization and productivity of water bodies.

2.13 When the Committee sought to know of roadmap drawn, if any, to overcome such challenges during Twelfth Five Year Plan, the Ministry in a written note stated as under :

“Fisheries sector contributes to a great extent in development and employment generation besides ensuing food and nutritional security for millions of our population. The road map for development of fisheries in Twelfth Plan include production of quality fish seeds and fingerlings, production of quality fish feed using the locally available materials and feed ingredients, skill development and capacity building of fishers to strengthen their livelihood a mechanism for surveillance for aquatic animal diseases, dissemination of improved technologies like cage culture, mariculture etc. for improving the productivity and income of the farmers and strengthening of NFDB by merging different schemes relating to development of inland, marine fishermen under NFDB etc. The schemes under NFDB are being modified keeping in view their priorities.”

As regards to initiatives taken to boost fisheries sector, the principal witness informed:

“In fisheries sector, an important initiative of Government of India has been to launch ‘National Fisheries Development Board’ (NFDB) in the year 2006 for implementing fishery developmental schemes in an integrated manner. During Twelfth Plan, the existing schemes for development of inland and marine fisheries excluding the scheme relating to welfare of fishers will be transferred to NFDB to facilitate expansion of fisheries through integration of different activities for development of fisheries. In case of marine fisheries, attempt would be made to achieve greater sustainability by strengthening the regulations as per the existing laws and by strengthening the monitoring system. Expediting completion of the projects for fishermen, biometric ID cards and online registration of vessels would be important.”

(e) Exploitation of Marine Fisheries

2.14 Database of inland and marine fisheries resources, the analysis of such data efficiently and effectively and census of marine wealth enables fishery professionals to evaluate the health and status of fishery resources and evolve management plans. Over-exploitation of marine fisheries is a major problem in this sector. When enquired

about the same, Secretary, Department of Animal Husbandry, Dairying and Fisheries replied:

“The problem of over-exploitation of the territorial water is sometimes by way of over-fishing and also because of lack of breeding facilities. So, the problem for increasing the production is becoming more and more acute. So, our focus in marine fishery would be to try to achieve higher level of sustainability. Although initially there will be some reduction in production, but in the medium term, the production will be much more sustainable. Our present level of exploitation by the marine fisheries is about 80 per cent of the potential sustainable yield which we can achieve for the country. There is another big gap in marine fisheries i.e. the EEZ - deep sea fishing that has not been adequately exploited by us. There is a critical gap in law. We do not have any law to regulate fishing in deep sea. So, we have started the process of drafting a legislation for that purpose which we have now referred to Ministry of Law and this legislation has been drafted after wider consultation among the stakeholders in the States. Hopefully we will be able to finalize that draft law quickly and place it before the Cabinet and take it forward as soon as possible. Once we have a law for the deep sea, our regulation will be much better and that will encourage investment from the entrepreneurs in this important area of activity. As I mentioned, our level of exploitation of the marine fisheries is not very low but we can still improve upon it”.

(f) Convergence of Various Schemes

2.15 The integration of animal breeding with the dairy development schemes is prerequisite so as to obtain better output by effective and coordinated way of policy formulation and implementation. When asked about steps taken in this regard, the principal witness stated during evidence:

“The efforts for dairy development are required to be integrated and converged with the breeding and marketing activities through dairy cooperatives. Emphasis for dairy development would be on creation of village based infrastructure like

cold chain for procurement and marketing of milk along with improved breeding programme and improved practices of animal nutrition, which are the basic objectives of National Dairy Plan which has been launched since 2011-12. We have started implementing this National Dairy Plan since 2012-13”.

He further stated that:

“The Scheme of DADF could be synergised with the National Dairy Plan during the Twelfth Plan. For the Twelfth Plan, the Department proposes to launch National Livestock Mission which has been announced in the Union Budget this year. The National Livestock Mission will have major components relating to feed and fodder, development of small ruminants, poultry and piggery development and any other initiatives relating to animal husbandry which cannot be supported under any other scheme of the Department.

The focus under the National Livestock Mission is to allow necessary flexibility to the States to formulate and implement the schemes relating to livestock development taking into account the local conditions instead of prescribing a straightjacket schematic structure from the Department.”

2.16 Going a step further, he advocated coordination among the various schemes of not only of his Department but also among schemes of similar nature of the sister Departments:

“Another priority for the Department will be to try to achieve convergence with other on-going schemes like MGNREGA, Rashtriya Krishi Vikas Yojana (RKVY), Agriculture Technology Management Agencies (ATMA), Integrated Watershed Development Management Programme, etc., under which lot of activities relating to animal husbandry can be taken up, to enhance the availability of quality feed and fodder and other development efforts relating to livestock and fisheries. This has been taken as a priority area for the Department. This convergence will augment the resources required for development of this sector.”

He further stated:

"As you know, under MNREGA and RKVY guidelines, substantial activities can be taken up relating to livestock and fishery development. For example, construction of cattle shed; pasture land development; fodder cultivation like cultivation of azolla, which is a protein rich fodder for the livestock, etc. can be taken up in MNREGA. So, we are regularly requesting the States to promote these activities by availing the funds from MNREGA so that to that extent the demand on Department's fund will be reduced.

Secondly, the RKVY is not only meant for agriculture but also for allied sectors. The overall utilization of RKVY fund for these animal husbandry and fishery sectors during the Eleventh Plan had been about 18.5 per cent. There is lot of scope to increase this share from 18.5 per cent to 25 per cent. Hon. Agriculture Minister has requested the State Chief Ministers to ensure allocation of at least 25 per cent from RKVY to livestock and fishery sectors. If this additional six to seven per cent is made available by the States, then it can result in additional investment of above Rs.4000 crore for these sectors during Twelfth Plan.

Thirdly, there is an ATMA scheme, which is implemented by Agriculture Department for agriculture and allied sectors. This is basically for strengthening the extension, training, technology demonstration, etc. All these activities relating to livestock as fisheries sector can be taken up in ATMA. The utilization of ATMA fund for allied sector activities is not upto the mark. Roughly, it is about eight to ten per cent. We want to increase it to at least 25 per cent."

(g) Proposed Free Trade Agreement (FTA) between India and European Union (EU)

2.17 During evidence, matter regarding proposed Free Trade Agreement (FTA) with European Union (EU) was taken note of. It was informed that the European Union is not permitting import of dairy products from India in the name of SPS (Sanitary and Phyto Sanitary) measures on the grounds that Indian milch animals are not maintained

as per EU norms and as much the dairy products are not fit for consumption. EU allegedly intends to exploit the Indian markets since their dairy products are cheaper due to government subsidies. Further, EU have protection for their products like Gouda, Feta, Emmenthal under Geographical Indication (GI) but sells *Lassi* and *Paneer* in their own market without giving any protection to India.

2.18 The Department of Animal Husbandry, Dairying and Fisheries in a note furnished to the Committee, stated that the Government have not agreed for any tariff concessions to be given to EU for dairy products and the same has been conveyed to the Department of Commerce and the matter is under negotiation.

2.19 Regarding actions of Department for procurement of GI for the indigenous dairy products like *Lassi*, *Paneer* etc. which are sold in European market, the Department informed that the applications for GI protection have to be filed in the Geographical Indications Registry under the Department of Industrial Policy and Promotion (DIPP). Since dairy products like *lassi*, *paneer* etc. are generic products and their production is not limited to any particular geographical location, procuring GI for these products may not be feasible.

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

dietary preferences, consumption of high-value food and shift from consumption of plant-based protein to animal-based protein.

2.21 The animal husbandry sector is plagued with myriad problems like shortage of veterinary hospitals, infrastructure and technical manpower; inadequate disease reporting system and lack of infrastructure related with the vaccination of livestock. The major challenges encountered in the dairy sector includes inadequate availability of credit, low production and productivity of cattle, poor success rate of artificial insemination, poor breeding facilities, immortality and morbidity due to disease outbreak, non-availability of grazing lands etc. The constraints of fisheries sector include lack of breeding facilities, low production, lack of scientific and technological interventions, inadequate infrastructure and resources for fishing, low institutional credit to fishermen, non-availability of quality fish seeds. Many of these challenges, both in animal husbandry and fisheries sectors owe their genesis to the past and some are the products of fast - changing contemporary scenario. Although, these challenges are grave and serious but are not insurmountable.

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

However, the Committee are constrained to note that in-spite of the fact that India being an agrarian economy, these sectors are not getting their due from

the planners in terms of public investment. The fluctuating allocations by the planners results in fluctuating fortunes of cattle – rears, small dairy entrepreneur and fisherfolk. The Committee further believe that although the policy / programmes of the Government appears meaningful on paper, the reality on ground level is in stark contrast to it. There is a wide gap between the policy formulation and implementation. The Committee strongly believe that unless the gap between the formulation and implementation of the policies / programmes is bridged, important sectors of animal husbandry, dairying and fisheries will remain continue to be neglected and in doldrums.

The burgeoning population coupled with resolve to make the sector sustainable, remunerative and employment generating venture, is a serious challenge both for the planner and Govt. alike. Thus, it became all the more important to increase productivity, generate employment alongwith ensuring viability, sustainability and profitability to the population involved in these segments. The pressing need of the hour for all concerned agencies is to work in tandem and unison so as to ensure the effective functioning of the animal husbandry, dairying and fisheries sector for achieving not only a high growth rate trajectory but also induce development and capacity-building of these sections.

The Department, whilst formulating any scheme, should keep the beneficiaries i.e. the cattle – rearers, dairy producers and fishermen at the focal point and then formulates their schemes / programmes. Further, scientific knowledge / techniques support should be a value addition to the traditional practices in these sectors. The Committee are pretty sanguine that if the concerned agencies adhere to their advise, the Department would be able to

tactfully overcome the challenges, in the years to come and thereby jumpstart the revival process of these invaluable sectors which have a direct bearing on the fortunes of the farming community, especially the small and marginal ones. The Committee desire that Govt. should align their plans / programmes / schemes in the light of above observations.

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

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

Observing that India is global leader in the dairy production, which is a mainstay for a wider section of small and marginal farmers, landless farmers, cattle rearers, womenfolk and urban poor, the Committee desire that the interest of the dairy producers of the country which is paramount be protected from

monopolistic, discriminatory and lopsided trade practices. As the EU Government provides heavy subsidies for the farm produce and dairy sector, the Government is urged not only to ensure a level-playing field but also prevail upon EU to accord concessions for their domestic dairy producers. The Committee hope and trust that Government would take adequate actions in the matter for the benefit of farmers.

2.23 The subsequent narratives deals with detailed examination of the working of the Department in terms of implementation of its schemes and financial performance during the Fiscal, 2012-13 and projections for the year 2013-14. The Committee desire that the Demand No. 3 of the Ministry of Agriculture (Department of Animal Husbandry, Dairying and Fisheries) be approved.

CHAPTER – III

OVERVIEW OF DEMANDS

STRUCTURE

The Department of Animal Husbandry, Dairying & Fisheries is one of the three Departments under the Ministry of Agriculture. It came into existence on February 1, 1991 by merger of two Divisions of the Department of Agriculture and Cooperation (DAC) viz. Animal Husbandry and Dairy Development into a separate Department. The Fisheries Division of the Department of Agriculture & Cooperation and a part of the Ministry of Food Processing Industries was later transferred to this Department on 10th October, 1997.

FUNCTIONS

3.2 The Department is responsible for matters relating to livestock production, preservation, protection & improvement of stocks, dairy development, matters relating to the Delhi Milk Scheme (DMS) and the National Dairy Development Board (NDB). It also looks after all matters pertaining to fisheries, which includes inland and marine sectors and matters related to the National Fisheries Development Board (NFDB).

OVERVIEW

3.3 Demand No. 3 which relates to Department of Animal Husbandry, Dairying and Fisheries of the Ministry of Agriculture was laid in the Lok Sabha on 19th March, 2013. The Demand provides for implementation of various Central and Centrally Sponsored Schemes (CSS) both for Plan and Non-Plan activities. The details of Revenue as well

as Capital expenditure under the Plan and Non-Plan sides of Demand No. 3 are given hereunder:-

Table 3.1: Demand No. 3 Department of Animal Husbandry, Dairying and Fisheries

(Rs. in Crore)			
	Plan	Non-Plan	Total
Revenue			
Voted	1999.74	534.73	2534.47
Charged	-	-	-
Capital			
Voted	25.26	1.48	26.74
Charged	-	-	-
Grand Total	2025.00	536.21	2561.21

3.4 The total allocation for the Department of Animal Husbandry, Dairying and Fisheries is Rs. 2561.21 crore for the fiscal 2013-14. Out of this, Rs. 2025 crore and Rs. 536.21 crore are on the Plan and non-Plan sides respectively under the Revenue section. Similarly, Rs. 25.26 crore is on the Plan side under the Capital section.

3.5 It may be pertinent to mention here that during the year 2013-14, the Department have proposed an amount of Rs. 3,025.00 crore on the Plan side to the Planning Commission against which an amount of Rs. 2,025.00 crore on plan side have been allocated.

3.6 The details of Revised Estimates for the year 2012-13 are given below:

Table 3.2: Details of Revised Estimates for the year 2012-13

	RE 2012-13		BE 2013-14	
	Plan	Non-Plan	Plan	Non-Plan
Revenue	1783.08	444.66	1999.74	534.73
Capital	16.92	00	25.26	1.48

From the above table it may be inferred that there is an increment of 12.1 percent in the RE of 2012-13, from Rs. 1,783.08 crore to Rs. 1,999.74 crore in BE of 2013-14. An increase of 20.2 percent is witnessed from previous fiscal on the non-Plan side. In the Capital Section, an increase of almost 50 percent is witnessed from the RE of 2012-13 to RE of 2013-14.

COMPARISON BETWEEN PLAN ALLOCATIONS OF DADF WITH OTHER DEPARTMENTS OF MINISTRY OF AGRICULTURE

3.7 When the Committee enquired about the share of Department in Central Plan allocations compared with the sister Departments during Eleventh Five Year Plan, the Department stated that the Central Plan outlay stands at Rs. 21,56,571 crore, out of which, the approved outlay for the Department of Animal Husbandry, Dairying and Fisheries is Rs. 8,174 crore, which is 0.38% of Central Plan outlay. Thus, there is an increase in the share of this Department from the total Central Plan outlay during the Eleventh Five Year Plan. A comparative statement of the Plan allocation of this Department *vis-à-vis* other important Departments of Ministry of Agriculture are following:

Table 3.3: Comparative statement of Plan allocation of the Department of Animal Husbandry, Dairying & Fisheries *vis-à-vis* other Departments of Ministry of Agriculture

	Particulars	Tenth Plan	Eleventh Plan	Twelfth Plan
Central Plan Outlay of Govt. of India	Budgetary Resources	4,05,735	10,96,860	27,10,840
	IEBR	4,87,448	10,59,711	16,22,899
	Total	8,93,183	21,56,571	43,33,739
Departments		Tenth Plan	Eleventh Plan	Twelfth Plan
Department of Animal Husbandry, Dairying and Fisheries	Amount	2,500	8,174	14,179
	% of total Outlay	0.28%	0.38%	0.33%
Department of Agriculture and Coop.	Amount	13,200	66,577	71,500
	% of total Outlay	1.48%	3.09%	1.65%

Department of Agriculture Research and Education	Amount	5,368	12,589	25,553
	% of total Outlay	0.60%	0.58%	0.59%

It can be inferred from the above table that the Department of Animal Husbandry, Dairying & Fisheries not only gets the least of funds as compared to the other two Departments of the Ministry, but also has a slip of allocation of funds from 0.38 percent in Eleventh Plan to 0.33 under the same head for the Twelfth Plan.

FINANCIAL PERFORMANCE DURING ELEVENTH PLAN

3.8 The Department furnished following data related with sector-wise Eleventh Plan Outlay and Annual Plan allocations are as under:

Table 3.4: Sector-wise Eleventh Plan Outlay and Annual Plan allocations

Sector	Eleventh Plan Outlay	2007-08	2008-09	2009-10	2010-2011	% increase/ decrease over previous year	2011-12	% increase/ decrease over previous year	2012-13	% increase/ decrease over previous year	2013-14	% increase/ decrease over previous year
		BE	BE	BE	BE		BE		BE		BE	
1	2	3	4	5	6	7	8	9	10	11	12	13
Animal Husbandry	4323.00	350.92	481.00	558.29	792.15	41.89	874.36	10.38	1063.10	21.59	1051.49	-1.09
Dairy Development	580.00	88.50	98.00	101.10	87.76	-13.19	200.25	128.18	274.00	36.83	416.01	51.83
Fisheries	2776.00	205.68	215.00	298.50	262.44	-12.08	298.00	13.55	340.70	14.33	371.50	9.04
Sectt. & Eco. Services	35.00	4.90	6.00	6.00	5.80	-3.33	6.50	12.07	7.00	7.69	7.00	0.00
Special Package	340.00	170.00	160.00	75.00	95.85	27.80	98.69	2.96	35.00	-64.54	15.00	-57.14
Externally Aided Project	120.00	37.00	40.00	61.11	56.00	-8.36	122.20	118.21	190.20	55.65	162.00	-14.83
Grand Total	8174.00	810.00	1000.00	1100.00	1300.00	18.18	1600.00	23.08	1910.00	19.38	2025.00	6.21

The above table shows that the plan allocation for the financial year 2013-14 is Rs. 2025.00 crore is higher in tune of 6 percent than the allocation for 2012-13 which was Rs. 1910.00 crore. This was mainly due to the increase of 51.83 percent of allocation in the dairy development from the previous fiscal year. Further, the allocation for Animal Husbandry sector records a negative growth of 1.09 over last fiscal.

3.9 On the basis of the recommendations made by the Working Groups on Animal Husbandry and Fisheries, the Department had proposed a Plan allocation of Rs.17,695.17 crore for the Eleventh Five Year Plan. The Planning Commission, however, approved an outlay of Rs. 8,174 crore. Following is the year-wise proposed funds by the Department, funds allocated by the Planning Commission and actual expenditure incurred during the Eleventh Five Year Plan.

Table 3.5: Plan allocation during different years of Eleventh Plan *vis a vis* funds demanded by the Department

Year	Funds demanded by Department	Funds allocated by Planning Commission	Expenditure made by the Department	(Rs. in crore)
Eleventh Plan (2007-2012)	17695.12	8174.00	4870.54	
2007-08	1435.10	910.00	784.09	
2008-09	1891.25	1000.00	865.27	
2009-10	1889.07	1100.00	873.38	
2010-11	1836.53	1300.00	1104.68	
2011-12	1952.91	1600.00	1243.11	

3.10 As against allocation of Rs. 8174 crore, the Department could manage to expend Rs. 4870.54 crore during Eleventh Plan period. Explaining the reasons for the same and steps taken to ensure that such low utilization do not recur in future, Secretary during evidence, stated:

“During the Eleventh Plan, as against the allocation of Rs.8,174 crore approved for the Department for livestock and fishery sector, the BE was about Rs.5,910 crore which was reduced to Rs.5,293 crore in RE but our expenditure was less than that. This is the immediate priority which we want to address to ensure that the approved allocation is made available in the Budget during the Twelfth Plan and this Budget allocation is utilised to the maximum extent.

We have taken a special drive in 2012-13 where the major thrust was given to utilise the allocated resources. As against the Budget Estimates of Rs.1,910 crore, the RE of the Department was reduced to Rs.1,800 crore during 2012-13 and our expenditure as per the provisional figure is about Rs.1,737 crore, which is about 96.5 per cent of the RE. This has been achieved by taking a special drive in collecting the pending utilisation certificates and expenditure from the States, which we would like to continue in the current year also. With the type of flexibility in the schematic structure that we are proposing, I am sure the utilisation level will be much better in the subsequent years of the Twelfth Plan.”

3.11 Confessing that the Department has poor performance in utilization of allocated funds, he further stated:

“As you know, our major problem is our ability to utilize even the allocated amount. We need to improve that at least in the initial two years. Last year, it has been 96 per cent. We could have achieved higher per cent of the Budget Estimates, had there been no reduction at the RE stage. At present, this is a liability of more than Rs.100 crore, which we need to release to NABARD on account of Dairy Entrepreneurship Development Scheme, which is outstanding. We could not release it during the last year because of the reduction in the budget in the Revised Estimates. But, we are now in a position to achieve almost 100 per cent of budget allocation”.

3.12 When asked about the constraints in utilization of allocated funds, the Department in a written reply stated that inadequate infrastructure in terms of veterinary manpower and extension services in the States due to which there is delay in utilizing

the amounts released to the States which affects the sanctioned projects/ schemes. Further, a large number of relatively smaller schemes which generate additional administrative work load and increase the number of Utilisation Certificates (UCs) to be furnished for these schemes. The Department aims to restructure the existing smaller schemes by merging them into four major schemes during Twelfth Plan to expedite implementation of projects and utilization of funds.

STRATEGY FOR THE TWELFTH FIVE YEAR PLAN

3.13 In connection with the preparation for the Twelfth Plan, Planning Commission had constituted two Working Groups namely “Working Group on Animal Husbandry and Dairy Sector” and “Working Group on Fisheries Sector”. Both the Working Groups had submitted the report to the Steering Committee on Agriculture and Allied Sectors constituted by Planning Commission.

The Department has proposed Rs. 25,639.24 crore for the Animal Husbandry Dairying and Fisheries sector. The Working Group on Animal Husbandry & Dairying recommended budgetary outlay of Rs. 31,560 crore for animal husbandry and dairying sector and the Working Group on Fisheries have recommended Rs. 6,000 crore for fisheries sector during Twelfth Plan. However, the Planning Commission allocated an amount of Rs. 14,179 crore (including Rs.1,584.00 crore as external aid) for Twelfth Plan.

When enquired if these amounts are adequate, the Department replied that the allocated amount of Rs. 14,179 crore is inadequate and the Department had taken up the matter for enhancing the outlay at least to the extent of Rs. 20,000 crore.

3.14 When the Committee enquired about the parameters for plan allocation for different sectors, the Department informed that there are different criteria for plan allocation; such as expenditure over the previous year or previous years, absorption capacity of the Department and unspent balances. Other criteria which are taken into account are strategic initiatives and programmes proposed by the Department, sectoral and inter-sectoral priorities and above all, the overall position of the resources available with the Government.

3.15 When the Committee sought justification of pruning down the allocation suggested by the Working Groups, the representative of the Planning Commission replied:

“The importance of the Working Group is that they consider not only the programmes but also the policies of the Government of India afresh and their recommendations are not restricted by the resources which are going to be available to the country. There are separate Working Groups which are set up to assess what the total resources are going to be. They project the total financial resources which would be therefore, impact the entire plan. Since the Working Groups on individual subjects do not have that information at that point of time, they make their recommendations considering unlimited resources at their disposal. Thereafter, it has to be prioritised regarding which of those recommendations can be implemented immediately and which of those recommendations need some gradual implementation. These are the kinds of prioritisation which the Department has to undertake later on and of course, the Planning Commission also. While deciding the allocation of any Department, the key consideration with the Planning Commission is the total size of kitty available with the Planning Commission and what the performance of the Department has been in the past. In the case of Department of Animal Husbandry, Dairying and Fisheries, their realisation was Rs. 4,970 crore during the Eleventh Five Year Plan and from that, we have now given an allocation of Rs. 14,179 crore, which is a step up of 185 per cent over their previous Plan allocation. This is the highest

step up which has been given within the Ministry of Agriculture, to all these three Departments.”

3.16 The Twelfth Plan Document has not been finalized yet which will lead to reduced allocation, staggering of timelines which in turn reduce the viability and efficacy of a many scheme/programmes of the department. When enquired about the reasons for delay in the finalization of the Twelfth Plan and its ramifications on the implementation of the schemes of the Government, the Department in a written reply stated that the schemes/ programmes of the Eleventh Plan continued during 2012-13 with the existing pattern to achieve the set targets for the year. The Twelfth Plan has been approved by the National Development Council (NDC) in its 57th Meeting held on 27th December, 2012. Most of the Expenditure Finance Committees (EFCs) of Centrally Sponsored Schemes (CSS) of the Department to be implemented during XII Plan have been appraised by the Planning Commission and these are pending approval. The Department was allocated Rs.1,910 crore for its Plan schemes during first year of Twelfth Plan i.e. 2012-13 which was reduced to Rs.1,800 crore in the RE stage by the Finance Ministry due to resource constraints, in spite of the committed liability for release of subsidy to National Bank for Agricultural and Rural Development (NABARD) in respect of the Dairy Entrepreneurship Development Scheme (DEDS). The allocation for 2013-14 as intimated by Planning Commission is Rs. 2,025 crore. As such there would not be much effect on on-going schemes/programmes due to delay in finalization of Twelfth Plan. Resource constraints and allocation of inadequate funds may affect overall performance.

3.17 Regarding expected timeline for finalization of the Twelfth Plan, the Department stated that the Twelfth Plan has been approved by the NDC, which is likely to be tabled

in the Parliament during the Budget Session. When asked about the impact of delay in Twelfth Plan documents on the Schemes of the Department, the Secretary replied:

“The new schemes that we are proposing are under finalisation. We have prepared the draft EFC Note which is under circulation to the respective Ministries for comments and we are expediting these comments. Most of the Departments have furnished the comments and thereafter the EFC, hopefully, will be approved before 30th June during the first quarter.”

He further stated:

“For the proposed new schemes, we have provided for some token allocation with an understanding that after approval of these revised schemes the provision will be augmented during the supplementary stage. Then, we will start implementing the restructured schemes as per the guidelines that will be approved.”

3.18 Elaborating further as regard to delay in finalization of Twelfth Plan Document, the Committee was informed by the representatives of the Planning Commission during evidence:

“The way we have been looking at it is slightly different. So far as the clearance of the schemes are concerned, that process has already been started. It is not waiting for laying of document in the Parliament. That is a separate exercise. It will continue. It will be there in the second half, but the approval of schemes has already been started after 27th December, immediately after approval of the Plan document by the NDC. The total allocations and scheme-wise allocations have been made and these have been shared with the Department of Animal Husbandry, Dairying and Fisheries. Draft EFC Notes have been circulated and now, they are pursuing to convene an early meeting with the Finance Ministry. So, that will have no impact so far as clearances are concerned.”

3.19 When pressed further regarding the desirability to operationalise the schemes / projects from 1st April of the First Year of the Five Year Plan Period, he stated:

“Ideally, Yes.”

He, however, justified the delay by adding that:

“The fact of the matter is that about 140 Working Groups were set up by the Planning Commission on different aspects and the timings of the finalisation of the Report of each Working Group do not match. They (Working Group Chairs and Members) are the experts, and they need consult different stakeholders. The exercise for formulation of the Plan was taken up in the right earnest with the approval of Approach Paper to the Twelfth Five Year Plan on 22nd October, 2011. However, the global economic slowdown and consequent likely impact on domestic economy necessitated revisions in the projections. The Twelfth plan was launched from 1st April of the first year of the plan on the basis of the on-going programmes/ schemes of the Eleventh Plan till finalization of the plan document for the Twelfth Plan by the NDC.”

The Secretary, DADF made an intervention and added:

“Actually, for the livestock sector the Working Group recommended something like Rs. 31,000 crore, and for fisheries sector it is about 6,000 crore. So, as against Rs. 37,000 crore that were recommended, we, in the Department, while preparing the Annual Plan for the Twelfth Plan projected and reduced it to Rs. 25,639 crore because that was the type of resources, which we felt could have been utilized by the States. So, taking into account all these constraints we projected Rs. 25,639 crore.”

BUDGETARY PLAN

3.20 When enquired about the impact of reduction of funds on ongoing/proposed projects including proposals revised/dropped/postponed by the Department in the aftermath of the Planning Commission’s directive, and short/long-term strategies/plan to

overcome funds constraints, the Department in the post-evidence reply stated that the ongoing schemes which are likely to be affected due to curtailment of the proposed allocation of this Department are as under:-

- (i) Foot & Mouth Disease Control Programme (FMD-CP);
- (ii) Establishment & Strengthening of Existing Veterinary Hospitals & Dispensaries (ESVHD);
- (iii) Dairy Entrepreneurship Development Scheme (DEDS);
- (iv) Livestock Insurance;
- (v) Integrated Development of Small Ruminants & Rabbits; and
- (vi) National Fisheries Development Board (NFDB).

Besides, the proposed new schemes like National Livestock Mission and National Programme for Bovine Breeding & Dairy (NPBBD) may also be affected due to reduced allocation. It was further informed that the schemes of the Department have been scaled down to accommodate the allocation in the Twelfth Five Year Plan as approved by Planning Commission. To overcome the fund constraint, the department is trying to ensure convergence with the budgetary resources available under different schemes like *Rashtriya Krishi Vikas Yojana* (RKVY), MGNREGA, ATMA etc.

UTILISATION CERTIFICATES (UCs)

3.21 The Department has furnished the status of pending Utilisation Certificates (UCs) in respect of grants/loans released upto 31st December, 2012:

Table 3.6: Status of Pending UCs

No. of UCs due on 01.04.2012	Amount (in Crores)	No. Of UCs received	Amount involved in respect of UCs received (in Crores)	No. Of UCs o/s as on 31.1.2012	Amount involved in respect of UCs outstanding (in Crores)
452	1131.06	130	148.69	322	982.37

When enquired about the reasons for in pendency of Utilisation Certificates, the Department informed that the backlog of UCs was either because of the late submission of the UCs or incorrect UCs submitted by the implementing agencies/institutions. UCs are sometime submitted without adjustment of unspent balance and are not provided in standard format duly countersigned by the competent authority. Despite regular persuasions and reminders implementing agencies do not submit the UCs in time and in proper format and as on 25th March, 2013, 252 UCs from 2004-05 to 2010-11 are pending. The Principal Accounts Office (PAO) is monitoring status of UCs rigorously for all the Divisions and had directed PAOs not to make any payment without submission of the UCs by the Divisions, who have also responded positively to liquidate the remaining UCs.

3.22 Updating the Committee about the status of the pending of utilization certificates, the Secretary during evidence stated:

“From the Department side, we have adopted two-pronged strategy – firstly to make a special drive to collect the outstanding UCs. Last year we had very good response from the States due to this special drive. The second strategy is, we are restructuring the schemes of the Department. We have seen that one of the main reasons why these UCs are pending is that we have a large number of small schemes. The Department had about 25-26 small schemes with little allocations, as a result of which the States will have to submit UCs of all the schemes. A State which has received small allocations for all these small

schemes will have to deal with UCs in respect of each individual scheme. What we have tried now, following the recommendation of the Planning Commission, is that we have merged the small schemes into four mega schemes, as we have proposed in the Twelfth Plan. In the bigger schemes, flexibility will be given to the States to devise their own strategy.”

RESULT FRAMEWORK DOCUMENT (RFD)

3.23 The Department have informed that since the introduction of the concept of Result Framework Document (RFD) in 2009, they have been preparing and placing them for greater transparency and public scrutiny. The High Powered Committee (HPC) headed by the Cabinet Secretary awards the composite scores on the basis of performance of the Department against the targets set to fulfill its objectives.

3.24 The Performance Evaluation Report (PER) of 2011-12 provides the RFD score of the Department was 80.27, down from the previous year's score of 92.91. When asked about the reasons for the same, the Department stated that the achievements of Department came down during 2011-12 due to less weighed score obtained in success indicators like:

- a) Independent audit of implementation of grievance redressal mechanism;
- b) Number of items on which information uploaded by 10.2.2012 (in compliance with the RTI Act, 2005);
- c) Finalize an action plan to mitigate potential areas of corruption;
- d) Finalize an action plan to implement ISO 9001 certification;
- e) Fodder seed production;
- f) Area of grassland developed;
- g) Construction of houses for fishermen;

- h) New ponds constructed; and
- i) Ponds renovated, where achievement was less than the target.

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

3.25 Outcome Budget has become an integral part of the budgeting process since 2005-06. It is the endeavour of the Govt. to convert 'outlays' into 'outcomes' by planning expenditure, fixing appropriate targets, quantifying deliverables in each scheme and bringing out "outcomes" of budget outlays provided for each scheme/ programme. It is also intended to serve as a policy tool to establish an effective linkage with allocation and disbursement of public funds, on the basis of measurable performance.

3.26 The Committee pointed out the grave discrepancies in the factually inaccurate data furnished to them as evident in the 'Physical Targets and Achievements' in Chapter 4 – 'Review of Past Performance' of the Outcome Budget (2013-14) in various schemes. Some of them include, Centrally Sponsored Scheme on Fodder Development, Demonstration of Azolla Cultivation, Central Fodder Development Organisation, Assistance to States for Control of Animal Diseases (ASCAD) under Livestock Health, Regulation of Veterinary Practices, Strengthening of Existing Hospitals and Dispensaries, National Control Programme of *Peste des Petits Ruminants*, NADRS, National Control Programme on Brucellosis, Animal Quarantine & Certification Services under Directorate of Animal Health etc.

When enquired about the same from the Department, they furnished a written reply that in column 5 of Chapter-IV of Outcome Budget 2013-14, the outlay of 2013-14 is indicated inadvertently in place of outlay for 2012-13 due to computer formatting error and there are inadvertent errors in some other columns which could not be detected

due to the urgency/ time limit of submission and the extra pressure due to the closing of financial year. They regretted the errors and a copy of the revised/ updated version of Chapter-IV of outcome budget incorporating the corrected/ updated achievements and targets to the Committee is being submitted separately.

MASS AWARENESS CAMPAIGNS

3.27 It is noted that the Department are implementing various important Schemes in diversified fields and several new Schemes are proposed during the Twelfth Plan. However, many of these schemes have not reached the intended beneficiaries due to lack of awareness, which not only hampers the absorption capacity of the allocated funds by the Department, but also has an adverse impact on the welfare of the cattle rearers, fishermen and small and marginal farmers. When asked about the the initiatives taken and expenditure incurred for increasing awareness of the policies/programmes amongst stakeholders, the Department in a note furnished to the Committee stated that they do not have any specific scheme for mass awareness campaign. However, Department have supported training programmes under various schemes for generating awareness among officials and farmers. Under the scheme of Livestock Health and Disease Control (LH&DC), funds are being provided to the States for Information, Education and Communication (IEC) activities as a part of vaccination cost. Under ASCAD, awareness camps are being organized for farmers at district/ block level. The agricultural extension schemes, programmes like *Krishi Darshan* and *Kisan Vani* on *Doordarshan* and *Akashvani* respectively and Kisan Call Centre will be utilized for disseminating livestock-related information to larger sections of farmers. Media Units of the Ministry of Information & Broadcasting [i.e. Press Information Bureau (PIB), Directorate of Advertising and Visual Publicity (DAVP), Directorate of Field

Publicity (DFP), *Doordarshan* and *Aakashvani*)] are being associated in content creation and dissemination for mass awareness relating to livestock and fisheries sector. Some important of these entities include Agriculture Technology Management Agencies (ATMAs) set up by Department of Agriculture & Co-operation, *Krishi Vigyan Kendras* (KVKs) set up by Indian Council of Agriculture Research (ICAR) etc. to avoid any duplicity of efforts between the extension efforts in the agriculture and allied sectors.

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

3.30 The Committee observe that one of the major constraints of the Department is its inability to entirely utilize even the reduced allocated funds

during the Eleventh Plan period. This is attributed to the failure of the Department in motivating the States / UTs to send their proposals as well as Utilization Certificates in time and hence, an even pace of utilization of funds in each fiscal year could not be ensured. The Committee, therefore, exhort upon the Department to finally adopt a pro-active approach and impress upon the implementing agencies to come forward and participate actively in the schemes run by the Department. In order to ensure this, they desire the Department to take into confidence and incorporate the views of States / UTs while planning the modalities of the schemes / programmes and thereby ensure their active participation in the schemes of the Department.

TWELFTH FIVE YEAR PLAN

3.31 Being well aware of the prolonged delay in the finalization of Eleventh Plan which had detrimental impact on the implementation of various schemes of the Government, the Committee had recommended a slew of measures in their Second Report on the Demands for Grants (2009-10) of the Department and reiterated the same in their Twenty-fourth Report that the Twelfth Plan documents should be finalized before 1st April, 2012. The adverse impact on schemes / projects was also confessed by the representatives of Planning Commission during oral deposition in connection with the examination of Demands for Grants (2012-13) of the Department. However, much to their disappointment, the Committee note that in spite of their having repeatedly espoused the cause of initiating corrective measures to expedite the finalization of Twelfth Plan document, so as to avoid procedural delay in according clearance to schemes and resulting staggering of timelines and reduced allocation, no concrete action

seems to have been taken in this regard. The Plan Document is stuck with the Planning Commission and as and when the Twelfth Plan is finally operationalized, the implementations of the schemes are likely to be severely hampered. The fears of the Committee are further compounded on being informed that the final approval of the new schemes of the Department may not be cleared before October-November, 2013, i. e. after RE stage of the second year of the Twelfth Plan. Such development does cast a question mark on the very desirability of planning procedures practices and processes. Hoping against hope, the Committee, however, not wanting to shirk away from its responsibility, once again recommend the expeditious finalization of the Twelfth Plan document so as to ensure its implementation in real time, thereby scuttling the negative impact of this delay on the efficiency of the various schemes of the Department. At the same time, Govt. should re-look into and review, if necessary, system of planning procedures, process and practices especially in context of protracted delays in the finalization of Five Year Plans.

INTER – SECTORAL ALLOCATIONS

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

Commission to quantumly enhance the share of Department of Animal Husbandry, Dairying and Fisheries in plan allocation.

3.33 At the same time, the Committee reiterate that the Department should get their house in order and address the pressing issues of pending Utilisation Certificates on priority basis so that the States / UTs avail Central funds. The Committee strongly believe that if State Governments are genuinely concerned about enlivening the sections of population engaged in animal husbandry, dairying and fisheries sector then they should avail more Central funds by ensuring timely submission of Utilisation Certificates, so that the last beneficiary is benefitted in true sense. This, in result, would lead to positive outcomes at later stages of financial allocations, and hence, desired growth rate.

RESULT FRAMEWORK DOCUMENT (RFD)

3.34 The concept of RFD was introduced in 2009 to measure the performance of Ministries / Department of Government of India and the Department of Animal Husbandry, Dairying and Fisheries have also been preparing the RFDs since then. The Committee note that the RFD score during 2010-11 was 92.91 percent which slid to 80.27 percent in 2011-12. The Department have attributed this slide to result of less-weighted score obtained in success indicators related with independent audit of grievance redressal mechanism, compliance of RTI Act, 2005, finalisation of action plan on mitigation of potential areas of corruption, ISO 9001 certification, fodder seed production, construction of houses for fishermen etc. They believe that the outcomes of RFD provides an opportunities for Department to introspect the areas where they are not performing well and hence can reorient their focus and work towards achieving the target. However, they do

not take kindly to the drop in RFD score of the Department in the year 2011-12 as they view it to be reflecting the Department in a negative light. They therefore impress upon the Department to put their house in order and ensure that the RFD score of the Department surges past 90 percentage points during the coming years and stays intact there.

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

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

the sanctity of the documents presented to the House, they also desire that the Outcome Budget may again be re-looked into and the misinformation, deficiencies etc. made good. The Committee would also like to be apprised of the action taken in the matter.

MASS AWARENESS CAMPAIGNS

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

CHAPTER IV

SECTORAL AND SCHEMATIC ANALYSIS

ANIMAL HUSBANDRY

India, with 2.39 percent of the land area of world, maintains nearly 17 percent of world's human population and a share of about 10.7 percent of total livestock resources of World. India's livestock population is presently 529.69 million as per the 18th livestock census, in addition to 648.83 million poultry. Availability of feed and fodder for livestock is a serious concern in view of pressure on land for ensuring food security. The Department is implementing various Central Sector and Centrally-Sponsored Schemes for the development of requisite infrastructure and supplementing efforts of the State Governments in achieving accelerated growth of animal husbandry sector.

4.2 When enquired about major achievements during 2012-13, the Department in a written reply stated that they have made significant achievement in production of milk, fish, and egg. Several measures have been initiated by the Government to increase the productivity of milch animals, which has resulted in increasing the milk production significantly from the level of 102.6 million tonnes at the end of the Tenth Plan (2006-07) to 127.9 million tonnes at the end of the Eleventh Plan (2011-12). Milk production during 2012-13 is anticipated to be 133 million tonne in spite of droughts in a number of States during Kharif 2012 and Rabi 2012-13. Poultry development in the country has shown steady progress over the years. Currently egg production is around billion in - , is about 5 percent over the previous year production of about 63.02 billion eggs. Fish production in India has increased from 41.57 lakh tonnes (24.47 lakh tonnes for marine and 17.10 lakh tonnes for inland fisheries) in 1991-92 to 86.66 lakh

tonnes (33.71 lakh tonnes for marine and 52.95 lakh tonnes for inland fisheries) in 2011-12. Other important achievements of the Department during 2012-13 include:

- (i) Implementation of National Dairy Plan has started from the current year.
- (ii) Reduction in outbreaks of important animal diseases like FMD and *Peste des Petits Ruminants* (PPR).
- (iii) Expansion of activities relating to fodder development.
- (iv) Initiation of skill development training through ICAR institutes. About 18,309 fishers and fish farmers have been trained during 2012-13.
- (v) The National Freshwater Fish Brood Bank Project has been launched at Bhubaneswar to ensure supply of quality brood stock to the hatcheries.
- (vi) Project on fish disease surveillance and monitoring has been approved for implementation through National Bureau of Fish Genetic Resources (NBFGR), Lucknow.
- (vii) Expansion of cage culture to enhance the productivity of fisheries has been taken under the programme of National Mission for Protein Supplements which is a component under RKVY.

(a) LOCATION FOR ANIMAL HUSBANDRY SECTOR

4.3 The summary of proposed outlay for Annual Plan 2013-14 under Centrally Sponsored and Central Sector schemes is given below:

Table 4.1 Proposed Outlay for Annual Plan 2013-14 under Centrally Sponsored and Central Sector Schemes

Sector	Annual Plan(2013-14)			(Rs. in crore)
	Central Sector	Centrally Sponsored	Total	
Animal Husbandry	360.09	991.20	1351.29	
Dairy Development	885.00	290.00	1175.00	
Fisheries	386.71	70.00	456.71	
Secretariat & Economic Services	7.00		7.00	
Special Livestock Sector and Fisheries Package for Idukki District of Kerala		35.00	35.00	
Total	1638.80	1386.20	3025.00	

The Department have informed that after restructuring of schemes of DADF, it is proposed to implement a total of 19 schemes in the Annual Plan (2013-14). Of these, one relates to Secretariat and Economic Services, 9 relate to Animal husbandry (including 2 new schemes), 4 to Dairy Development, 4 to Fisheries sector and a Special Package for *Idukki* and *Kuttanad* Package for Kerala.

4.4 Sector-wise details of BE, RE and Expenditure during different years of the Eleventh Five Year Plan are given in the table on next page:

Table 4.2 Sector-wise Annual Plan Allocations and Expenditure

(In crores)

Sector	Outlay Eleventh Plan	2007-08			2008-09			2009-10			2010-11			2011-12		
		BE	RE	Exp												
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17
Animal Husbandry	4323.00	350.92	320.46	338.14	481.00	461.31	444.54	558.29	459.20	435.84	792.15	776.30	668.75	874.36	798.51	722.88

(b) NEW SERVICES / INSTRUMENTS OF SERVICE IN TWELFTH PLAN 2012-17

4.5 The Department have proposed following 4 Centrally Sponsored Schemes during Twelfth Five Year Plan for implementation after a detailed exercise for restructuring of the existing Schemes in consultation with the Planning Commission:

1. National Livestock Mission (NLM)
2. National Programme for Bovine Breeding and Dairy (NPBBD)
3. Livestock Health and Disease Control which will have the following new Schemes as components:
 - (a) National Control Programme for Classical Swine Fever
 - (b) Establishment of Veterinary Drug Control Authority

(c) Upgradation/ Strengthening of Infrastructure of Veterinary Colleges

4. National Scheme for Welfare of Fisherman (existing Scheme).

(c) NATIONAL LIVESTOCK MISSION

4.6 The Department have also informed that with appropriate technology, backward and forward linkages and participation of farmers, productivity of the animals as well as income of the farmers can be radically improved, as has happened in case of dairy and commercial poultry. However, a similar approach for other livestock species is yet to materialise. It is, therefore, necessary to have an umbrella scheme by merging smaller schemes to address major challenges of the livestock sector and to incentivise establishment of backward and forward linkages.

4.7 Existence of a plethora of schemes relating to livestock sector (excluding bovine breeding, dairying and livestock health schemes) is a major constraint to growth of the sector, since it limits the capability of states to effectively access funding under various schemes. In order to provide greater flexibility to states in formulating and implementing various projects for development of livestock, the department proposed to merge these schemes as the National Livestock Mission (NLM) during Twelfth Plan, with the main objective of achieving sustainable development and growth of the livestock sector. There are 135 registered breeds of livestock and poultry (cattle – 34; buffalo – 12; sheep – 39; goat – 21; horse / pony – 6; camel – 8; poultry – 15) and yet much of the genetic resources are yet to be characterized and catalogued.

4.8 The advantages of subsuming small schemes into a National Mission include greater flexibility to the states to prioritize the interventions required for accelerating

development of livestock sector by formulating and implementing different projects and initiatives in the pattern adopted for RKVY.

Any other innovative initiative proposed by States for development of the livestock sector can also be considered under NLM in case there is no funding available for such initiative from other schemes. Attempt will be made to synergize the efforts of various agencies and organisations in this regard, using different on-going schemes like MGNREGA and RKVY, etc. The allocation earmarked for NLM for the Twelfth Plan is Rs 2,800 crore. Besides, funds from other related schemes like RKVY, MGNREGA, etc., will be converged.

(d) NATIONAL PROJECT FOR CATTLE AND BUFFALO BREEDING (NPCBB)

4.9 Genetic improvement in bovines is a long term activity and Government of India has initiated a major programme “National Project for Cattle and Buffalo Breeding” (NPCBB) from October 2000 over a period of ten years, with plan allocation of Rs. 375 crore for Phase—I (Tenth Plan) and Rs. 554 crore (Eleventh Plan). The NPCBB envisages genetic up gradation on priority basis with a focus on development and conservation of important indigenous breeds. Under the project 100% grants-in-aid is given to State Implementing Agencies (SIAs).

4.10 When the huge reduction in the grants for The National Project for Cattle and Buffalo Breeding (NPCBB) was enquired by the Committee, the Department replied that Budget allocation of Rs.180.39 crore was made available for 2012-13, which was reduced to Rs.117.66 crore at the RE stage due to reduction in overall allocation for the Department by Ministry of Finance and additional requirement of funds under DEDS. Higher allocation was kept at BE stage because new scheme namely National Programme on Bovine Breeding and Dairy was proposed to be launched from 2012-13.

Due to delay in approval of Twelfth Plan allocation, proposed new scheme could not be initiated. Against the RE of Rs.117.76 crore an expenditure of Rs.108.02 has been made as on 25th March, 2013 under the scheme.

4.11 The Committee expressed their desire to be apprised about the hindrances/bottlenecks in the implementation of the project and the corrective steps proposed in the direction, to which the Department informed that for evaluation of NPCBB in Phase I (i.e. till 2005-06), an independent agency (NABARD) was engaged and agency has completed impact analysis in 12 States, which have implemented NPCBB. Some of the major bottlenecks identified during evaluation and review of NPCBB include the following:

- i). Private AI workers established under the project are not viable in the three months time in which tapering grant was provided during Phase I. Thus long term performance linked assistance as tapering grant may be provided to the private AI workers to ensure them time to establish them and their viability.
- ii). Sourcing and use of quality breeding bulls needs emphasis and for this there must be identification of some agencies to take up bull production programme.
- iii). The fund flow for NPCBB needs to be enhanced to expand coverage. Funds may also be supplemented through resources available under other ongoing Government schemes.
- iv). Mechanism for monitoring of focal points (AI centres, sperm stations, farms and breeding programmes etc.) may be strengthened to ensure timely action for removal of deficiencies and corrective action.
- v). Establishment of Central Monitoring Cell for monitoring of project activities.
- vi). R&D backstopping, networking and qualitative improvement in R&D support in hi-tech areas (e.g. embryo technology, Marker Assisted Selection etc).

(e) NATIONAL PROGRAMME FOR BOVINE BREEDING AND DAIRY (NPBBD)

4.12 Genetic upgradation with a focus on development and conservation of important indigenous breeds in bovines is key to improve productivity. There are 304 million cattle and buffalo in the country whose average low productivity is a matter of concern. The fact that nearly 80 per cent of the cattle and 60 per cent of buffaloes do not belong to any defined breed makes a strong case for their genetic up-gradation on priority basis. The major inadequacies include, genetic up-gradation of cattle and buffalo; conservation of breeds; production and distribution of breeding inputs; quality control of services; human resource development as well as institutional and policy framework etc. In order to address these concerns, an umbrella Programme for "National Programme on Bovine Breeding and Dairy" (NPBBD) has been launched which envisaged merger and restructuring of ongoing Centrally Sponsored Schemes.

4.13 NPBBD scheme will have two main components namely, National Programme for Bovine Breeding (NPBB) and Dairy Development. For continuing the breed improvement programme mostly in areas not covered under NDP, the NPCBB will be continued during Twelfth Plan. However, the combined activities in respect of breeding and dairying will be more effective in extension of artificial insemination services, feed management and marketing of good quality of milk which are essential for improving productivity and income of farmers. The scheme for bovine breeding will be merged with dairy development schemes to create synergies of resources. The important components proposed under NPBBD include the following:

- Assistance for Marketing infrastructure beyond the State jurisdiction.
- Establishing Milk Powder plant upto capacity of 30 MT at a cost of Rs.40 Crore subject to overall ceiling of Rs 15 Crore per district.

- Milk processing plants with capacity of 1 LLPD at a cost of Rs.25 Crore and 50 TLPD at a cost of Rs.15 Crore subject to overall ceiling of Rs 15 Crore per district which has been hiked from Rs. 3 crore.
- Cattle induction to be restricted to SC/ST and BPL families subject to an overall ceiling of 10% of the total project cost and subsidy restricted to 50% (75% for women milk producers) of the NABARD cost of cattle plus transportation cost and cost of animal insurance.
- RFID tag to be made mandatory in case of cattle induction.
- Centralized MIS facility for DADF

(f) FOOT AND MOUTH DISEASES CONTROL PROGRAMME (FMD-CP)

4.14 Foot and Mouth Disease (FMD) is the most important livestock disease in terms of economic impact. The economic losses caused by the disease are mainly due to loss in milk production, reduction in the working ability of work animals, reduction in the body weight leading to reduced yields of meat. FMD-CP is being implemented in 221 specified districts of the country with 100% central funding as cost of vaccine, maintenance of cold chain and other logistic support to undertake vaccination. In these districts, about 110 million cattle and buffaloes are expected to be vaccinated twice a year.

4.15 The actual expenditure under FMD-CP is in the vicinity of Rs. 104 to 105 crore for the years 2011-12 and 2012-13. However, Rs.250 crore have provided for the year 2013-14. When asked to justify such an increment in allocation, the Department stated in the written reply that the programme will be extended to cover all 33 districts of Rajasthan and remaining 55 districts in Uttar Pradesh from 2013-14 immediately after approval of the revised scheme, keeping in mind geographical contiguity with already covered districts, raising the total number of districts being covered from the current 221

to 309. It is proposed to cover about 52.6 million additional cattle and buffalo population under the programme during 2013-14. Regarding actual expenditure and allocation at BE/ RE Stage during 2011-12, it is stated that the actual expenditure under FMD-CP was Rs 105.96 crore as against the RE of Rs 108.15 crore. During 2012-13, the expenditure till 25th March 2013 is about Rs 143.71 crore as against RE of Rs 160.00 crore. The budget outlay for 2013-14 has been proposed at Rs. 300 crore including for proposed expansion and a target of 155 million vaccinations has been fixed under FMD control programme.

4.16 In response to a query regarding the targeted date of elimination of the disease for the Country, the Committee were informed that to cover the entire cattle and buffalo population in the Country, total 610 million doses of FMD vaccine per year will be required. The same will be subject to overall availability of fund and sufficient vaccines. However, it is expected that with the implementation of a planned control programme covering the whole country in a phased manner and the disease is expected to be controlled in entire country by the year 2025. Till then, the remaining districts in the country are undertaking need-based FMD vaccination programme by availing assistance under “Assistance to States for Control of Animal Diseases (ASCAD)”, which is a component of LH&DC.

(g) NATIONAL CONTROL PROGRAMME OF CLASSICAL SWINE FEVER

4.17 Classical Swine Fever (CSF) (commonly called as Swine Fever or Hog Cholera) is a highly devastating viral disease of the pigs. The disease is highly infectious and contagious. In India, it is rated under the diseases of high economic importance and losses are occurring directly due to mortality, retardation of growth, reproductive problems of affected pigs and indirectly by bringing restrictions on exports of pork and

pork products. Both morbidity and mortality are high in acute infections. The mortality rate in acute cases can reach 90%. Chronic infections are also fatal in most cases. At present, there is provision to provide the funds on 75:25 basis under ASCAD for prevention and control of this disease.

4.18 The Department have informed that Swine Husbandry is the major source of livelihood for the farmers in North-Eastern States. As per 2007 Census, the pig population in India is 11.1 million, out of which, the North-Eastern States has a population of 4.58 million. The cell culture attenuated CSF virus vaccine may overcome this constraint and will be the only alternative to protect pigs against the disease. There are attempts to produce this cell culture vaccine in the country. Besides the vaccine, early diagnosis and understanding on the epidemiology of the disease are important not only to prevent the spread. At present, there is provision to provide the funds on 75:25 basis under ASCAD for prevention and control of this disease. The states are procuring the required vaccine under ASCAD as per their requirement. However, looking at the importance of the disease causing huge loss to the piggery industry and small farmers and need to have dedicated control programme for control Classical Swine Fever in the country, it is proposed to add a new component namely, 'Classical Swine Fever Control Programme CSF-CP in the existing scheme of 'Livestock Health and Disease Control' under which 100% funding will be provided to the States/UTs for carrying out the vaccination of entire eligible pig population. Initially the focus will be on NE states and depending on the vaccine availability, the scope will be enlarged to cover entire country in a phased manner.

(h) ESTABLISHMENT AND STRENGTHENING OF EXISTING VETERINARY HOSPITALS AND DISPENSARIES (ESVHD)

4.19 The Department have informed that various livestock health related schemes are not able to yield optimum results due to poor veterinary infrastructure in various States. The prevailing situation underscores an urgent need to establish new veterinary hospitals and dispensaries in the country and to improve the condition of existing ones. Any investment made in these areas will have a multiplier effect in raising the productivity of the animals and providing economic gains to their owners. There are about 10,094 veterinary hospitals/ polyclinics and 21,269 veterinary dispensaries in the country. In order to help the states to set up infrastructure for new veterinary hospitals and dispensaries and to strengthen/equip the existing ones, the Department is providing funds on 75:25 (Centre: State) sharing basis except NE States, where the grants are provided on 90:10 basis.

4.20 Only 12 States have been supported under this programme. When enquired about the reasons that why other States are not showing much interest in availing assistance under this programme, the Department stated that since the scheme is demand driven, the Department is providing financial assistance to the States/UTs to set up new veterinary hospitals/dispensaries and to strengthen the existing ones as per the project proposal received from the States under the scheme. The details of funds provided to the States/UTs under 'Establishment & Strengthening of existing Hospitals & Dispensaries (ESVHD)' since inception of the Scheme (2010-11 to 2012-13) are as under:

Sl.No.	States/UTs	Year-2010-11	Year-2011-12	Year 2012-13
1	Andhra Pradesh	1420.00	0.00	0.00
2	Bihar	0.00	1282.58	0.00
3	Chattishgarh	0.00	595.58	162.50
4	Goa	0.00	0.00	75.75
5	Gujarat	85.40	0.00	0.00
6	Haryana	200.00	382.38	0.00
7	Himachal Pradesh	367.50	365.49	0.00
8	Jammu & Kashmir	0.00	649.64	0.00
9	Jharkhand	1211.03	0.00	0.00
10	Karnataka	414.38	414.38	751.00
11	Kerala	768.75	768.75	0.00
12	Madhya Pradesh	0.00	1391.25	1389.75
13	Maharashtra	1000.00	0.00	600.00
14	Orissa	154.14	0.00	0.00
15	Punjab	400.00	780.00	0.00
16	Rajasthan	0.00	1037.44	0.00
17	Tamilnadu	671.84	0.00	1242.00
18	Uttar Pradesh	534.38	0.00	225.00
19	Uttarakhand	266.78	0.00	0.00
20	West Bengal	700.00	0.00	0.00
21	Arunachal Pr.	297.00	232.00	0.00
22	Assam	872.00	978.00	0.00
23	Manipur	0.00	428.63	0.00
24	Mizoram	233.33	233.33	108.00
25	Nagaland	0.00	158.40	253.80
26	Sikkim	0.00	143.64	120.00
27	Tripura	100.00	0.00	147.05
28	NCT Delhi	0.00	0.00	40.00
29	Pondicherry	0.00	30.00	0.00
30	Chandigarh	0.00	0.00	9.90
31	Lakshadweep	0.00	0.00	51.61

4.21 Since inception of the scheme, about 2514 Veterinary Hospitals and 2701 Veterinary Dispensaries have been supported for construction/ strengthening under the scheme till 2011-12. During 2012-13, funds have been provided for construction/ strengthening of 210 Veterinary Hospitals and 700 Veterinary Dispensaries under the scheme till date. A sum of Rs.98.81 crore was released to the States/UTs during

2011-12 as against BE of Rs.90.00 crore. The budgetary allocation for the year 2012-13 was 91 crore which has been slipped to 60 crore in the year 2013-14. When the same was enquired by the Committee, the Department stated that the funds are being released to the States/UTs based on the achievement of physical progress and expenditure incurred out of the funds released in previous years. During 2012-13, the expenditure under the Scheme was less till September, 2012. Hence, availability of funds was reduced to Rs. 46.87 crores at RE stage. They further informed that till 25th March 2013, a sum of Rs 38.74 crore has already been released to the States/UTs. During 2013-14, the provision of Rs.60 crore has been kept as for the Scheme within the overall allocation for LH&DC during 2013-14. The States will be encouraged to avail the funds for this purpose under RKVY in case of additional funding is required.

4.22 On being queried about the shortage of manpower in veterinary and animal sciences, the Department submitted that the Department have constituted an expert committee to look into the minimum standards of veterinary education and to suggest necessary changes in the Indian Veterinary Council Act for facilitating veterinary education enabling more veterinary graduates to pass out.

(i) UPGRADATION/ STRENGTHENING OF INFRASTRUCTURE OF VETERINARY COLLEGES

4.23 There are 7 veterinary universities and 35 Veterinary Colleges in the country and approximately 2000 students are passing out annually from these colleges/ Universities. The infrastructure facilities in these colleges are not adequate to meet the requirements of minimum standard of the Veterinary Education Regulation and the Veterinary Council of India (VCI) which is mandated to inspect these colleges for ensuring the minimum standards is observing deficiencies in infrastructure facilities in these colleges, which

need to be improved for imparting quality veterinary education. Grant-in-aid to these colleges is proposed for improving the facilities of the veterinary clinic/ hospitals, laboratory facilities, lecture rooms and deployment of qualified veterinary staff etc. to meeting the minimum standard of veterinary education regulations by the veterinary colleges.

(j) ESTABLISHMENT OF VETERINARY DRUG CONTROL AUTHORITY

4.24 The Veterinary drugs and biologicals are being regulated presently under the provision of the Drugs and Cosmetic Act, 1940 .The regulatory role in respect of import and marketing /manufacture & marketing including testing are being done by Drug Controller General of India (DCGI) which functions under the administrative control of the Ministry of Health & Family Welfare (MoHFW).

4.25 The Department further submitted that The Working Group on Animal Husbandry proposed a separate Veterinary Drug Control Authority during Tenth Plan. This was further reiterated by the Working Group in Eleventh Plan and Twelfth Plan. In view of these recommendations, the Department proposed for a separate Veterinary Drug Control Authority whose objective will be to lay down the standard separately for veterinary drugs including testing protocol and safety standards for registrations & marketing.

4.26 When the Committee enquired into the need and efficacy of such an institution, the Department in their post-evidence reply stated that there is no separate wing under DCGI to look into the Veterinary medicinal products and the Department has very limited role in this arrangement. Tangible efforts have also been made by DCGI to lay down standards for veterinary drug, trial protocol, testing facilities, toxicity and safety

standards etc. Drug & Technical Advisory Board (DTAB) which have major role in policy decision on type of veterinary drugs to be allowed in Indian market for use which has no representation of Department of Animal Husbandry, Dairying and Fisheries. It is proposed to establish a separate Veterinary Drug Control Authority during the Twelfth plan. The proposed Authority will handle quality control, registration of new products and approval of manufacturing and marketing veterinary drugs, veterinary vaccines, feed supplements and other substances which are generally used for feeding animals.

4.27 When enquired by the Committee about the desirability of separate regulatory authorities for veterinary sciences like as in Veterinary Council of India as existing in other countries where separate authorities / regulators exist for human being and animals, the Department furnished following information:

- a) In USA, there is a separate cell known as Centre for Veterinary Medicines for regulating Veterinary drugs which function under the Control of US Food and Drug Administration (FDA).
- b) A statutory authority, Australian Pesticides and Veterinary Medicine Authority (APVMA) has been established in 1993 for centralized registration of all agricultural and Veterinary Medicinal Products into Australian market.
- c) In Japan, Ministry of Agriculture, Forestry and Fisheries (MAFF) Control veterinary drugs exclusively used for animals whereas Ministry of Health there control drugs for Human use. Under MAFF, Animal Product Safety Division (APSD) is responsible for regulation of Veterinary drug.
- d) To protect human and animal health and the safety of Canada's food supply, the Veterinary Drugs Directorate (VDD) evaluates and monitors the safety, quality and effectiveness, sets standards, and promotes the prudent use of veterinary drugs administered to food-producing and companion animals.

POULTRY DEVELOPMENT

4.28 The scheme has three components namely, 'Assistance to State Poultry Farms, 'Rural Backyard Poultry Development' and 'Poultry Estates'. The Secretary, DADF mentioned the progress of the poultry sector during the course of oral evidence as follows:

"The poultry development in the country has shown very steady progress over the years, mainly driven by private sector commercial poultry farms. Currently, its production in the country is around 66.45 billion eggs in 2011-12, which is about five per cent growth compared to the previous year.

The poultry meat production is estimated to be 2.47 million metric tonne. The overall meat production in the country has registered a production level of 5.5 million tonne in 11-12, which is about 13 per cent more compared to the previous years. This meat segment has recorded the highest growth in production last year compared to other segments of livestock sector."

4.29 On being queried about the reasons for drastic reduction in allocation for poultry development at RE Stage during the year 2012-13, the Department furnished in written reply that due to large proportion of unspent amount of previous releases and non-furnishing of commensurate physical performance, some proposals from States could not be taken up during 2012-13 resulting in reduction in allocation for poultry development at RE stage from Rs. 52.50 crore to Rs. 35.62 crore. It is also noted that due to increase in prices like inputs in feed/ feed ingredients etc., the cost of reared chicks and some other material have gone up leading to some difficulty in implementation of Rural Backyard Poultry Development component as expressed by some States. It is, therefore, proposed to make suitable provisions in NLM so that the escalation in costs is taken care of.

4.30 When the Committee enquired about the achievements realised under the Rural Backyard Scheme since its inception in 2009-10, the Department submitted that around 21 States have been funded to the tune of Rs.95.82 crores providing for coverage of nearly 4.4 lakh BPL beneficiaries. During 2012-13, six States have been assisted to the tune of about Rs.30.63 crore covering nearly 1.4 lakh Below Poverty Line (BPL) beneficiaries.

DAIRY DEVELOPMENT

4.31 When the Committee wanted to know about the present status of dairies sector, the Secretary emphasised the role of dairying sector as a promising one, and stated as under:

“The value of the milk alone is two-third of the total production of the livestock sector of about Rs. 4,59,051 crore. Out of that, the milk constitutes about Rs. 3,05,484 crore, which is more than two-third of the total value of production. India is the largest producer of milk in the world; and set to produce over 133 million tonne of milk during 2012-13. Several measures have been initiated by the Government to increase the productivity of the milk animals, which has resulted in achieving a growth of about four to five per cent in milk production during the Eleventh plan. The production in 2011-12 was 127.9 million tonne of work, which is about 17 per cent of the world’s milk production. The *per capita* milk availability has increased to 290 grams per day. As per the NSSO household consumption data, this increase in milk production has also been reflected in the increase in the *per capita* consumption of liquid milk. This has increased by about 14.2 percent during the period from 2004-05 to 2009-10. However in the Twelfth plan, we need to increase the growth rate further to, at least, five per cent to meet the growing demand for milk and also to generate a surplus for export of value added dairy products for augmenting the income of the farmers.”

(a) STRENGTHENING INFRASTRUCTURE FOR QUALITY AND CLEAN MILK PRODUCTION (SIQ&CMP)

4.32 This scheme, introduced during the year 2003-04 and modified during 2011-12 has the objective of improving the quality of raw milk produced at village level by creating awareness among farmer members, setting up of bulk milk coolers at Dairy Cooperative Society level, strengthening of laboratory facilities and marketing of quality milk & milk products.

4.33 When asked about the basis on which the Department had projected an allocation of Rs. 100 crore for the year 2013-14, the Department furnished a written reply stating that the actual expenditure for project of dairy development including clean milk production In the year 2012-13 is likely to be Rs.83.29 crore against BE of Rs. 100 crore and RE of Rs.84.08 crore for the year. The BE for 2013-14 has been kept at Rs.85 crore keeping in view the overall budgetary allocation for the Department and the need to balance the requirement for various schemes. It further informed that till 31 December, 2012, the Department has approved 167 projects spread over 22 States and one UT at a total cost of Rs.309.03 crore with a Central share of Rs.254.43 crore. Out of this 90 projects have been completed and remaining 77 projects are at various stages of implementation. An amount of Rs.204.01 crore has been released upto the year 2012-13 for implementation of approved projects. Also, till 31 December, 2012, about 6.87 lakh farmer members have been trained, 2,179 Bulk Milk Coolers (BMCs) installed with a total milk chilling capacity of 44.47 lakh litres and 1,480 laboratories upgraded/strengthened under the scheme Strengthening Infrastructure for Quality in Clean Milk Production (SIQ&CMP).

(b) NATIONAL DAIRY PLAN

4.34 The Government has approved the National Dairy Plan (NDP) Phase-I to be implemented during the period 2011-12 to 2016-17. The World Bank would provide IDA Credit of USD 350 Million (Rs.1, 584 crore) for the Scheme. The scheme is being implemented for increasing productivity of milch animals, increase milk production and provide rural milk producers with greater access to the organised milk-processing sector. The NDP-I is to be implemented in 14 major States – Uttar Pradesh, Punjab, Haryana, Gujarat, Rajasthan, Madhya Pradesh, Bihar, West Bengal, Maharashtra, Karnataka, Tamil Nadu, Andhra Pradesh, Orissa and Kerala.

4.35 When asked about the reasons of mismatch between BE/RE and actual expenditure during the year 2012-13, the Department informed that the BE for NDP-I for 2013-13 was Rs.130 crore. It was reduced to Rs.123 crore at the RE stage. The entire amount of Rs.123 crore for 2012-13 has been released to National Dairy Development Board (NDDB), which is implementing the scheme.

4.36 In response to a specific query regarding the reasons for remaining States not showing enthusiasm under this Plan, the Department in their written reply stated that the projects are considered as and when the States confirm compliance and EIAs submit sub-project proposal to NDDB for consideration. Hence the number of sub projects approved till November 2012 were for 39 sub projects from 8 States. As on 1st April, 2013 all the State Governments of 14 eligible States have met the eligibility criteria and 139 sub project proposals from all 14 States have been received, out of which 81 sub projects from 12 States have been approved. The remaining 58 projects, including from the remaining 2 States, are under examination by NDDB.

FISHERIES DEVELOPMENT

4.37 The Department have informed that fisheries is a source of livelihood to about 14.49 million people engaged fully, partially or in subsidiary activities pertaining to the sector, with an equally impressive segment of the population engaged in ancillary activities associated with fisheries and aquaculture. As per the estimates for the year 2011-12, the total fish production is about 8.67 million metric tonnes (3.37 million metric tonnes for marine and 5.30 million metric tonnes for inland fisheries). During the oral evidence, the Secretary deposed that India is second largest producer of marine fish as well as fresh water fish in the world. The fish production has increased from 41.57 lakh tonne in 91-92 to 86.66 lakh tonne in 2011-12.

4.38 Detail of year-wise allocation expenditure during Eleventh Plan is given as under:

Table 4.2: Allocation and Expenditure of Fishery Sector in Eleventh Plan

Year Eleventh Plan	Approved BE	Revised Estimate (RE)	Actual Exp. (Rs. in crore)
2007-08	205.65	168.14	162.04
2008-09	215.00	180.39	178.77
2009-10	298.50	271.40	274.93
2010-11	262.44	294.25	290.07
2011-12	298.00	309.63	306.24
Total	1279.62	1223.81	1212.05

From the above table, it can be inferred that during the year 2007-08 and 2009-10, BE figures were revised downward at RE stage. BE was revised upward at RE during the years 2010-11 and 2011-12 on the expenditure from it is observed except for the fiscal 2010-11 allocated funds how not been utilized in. Thus, it is noted that during the Eleventh Plan period against the allocation of Rs. 2726.00 crore the actual expenditure was to the tune of Rs. 1105.74 crore for fisheries sector in Eleventh Plan.

When asked about the reasons for such a high disparity between the approved outlay and actual expenditure during Eleventh Plan, the Department informed that though an outlay of Rs. 2776 crore was approved for fisheries sector during Eleventh Plan, a sum of Rs.1279.62 crore was provided in BE which was reduced to Rs.1223.81crore in RE for the period from 2007-08 to 2011-12.

(a) NATIONAL FISHERIES DEVELOPMENT BOARD (NFDB)

4.39 The Committee were informed that the National Fisheries Development Board (NFDB) was launched as a Special Purpose Vehicle (SPV) in the year 2006 for implementing fishery developmental schemes in an integrated manner. It is a central sector scheme implementing wide range of activities like intensive aquaculture in ponds and tanks, fisheries development in reservoirs, coastal aquaculture, mariculture, development of infrastructure, fishing harbours and landing centers, fishing dressing centers, domestic marketing, technology upgradation, deep sea fishing and tuna processing, ornamental fisheries, trout culture and capacity-building of fishermen etc.

4.40 The Statement of Outlays and Outcomes / Targets (2012-13) of Annual Plan 2013-14 provides following information regarding the objectives and outcome of NFDB:

Table 4.3 The Statement of Outlays and Outcomes / Targets (2012-13)

Sl. No.	Name of Scheme / Programmes	Objectives / Outcome	Outlay 2012-13	Quantifiable Deliverables	Process / Timelines	Achievements w.r.t. Col (5)	Remarks
24	National Fisheries Development Board (NFDB)	To bring all activities relating to Fisheries and Aquaculture under a single umbrella with a view to improve the production, processing and marketing of the fishing products.	110.00	i. Construction of ponds = 1,000 ha ii. Fish hatcheries (Nos.) =60 iii. Renovation of Gove fish seed farms & hatchery = 50 ha iv. Fish seed rearing farms (ha) = 350 ha v. No. of trainees trained = 5,000 vi. Establishment of Fish dressing centre = 2 vii. Establishment of backyard hatcheries/aquarium units=1,000 viii. Modernization of fishing harbours = 5 ix. Construction/Modernization of wholesale fish markets/retail outlets=40	April 2012 to March 2013	i. 163 ha ii. 9 iii. 2 iv. - v. 5,205 vi. - vii. 127 viii. 2 ix. 20	

The achievements shown in the above table with respect to the quantifiable deliverables clearly indicates that the ambitious Programme of NFDB is falling short of expectations in most of the areas of given mandate. When asked to state the reasons for such a sluggish performance during the initial stage of establishment of the NFDB, the Department informed that NFDB was set up by Government in 2006 and being relatively new, it had initial teething problems like recruitment of staff, finalisation of scheme guidelines and modalities for implementation of the schemes based on the needs of the States. However, actions have been initiated to improve the performance of NFDB schemes in subsequent years by the way of revising the guidelines, recruiting the essential staffs and conducting regular meetings and reviews with the States/ UTs for preparation of the project reports and for effective implementation of the schemes. NFDB has been instrumental in providing focussed attention and thrust to the fisheries sector. Processes of NFDB have been streamlined for ensuring utilisation of allocated funds.

(b) FISHERY SURVEY OF INDIA (FSI)

4.41 The Fishery Survey of India (FSI) is responsible for survey and assessment of marine fishery resources of the Indian Exclusive Economic Zone (EEZ) with its headquarters at Mumbai. The on-going activities of fishery resources survey and monitoring in the Indian EEZ by FSI include survey of marine resources in the continental shelf and slope, survey of deep-swimming oceanic tunas in the Indian EEZ and preliminary survey of coastal pelagic resources by mid-water trawling.

4.42 The Department have submitted the following information relating with the achievements of FSI:

Table 4.4: Statement of Outlays & Outcomes/Targets (2012-13)

Sl. No.	Name of Scheme/ Programme	Objective/ Outcome	Outlay (2012-13)	Quantifiable / Deliverables	(Rs. Crore)		
					Process/ Timelines	Achievement w.r.t Column (5) upto October/Nov., 2012	Remarks
1	2	3	4	5	6	7	8
23	d) Fishery Survey of India	Survey and assessment of marine fishery resources of the Indian EEZ.	37.00	i. No. of fishing days by vessels = 2,000 ii. Sampling hours for bottom and mid-water trawling= 5,300 iii. No. of hooks operated for Tuna long lining = 4,00,000 iv. Trap fishing = 1,600 v. Handline fishing=3,840 vi. Bottom set vertical line =18,000 vii.Days out during cuisse = 2,400 viii. No. of voyages=130	April 2012 to March 2013	i. 526 ii. 1309 iii. 1,26,770 iv. NA v. NA vi. NA vii. 751 viii. 46	

When the Committee enquired about the dismal achievement of the quantifiable / deliverables and the reasons thereof, the Department have stated that the shortfall in performance was due to inordinate delay in the Dry Docking and Repair (DDR) and Life Saving Appliances (LSA) / Fire Fighting Appliances (FFA) of certain vessels as well as some serious technical problems in some other vessels. The age of the vessels and non-priority given to our vessels by the shipyards were further aggravating the situation. Adequate measures have been taken to rectify the problems and speed up the DDR and to deploy the vessels for survey. Except a few vessels in the dock others are now operational. FSI is also gradually shifting focus towards preparing management plans for sustainable fisheries and training, which is expected to bring about reduction in its erstwhile activities of conducting only surveys through fishing effort.

(c) WELFARE PROGRAMME OF FISHERMEN

4.43 The Centrally Sponsored Scheme “National Scheme for the Welfare of Fishermen” has four components namely, viz. Group Accident Personal Insurance; Saving-cum-Relief; Model Fishermen Village (includes assistance for low cost houses for fishermen, tube wells and community hall); and Training and Extension. Since the first two components are committed liabilities, first priority is accorded to these

components. Due to budgetary constraints, the fund released for housing is affected despite good response from the States for availing the funds for providing low cost houses to fishermen.

4.44 When the reasons for scaling down targets from 3500 to just 4 in the year 2012-13 was enquired, the Committee were informed that the number of fishermen targeted to be covered under Saving-cum-Relief was 3.5 lakh for 2011-12 instead of 3500 lakh reported erroneously, which is regretted. The actual achievement against this target has been 4.3 lakh and not 0.43 as erroneously printed in the Outcome Budget (2012-13). A higher target of covering 4 lakh fishers during 2012-13 has been set taking into account previous years achievement.

4.45 As far as fishermen's training is concerned, no targets have been assigned for the year 2012-13. The Department informed that component on training and extension is being discontinued during the Twelfth Plan to avoid duplicity as similar programme exists under the schemes of NFDB. Instead, a new component – capacity building for alternative livelihood for fishers has been proposed during the Twelfth Plan replacing the component on Training and Extension.

ALLOCATION OF ANIMAL HUSBANDRY SECTOR

4.46 The proposed outlay for Annual Plan (2013-14) for animal husbandry sector under the Centrally Sponsored and Central Sector Schemes are Rs. 991.20 crore and Rs. 360.09 crores, respectively, which aggregates to Rs. 1351.29 crore. However, the BE for 2013-14 is Rs. 1051.49 crore, which is Rs. 11.61 crore less than the allocation in previous fiscal. The Committee highly deprecates this, as they believe that the animal husbandry sector has immense potential for the

welfare of small and marginal farmers, small dairy producers and cattle rearers. It not only offers financial help to the womenfolk of the society but also helps them during the lean season. The Committee, therefore, impress upon the Department to deeply introspect in the matter and work out a detailed roadmap to claim its due place in the economy and developmental process. From the past performance during the Eleventh Five Year Plan period, the Committee recommends the Department to gear themselves appropriately, failing which it may be difficult for them to utilize this amount, which would further hamper the implementation of the major schemes of the Department. They further recommend the Department to come clean of the impression of 'low absorption capacity of the utilization of funds', so that it can get the reasonable and adequate from the Planning Commission at BE stage. The optimum utilization of funds will help in claiming an enhanced allocation at RE stage from the Ministry of Finance (Department of Expenditure) to achieve the desired targets.

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

The Committee note that the Department has averred that delay in finalization of Twelfth Plan document may impact and hamper, the viability of many schemes including major schemes like NLM, NPBDD, FMD-CP, ESVHD,

DEDS, NFDB etc. The Committee, therefore, recommend that the Department should take pro-active action so as to optimally utilize the allocated funds for existing schemes failing which, it may have cascading effect on the implementation of schemes in years to come.

NATIONAL PROGRAMME ON BOVINE BREEDING AND DAIRYING (NPBBD)

4.47 Genetic upgradation of cattle, buffalo, conservation of breeds, production and distribution of breeding inputs, quality control of goods and services, lack of human resources and incongruent institutional and policy framework with the ground realities are some of the major challenges in the animal breeding and dairying sectors. The NPBBD will have two main components namely, National Programme for Bovine Breeding (NPBB) and Dairy Development to create synergy of resources. It is believed that the combined activities of breeding and dairying will be more effective in Artificial Insemination (AI) services, feed management, extension services and lead to increase dairy productivity and enhanced income of farmers. The Committee share the optimism of the Department that the convergence of breeding and dairying activities will have a positive impact on the livestock and enhanced production and productivity of the animals. The Committee however, concerned with the current focus of the Government wherein emphasis is increased number of Artificial Insemination without paying any heed to its success rate as evident in the rather low success of Artificial Insemination. Noting this to be a rather discouraging factor, the Committee therefore, recommend the Department to shift their focus from myopic quantitative one to a qualitative one, by laying emphasis on increasing the success rate of Artificial Insemination activities. Alongwith this, it also stress

that emphasis should be placed on the genetic improvement of the indigenous varieties so that the segment of farmers who can not afford the exotic breeds may also get a means of profit to sustain their livelihood. A positive step, herein, would be to ensure proper / scientific training of field staff under expert guidance.

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

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

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

against the BE of Rs. 91.00 crore and the actual utilization is only Rs. 31.25 crore till December, 2012. This has impacted the allocation of current fiscal with the budgetary allocation of Rs. 60.00 crore only. This is a classic example of past performance guiding the future allocations as is evident in reductions starting at the BE level, due to under-utilization in the current fiscal.

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

ESTABLISHMENT OF VETERINARY DRUG CONTROL AUTHORITY

4.49 The Committee note that Drugs and Cosmetic Act, 1940 regulates the import, manufacture and marketing of drugs and biological including veterinary drugs and biological. The regulatory role for the purpose is discharged by Drug Controller General of India (DCGI) which is under the administrative control of Ministry of Health and Family Welfare. The Department of Animal Husbandry has informed that the Working Group of Animal Husbandry has proposed a separate Veterinary Drug Controller Authority during Tenth Plan which was further reiterated by Working Group in Eleventh and Twelfth Plan. The Drug and Technical Advisory Board (DTAB) which has a major role in policy decision on type of veterinary drugs to be allowed in Indian markets has no representation from the DADF. The plea of the Department that they have very limited role in the present arrangements of medical products and almost negligible efforts made by

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

POULTRY DEVELOPMENT

4.50 The poultry sector has recorded a growth of about five percent in the fiscal 2012-13 compared to the year 2011-12, with production touching 66.45 billion tonnes. However, in fiscal terms the allocation of Department has reduced to Rs. 35.62 crore at RE stage from Rs. 52.50 crore at BE stage, whereas the actual expenditure was only Rs. 23.77 crore till December, 2012. The Department reasoned that such a reduction in allocation of funds is due to increase in cost of reared chicks and input prices of feed / feed ingredients. Taking a cue from the Department's reasoning, the Committee implore upon the Government to make suitable provisions in the programme that would ensure that escalation in the

cost is taken care of. The Committee further recommend the Department to stretch its arms in terms of allocated funds so that it can act as a source of sustenance for the poultry farmers and also act as a fillip to the rural backyard poultry.

NATIONAL DAIRY PLAN

4.51 The Committee have been informed that the National Dairy Plan – I (NDP – I) is to be implemented in only 14 major States – Uttar Pradesh, Punjab, Haryana, Gujarat, Rajasthan, Madhya Pradesh, Bihar, West Bengal, Maharashtra, Karnataka, Tamil Nadu, Andhra Pradesh, Odisha and Kerala. The Department have received 139 sub project proposals from 13 States as on 25th March, 2013. The Department have also informed that only 14 states confirmed compliance and End-Implementing Agencies (EIAs) submitted sub project proposals to National Dairy Development Board (NDDB) for consideration. The Committee is surprised to note that the 14 States which are found eligible for consideration under NDP - I, are already performing well in milk and dairy production. The Committee would concerned over the fate of the other States which are kept out of purview of NDP – I as these States are faring poor in dairy production, like to be apprised of the rationale leading to selection of those States who are leaders in the field of milk production and exclusion of the States who currently lag behind. Endeavouring to ensure a level playing field for all the States and to ensure a comprehensive development of the dairying sector, the Committee urge upon the Government to expand the scope of NDP – I and also include the urgently need the intervention of Government to upgrade the resources, infrastructure and facilities related with the dairy sector. Thus, the Committee recommends the

inclusion of other States like Jharkhand, Chhattisgarh, Himachal Pradesh under its ambit.

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

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

WELFARE PROGRAMME OF FISHERMEN

4.53 The Centrally Sponsored Scheme “National Scheme for the Welfare of Fishermen” has four components, viz. Group Accident Personal Insurance; Saving-cum-Relief; Model Fishermen Village (that includes assistance for low cost houses for fishermen, tube wells and community hall); and Training and Extension. The Department have stated that due to budgetary constraints, the fund released for housing is affected despite good response from the States for availing the funds to provide low cost houses to fishermen. The Department informed that component on training and extension is being discontinued during the Twelfth Plan to avoid duplicacy as similar programme exists under the schemes of NFDB. Instead, a new component, capacity-building for alternative livelihood for fishers, has been proposed during the Twelfth Plan. The Committee are bewildered to note that the component on training and extension is entrusted to NFDB whereas a new component – capacity-building for alternative livelihood for fishers has been proposed under the Welfare Programme of Fishermen, which, in view of the Committee, points towards lack of foresight while formulating the schemes as this had lead to overlapping and duplicity. Deprecating this act of callousness on the part of the Government, the Committee recommend that capacity-building for alternative livelihood for fishermen may be merged with the Training and Extension component and should be placed under Welfare Programme of Fishermen.

NEW DELHI;
17 April, 2013
27 Chaitra, 1935 (Saka)

BASUDEB ACHARIA
Chairman,
Committee on Agriculture

APPENDIX - I

COMMITTEE ON AGRICULTURE **(2012-13)**

MINUTES OF THE TWENTY THIRD SITTING OF THE COMMITTEE

The Committee sat on Wednesday, the 03 April, 2013 from 1115 hours to 1350 hours in Room No. '53', Parliament House, New Delhi.

PRESENT

Smt. Mohsina Kidwai - Acting Chairperson

MEMBERS

LOK SABHA

2. Shri Narayansingh Amlabe
3. Smt. Ashwamedh Devi
4. Dr. (Smt.) Botcha Jhansi Lakshmi
5. Sardar Sukhdev Singh Libra
6. Dr. Jyoti Mirdha
7. Shri Devji M. Patel
8. Shri Rajaiah Siricilla
9. Dr. Vinay Kumar Pandey 'Vinnu'

RAJYA SABHA

10. Shri Parshottam Khodabhai Rupala
11. Shri S. Thangavelu
12. Shri Darshan Singh Yadav

SECRETARIAT

1. Shri R.S. Kambo	-	Joint Secretary
2. C. Vanlalruata	-	Deputy Secretary

WITNESSES

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

<u>S.No.</u>	<u>NAME OF THE OFFICER</u>	<u>DESIGNATION</u>
1.	Shri G.C. Pati	Secretary (ADF)
2.	Shri Raghav Chandra	Additional Secretary & Financial Adviser
3.	Dr. A.S. Nanda	Animal Husbandry Commissioner
4.	Shri Tarun Shridhar	Joint Secretary (FY)
5.	Shri Rajbir Singh Rana	Joint Secretary (LH)
6.	Shri Sanjay R. Bhoosreddy	Joint Secretary (APF)
7.	Ms. Rajni Sekhri Sibal	Joint Secretary (CDD)
8.	Shri S.K. Das	Adviser (Stats)
9.	Dr. O.P. Mishra	Deputy Director
10.	Shri B. Vishnu Bhat	General (Fy Admn & Stat) Fisheries Development Commissioner

PLANNING COMMISSION

1. Shri Surinder Singh Adviser
2. Dr. J.P. Mishra Adviser

NATIONAL FISHERIES DEVELOPMENT BOARD

1. Dr. M.V. Rao Chief Executive Officer
2. Dr. P. Paul Pandian C&MD

INDIAN COUNCIL OF AGRICULTURAL RESEARCH

1.	Dr. Meenakumari	DDG (Fisheries)
2.	Dr. Gaya Prasad	ADG (AH)

NATIONAL BANK FOR AGRICULTURE AND RURAL DEVELOPMENT

Shri A.D. Ratnoo CGM

NATIONAL DAIRY DEVELOPMENT BOARD

Shri Dilip Bath Managing Director

2. In the absence of Chairman the Committee chose Smt. Mohsina Kidwai, MP (Rajya Sabha) to act as Chairman for the Sitting under Rule 258(3) of the Rules of Procedure and Conduct of Business in Lok Sabha.

3. Thereafter, the Acting Chairperson welcomed the Members of the Committee and representatives of the Ministry of Agriculture (Department of Animal Husbandry, Dairying and Fisheries), Planning Commission and other Organisations to the Sitting.

4. After the witnesses introduced themselves, the Principal Witness briefly highlighted the activities / achievements made by the Department during the Eleventh Plan Period. The proposed outlay for Twelfth Plan, including various schemes to be taken up was also discussed. The Committee, thereafter, took oral evidence of the representatives of Department of Animal Husbandry, Dairying and Fisheries on Demands for Grants (2013-14).

5. The Acting Chairperson and members of the Committee raised queries on several schemes/projects of the Department and sought details of progress made thereunder. The Demands for Grants of the ongoing Fiscal and proposed projection for Financial Year 2013-14 and Twelfth Plan were also discussed. The witnesses replied, thereto.

6. The Acting Chairperson, thereafter thanked the witnesses for appearing before the Committee as well as for furnishing desirable information. She also directed them to furnish information on points on which the Department could not clarify during the Sitting, to the Committee Secretariat by 08 April, 2013.

7. A verbatim record of the proceedings has been kept separately.

The Committee then adjourned.

**COMMITTEE ON AGRICULTURE
(2012-13)**

MINUTES OF THE TWENTY FIFTH SITTING OF THE COMMITTEE

The Committee sat on Wednesday, the 17th April, 2013 from 1500 hours to 1600 hours in Room No. '53', Parliament House, New Delhi.

PRESENT

MEMBERS

LOK SABHA

2. Shri Narayansingh Amlabe
3. Shri Sanjay Singh Chauhan
4. Smt. Ashwamedh Devi
5. Smt. Paramjit Kaur Gulshan
6. Shri P. Kumar
7. Dr. (Smt.) Botcha Jhansi Lakshmi
8. Sardar Sukhdev Singh Libra
9. Dr. Jyoti Mirdha
10. Dr. Vinay Kumar Pandey 'Vinnu'

RAJYA SABHA

11. Shri Dharmendra Pradhan
12. Dr. K.V.P. Ramachandra Rao
13. Shri Shivanand Tiwari
14. Shri S. Thangavelu
15. Shri Darshan Singh Yadav

SECRETARIAT

1. Shri R.S. Kambo - Joint Secretary
2. Shri C. Vanlalruata - Deputy Secretary

2. At the outset the Chairman welcomed the members to the Sitting of the Committee. They Committee, thereafter, took up the following draft Report(s) for consideration:

*(i) xxxx xxxx xxxx xxxx xxxx xxxx
*(ii) xxxx xxxx xxxx xxxx xxxx xxxx
(iii) draft Report on Demands for Grants (2013-2014) relating to the Ministry of Agriculture (Department of Animal Husbandry, Dairying and Fisheries).

3. After some deliberations, the Committee adopted the above draft Report(s) with some modifications. They also authorized the Chairman to finalise the above Draft Report(s) in the light of the factual verifications got done by the concerned Departments of the Ministry of Agriculture and present them to the Parliament.

The Committee then adjourned.

* Matter not related to this report.