25

STANDING COMMITTEE ON AGRICULTURE
(2015-2016)

SIXTEENTH LOK SABHA

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

DEMANDS FOR GRANTS
(2016-2017)

TWENTY-FIFTH REPORT

LOK SABHA SECRETARIAT
NEW DELHI

May, 2016/*Vaisakha*, 1938 *(Saka)*

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Presented to Lok Sabha on 02.05.2016
Laid on the Table of Rajya Sabha on 02.05.2016

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NEW DELHI

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(2015-16)

Shri Hukm Deo Narayan Yadav — *Chairperson*

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Lok Sabha

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3. Shri Sanganna Karadi
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18. Shri Virendra Singh
19. Shri Dharmendra Yadav
20. Shri Jai Prakash Narayan Yadav
21. Shri B.S. Yeddyurappa

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*Nominated to the Committee *w.e.f.* 13.04.2016 *vice* Prof. Richard Hay who ceased to be the Member of the Committee *w.e.f.* 13.04.2016.

Rajya Sabha

22. Shri A.W. Rabi Bernard
23. Shrimati Renuka Chowdhury
#24. Vacant
25. Shri Janardan Dwivedi
26. Shri Vinay Katiyar
27. Shri Mohd. Ali Khan
28. Shri Rajpal Singh Saini
29. Shri Ram Nath Thakur
30. Shri Shankarbhai N. Vegad
31. Shri Darshan Singh Yadav

SECRETARIAT

1.	Shri U.B.S. Negi	—	*Joint Secretary*
2.	Shri Arun K. Kaushik	—	*Director*
3.	Shri C. Vanlalruata	—	*Deputy Secretary*

#*Vice* Sardar Sukhdev Singh Dhindsa who ceased to be the Member of the Committee consequent upon his retirement from Rajya Sabha *w.e.f.* 09.04.2016.

INTRODUCTION

I, the Chairperson, Standing Committee on Agriculture, having been authorized by the Committee to submit the Report on their behalf, present this Twenty-Fifth Report on the Demands for Grants (2016-2017) of the Ministry of Agriculture and Farmers Welfare (Department of Agriculture, Co-operation and Farmers Welfare).

2. The Committee under Rule 331E(1)(a) of the Rules of Procedure considered the Demands for Grants (2016-17) of the Department of Agriculture, Co-operation and Farmers Welfare, which were laid on the Table of the House on 11.03.2016. The Committee took evidence of the representatives of the Department of Agriculture and Co-operation at their Sitting held on 29th March, 2016. The Report was considered and adopted by the Committee at their Sitting held on 28.04.2016.

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

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

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

NEW DELHI;
28 *April*, 2016
08 *Vaisakha*, 1938 *(Saka)*

HUKM DEO NARAYAN YADAV,
Chairperson,
Standing Committee on Agriculture.

ABBREVIATIONS

ACA	Additional Central Assistance
ACABC	Agri-Clinic and Agri-Business Centres (Agri-Clinic 61 Agri-Business Centres)
AE	Actual Expenditure
AFDP	Additional Fodder Development Programme
AIBP	Accelerated Irrigation Benefit Programme
AIC	Agriculture Insurance Company of India Ltd.
AMI	Agricultural Marketing Infrastructure
AMIGS	Agricultural Marketing Infrastructure, Grading and Standardization
ATMA	Agricultural Technology Management Agency
BE	Budget Estimates
BFACs	Block Farmer Advisory Committee
BTT	Block Technology Team
CDAC	Centre for Development of Advance Computing
CDP	Crop Diversification Programme
CGWB	Central Ground Water Board
CPIS	Coconut Palm Insurance Scheme
CSO	Central Statistics Office
CSC	Centrally Sponsored Schemes
CV	Coefficient of Variation
CWC	Central Water Commission
DAC&FW	Department of Agriculture, Cooperation and Farmers Welfare
DAP's	District Agriculture Plan

DFACs	District Farmer Advisory Committee
DIPs	District Irrigation Plans
DoLR	Department of Land Resources
GB	Governing Board
GBY	Grameen Bhandaran Yojana
GVA	Gross Value Added
GDP	Gross Domestic Product
HKKP	Har Khet Ko Paani
IDWG	Inter-Departmental Working Group
ISAM	Integrated Scheme on Agricultural Marketing
ISEC	Institute for Social and Economic Change
IWMP	Integrated Watershed Management Programme
KCCs	Kisan Call Centres
MGNREGS	Mahatma Gandhi National Rural Employment Guarantee Scheme
MNAIS	Modified National Agriculture Insurance Scheme
MoWR	Ministry of Water Resources
MUV	Multi Utility Vehicle
NABARD	National Bank on Agriculture and Rural Development
NAIS	National Agriculture Insurance Scheme
NE	North East
NIRD	National Institute of Rural Development
NLCPR	Non-Lapsable Central Pool of Resources
NMAET	National Mission on Agriculture Extension and Technology
NMSA	National Mission for Sustainable Agriculture
NREGS	National Rural Employment Guarantee Scheme
NTIs	Nodal Training Institutes

OFWM	On Farm Water Management
PKVY	Paramparagat Krishi Vikas Yojana
PMFBY	Pradhan Mantri Fasal Bima Yojana
PMSKY	Pradhan Mantri Krishi Sinchai Yojana
PPV&FRA	Protection of Plant Varieties and Farmers Rights Authority
RDMIS	Research and Development Management Information System
RE	Revised Estimates
RKVY	Rashtriya Krishi Vikas Yojana
SAME	Sub-Mission on Agriculture Extension
SAP's	State Agriculture Plan
SEWP	State Extension Work Plan
SFACs	State Farmer Advisory Committees
SIPs	State Irrigation Plans
SLSCs	State Level Sanctioning Committees
SMSP	Sub-Mission on Seed and Planting Material
SMAM	Sub-Mission on Agriculture Mechanization
SMPP	Sub-Mission on Plant Protection and Plant Quarantine
SREPs	Strategic Research & Extension Plans
UC	Utilization Certificate
UPIS	Unified Package Insurance Scheme
VLW	Village Level Worker
WBCIS	Weather Based Crop Insurance Scheme

REPORT

PART I

CHAPTER I

Implementation of Committee's Recommendations

The Ninth Report of Standing Committee on Agriculture on Demands for Grants (2015-16) of the Ministry of Agriculture and Farmers Welfare (Department of Agriculture, Cooperation and Farmers Welfare) was presented to the Lok Sabha and laid on the Table of Rajya Sabha on 24 April, 2015, respectively.

1.2 On the basis of Action Taken Notes received from the Department in respect of the above Report on 15 July, 2015, the Committee presented their Nineteenth Report to the Lok Sabha and laid it on the Table of Rajya Sabha on 16 December, 2015. Out of the 29 Recommendations of the Committee, 18 have been accepted by the Government. The Committee decided not to pursue Recommendation Para No. 17, in view of the Government's Reply. Replies to five Recommendations *viz*. Para Nos. 10, 20, 23, 24 and 25 were of interim nature. The Committee commented upon the Action Taken Notes furnished by the Government in respect of Recommendations.

1.3 In terms of Direction 73A of Directions by the Speaker, the Statement to be made by the Minister of Agriculture and Farmers Welfare on the status of implementation of various Recommendations made by the Committee in their Ninth Report was due on 24 October, 2015. However, till date the said Statement has not been made by the Minister concerned.

CHAPTER II

BUDGETARY ANALYSIS

(i) Overview

Agriculture plays a vital role in India's economy. 54.6% of the population is engaged in agriculture and allied activities (census 2011) and it contributes 17.4% to the country's Gross Value Added (current price 2014-15, 2011-12 series). Given the importance of agriculture sector, Government of India took several steps for its sustainable development. Steps have been taken to improve soil fertility on a sustainable basis through the soil health card scheme, to provide improved access to irrigation and enhanced water efficiency through Pradhan Mantri Gram Sinchai Yojana, to support organic farming through Paramparagat Krishi Vikas Yojana (PKVY) and to support for creation of a unified national agriculture market to boost the incomes of farmers.

2.2 As per the land use statistics 2012-13, the total geographical area of the country is 328.7 million hectares, of which 139.9 million hectares is the reported net sown area and 194.4 million hectares is the gross cropped area with a cropping intensity of 138.9%. The net irrigated area is 66.1 million hectares.

Agriculture Gross Value Added (GVA-earlier referred as Gross Domestic Product)

2.3 Central Statistics Office (CSO), Ministry of Statistics and Programme Implementation has released the New Series of National Accounts on 30.01.2015, revising the base year from 2004-05 to 2011-12. As per the first revised estimates released by CSO on 29.01.2016, the Agriculture and Allied Sector contributed approximately 17.0% of India's Gross Value Added (GVA) at current prices during 2014-15. Gross Value Added (GVA) of Agriculture and Allied Sector and its share in total GVA of the country during the last 3 years including the current year, at 2011-12 current prices is as follows:—

(Rs. in crore)

Share of Agriculture and Allied Sector in Total GVA

Items	Year			
	2011-12	2012-13	2013-14	2014-15
GVA of Agriculture and Allied Sectors	15,01,816	16,80,797	19,02,452	19,95,251
Per cent to total GVA	18.5	18.2	18.3	17.4

Source: Central Statistics Office, Ministry of Statistics and Programme Implementation, Government of India.

2.4 In view of the structural change in the economy, there has been a continuous decline in the share of agriculture and allied sector in the GVA from 18.5 per cent in 2011-12 to 17.4 per cent in 2014-15 at current prices. A fall in the share of the agriculture and allied sector in GVA is an expected outcome in a fast growing and structurally changing economy. Growth, over the previous year, in the Total GVA and that in the GVA of Agriculture and Allied Sector at 2011-12 basic prices is given below:—

Growth in Gross Value Added (at 2011-12 basic prices)

(in per cent)

Period	Total GVA	Agriculture and Allied Sector GVA
2012-13	5.4	1.5
2013-14	6.3	4.2
2014-15	7.1	-0.2

Source: Central Statistics Office, MOSPI.

2.5 The Agriculture and Allied sector witnessed a growth of 1.5 per cent in 2012-13, 4.2 per cent in 2013-14 and -0.2 per cent in 2014-15 at 2011-12 basic prices.

(ii) Overview of Demands

2.6 Demand No. 1 pertaining to the Department of Agriculture and Co-operation for the year 2016-17 was laid in the Lok Sabha on

11 March, 2016. It provides for implementation of various Central Sector, Centrally Sponsored and State Plan Schemes, for Plan and Non-Plan activities.

2.7 The macro-level break-up of Demand No. 1 is given below:—

(Rs. in crore)

Section	Plan	Non-Plan	Total
Revenue			
Voted	20369.70	15583.13	35952.83
Charged	–	–	–
Capital			
Voted	30.30	0.56	30.86
Charged	–	–	–
Grand Total	20400.00	15583.69	35983.69

2.8 The total allocation for Department of Agriculture and Co-operation for the Fiscal 2016-17 is Rs. 35983.69 crore. Out of this Rs. 20369.70 crore and Rs. 15583.13 crore are on Plan and Non-Plan sides respectively under the Revenue Section. Similarly, Rs. 30.30 crore and Rs. 0.56 crore are on the Plan and Non-Plan sides respectively under the Capital Section.

2.9 The comparison of Revised Estimates for the year 2015-16 and Budget Estimates for 2016-17 is given in the table below:—

(Rs. in crore)

	RE 2015-16		BE 2016-17	
	Plan	Non-Plan	Plan	Non-Plan
Revenue	15456.15	308.92	20369.70	15583.13
Capital	43.85	0.62	30.30	0.56
Total	15500.00	309.54	20400.00	15583.69
Grand Total	15809.54		35983.69	

The Revenue Section (Plan Side) BE for 2016-17 at Rs. 20369.70 crore shows increase of Rs. 4913.55 crore from RE 2015-16 of

Rs. 15456.15 crore. Similarly on Non-Plan Side, in comparison to BE 2016-17 of Rs. 15583.13 crore, the 2015-16 RE allocation was only Rs. 308.92 crore. The BE for 2016-17 in the Capital Section Plan Side is Rs. 30.30 crore which is lower in comparison to RE 2015-16 of Rs. 43.85 crore. On the Non-Plan Side BE for 2016-17 at Rs. 56 lakh is lower in comparison to RE at Rs. 62 lakh for 2015-16.

(iii) Budgeted Outlay

2.10 Department of Agriculture, Cooperation and Farmers Welfare's share in the Budgeted Outlay as compared to some other Departments of the Government of India in previous Five Year Plans is as follows:—

(Rs. in crore)

	Particulars	10th Plan	11th Plan	12th Plan
Central Plan Outlay of Government 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		10th Plan	11th Plan	12th Plan
1		2	3	4
Department of Agriculture, Cooperation and Farmers Welfare	Amount	13,200	66,577	71,500
	% of total Outlay	1.48%	3.09%	1.65%
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 Agricultural Research and Education	Amount	5,368	12,589	25,553
	% of total Outlay	0.60%	0.58%	0.59%
Department of Consumer Affairs	Amount	55	1,083	1,260
	% of total Outlay	0.01%	0.05%	0.04%
Department of Food and Public Distribution	Amount	250	694	2,194
	% of total Outlay	0.03%	0.03%	0.05%

1		2	3	4
Department of Health and Family Welfare	Amount	36,378	1,36,147	2,68,551
	% of total Outlay	4.07%	6.31%	6.20%
Department of School Education and Literacy	Amount	43,825	1,84,930	3,43,028
	% of total Outlay	4.91%	8.58%	7.92%
Department of Drinking Water and Sanitation	Amount	14,200	506	98,015
	% of total Outlay	1.59%	0.02%	2.26%
Department of Land Resources	Amount	6,526	19,459	30,296
	% of total Outlay	0.73%	0.90%	0.70%
Department of Rural Development	Amount	56,748	1,94,933	4,12,965
	% of total Outlay	6.35%	9.04%	9.53%
Department of Women and Child Development	Amount	13,780	54,765	1,17,707
	% of total Outlay	1.54%	2.54%	2.72%

From the above table, it is observed that the percentage share of Department of Agriculture, Cooperation and Farmers Welfare with respect to the total Central Plan has decreased from 3.09% in the Eleventh Plan to 1.65% during the Twelfth Plan.

2.11 On being asked to furnish the reasons for the reduction in share of DAC&FW in the total Central Plan and whether the Department have taken up this with the Ministry of Finance to increase their share, DAC&FW in their written reply submitted that the 12th Plan allocation of the Department had been approved for Rs. 1,34,746.00 crores and not Rs. 71,500 crores. As such, the percentage share of the Department with respect to total Central Plan was actually 3.11%, and not 1.65% as stated above.

2.12 When queried as to whether DAC&FW had requested Ministry of Finance to ensure that their share out of the plan allocation is brought at par with other Departments of the social sector in the future, the Committee were informed that the 12th Plan allocation of the Department had been approved for Rs. 1,34,746.00 crores and not Rs. 71,500 crores. As such, the percentage share of the Department with respect to total Central Plan was actually 3.11%, and not 1.65% as stated above.

2.13 During the course of tendering oral evidence before the Committee, on being asked to explain the reasons for the decline in share of the Department in the total Central Plan from 3.09% during the Eleventh Plan to 1.65% in the Twelfth Plan, the representative of the Department stated as under:–

> "..... Sir, I am not in a position to comment on the plan allocation of the previous five years. However, I can state that during 2014-15 one allocation was Rs. 4,84,532 crore which in percentage terms is 4.5%. During 2015-16 it was 2.9% and during 2016-17 our share is 2.8%, which is almost at par with the figure of the previous year. ..."

2.14 When pointed out by the Committee that as per the figures furnished by the Department, its percentage share in the Central Plan Outlay was 1.48%, 3.09% and 1.65% in the Tenth, Eleventh and Twelfth Plan respectively, the Secretary while accepting the same stated that main reason for this was the increased allocation to States under Centrally Sponsored Schemes which had been increased from 32% to 42% as per the recommendations of the Fourteenth Finance Commission. Based on this our allocation of Rs. 21-22 thousand crore was reduced to Rs.16 thousand crore and which has now been increased to 20 thousand crore again. He further stated that they would request Ministry of Finance for increased allocation for which they sought the Committee's intervention.

(iv) Plan Allocation

2.15 For the Twelfth Five Year Plan, the approved Outlay of the Department of Agriculture, Cooperation and Farmers Welfare (DAC&FW) is Rs. 134746.00 crore. The year-wise Budget Estimate (BE), Revised Estimate (RE) and Actual Expenditure (AE) for Plan expenditure of the Department of Agriculture, Cooperation and Farmers Welfare (DAC&FW) are as follows:—

(Rs. in crore)

Year	BE	RE	Expenditure	Percentage Utilisation of BE
2012-13	20208.00	17867.32	17730.72	87.74
2013-14	21609.00	19000.00	18721.50	86.63
2014-15	22309.00	19530.00	19191.61	86.02
2015-16	16646.35	15500.00	13769.74 *	82.71
2016-17	20400.00	–	–	–
Total	101172.35	71897.32	69413.57	

*As on 09.03.2016.

The above table reveals that BE figures have been revised downward at RE stage during the years 2012-13, 2013-14, 2014-15 and 2015-16 and actual expenditure has always been lower in comparison in the RE during the corresponding period. Also, out of the approved plan outlay of Rs. 134746.00 crore, the BE is only to the tune of Rs.101172.35 crore, which is a reduction of Rs.33573.65 crore. Against the BE figure of Rs.101172.35 crore, the actual allocation for the first four fiscals *i.e.* RE is Rs.71897.32 crore and the actual allocation is Rs.69413.57 crore (as on 09.03.2016).

2.16 When asked to justify the reduction of BE at RE stage during the last four fiscals, DAC&FW in their written submission submitted that the Revised Estimates (RE) viz-a-viz the Budget Estimates (BE) are decided by Ministry of Finance based on it's internal assessment of the fund requirements of the Department keeping in view the overall macro-economic situation of the country. The utilization of the funds as given above is with respect to the Budget Estimates. After the RE is finalized, the funds are utilized keeping in view the RE allocations.

2.17 Responding to the reasons for under-utilization of funds during the last four fiscals, the Department informed that the actual expenditure with respect of RE allocations in these years is as under:—

2012-13	:	99.23% of RE
2013-14	:	98.53% of RE
2014-15	:	98.26% of RE
2015-16	:	96% of RE (provisional)

As can be seen, there has been almost full utilization of the budgetary allocations as revised by Ministry of Finance. Different schemes of the Department have in-built institutional mechanisms to monitor proper and adequate utilization of funds. The monitoring mechanism to ensure full utilization of budgetary allocation in the Department includes periodic physical and financial progress reports and field visits by officers of the Ministry. Apart from this, review meetings are held periodically by the officers of the Department with the State Government officials. Progress is also monitored through video conferencing. The BE for 2015-16 was less than the BEs of previous years as the Government had reduced the allocations keeping in view the higher flow of funds to the States from 2014-15 onwards in view of the increase in States share in central taxes from 32% to 42%.

2.18 The Ministry submitted that the actual fund allocations are decided by Ministry of Finance based on it's internal assessment of the fund requirements of the Department keeping in view the overall macro-economic situation of the country. Actual utilization is less than BE as the RE was fixed at levels lower than the BE and fund releases were made keeping in view the RE allocations.

(v) Outstanding Utilization Certificates

2.19 The Department of Agriculture, Cooperation and Farmers Welfare in one of their documents furnished in the context of examination of Demands for Grants have submitted the following statement highlighting status of pending utilization certificates:—

	UCs Pending as on 1.4.2014	UCs Pending as on 1.4.2015	Amount liquidated upto 31.12.2015	Amount of UCs pending as on 31.12.2015
No. of UCs	2464	3114	2455	659
Amount (Rs. in crore)	10757.66	15332.48	13785.45	1547.03

The above table reveals that the number of Outstanding UCs has come down to 659 as on 31.12.2015 in comparison to 3114 UCs pending as on 01.04.2015 and the amount has also come down to Rs. 1547.03 crore from Rs. 15332.48 crore during the corresponding period.

2.20 It has further been submitted that Department is making concerted efforts for liquidating outstanding Utilization Certificates due from State Government/Implementing Agencies. No release is made to State Government/ Implementing Agencies, who have not furnished UCs.

2.21 In response to a query regarding reasons for this pendency and steps taken by all concerned for resolving the same, DAC&FW in their written replies stated that release of grants-in-aid by any Central Government Min./ Deptt. is subject to furnishing of Utilization Certificates (UCs) under the provisions contained in Rule 212(1) of GFRs which prescribes that a certificate of actual utilization of the grants received for the purpose for which it was sanctioned by the Department should be insisted upon before sanctioning any fresh grant to the recipient body. Receipt of such certificate will be scrutinized by the concerned division/ministry. The UCs should be submitted within 12 months of the closure of financial year by the institution/organization concerned. Therefore, it may be seen that generation of the data for receiving the UCs and liquidation thereof, is a continuous process. Some UCs will always remain pending at any point of time. As and when the older UCs are cleared, some fresh pendency gets created and as such some pendency for liquidation always remains. The UCs for the grants released upto 2013-14 were due with effect from 01.04.2015 and the number of pending UCs were 3114 as on 01.04.2015. During 2015-16 the pending UCs were received from respective organization and the number has been reduced to 659 as on 31.12.2015. The same has been further reduced to 414 as on 31.03.2016.

It was further stated that in order to reduce the pendency a certificate of actual utilization of the grant in form GFR 19(A) is always insisted upon in the order sanctioning the Grant-in-Aid. The concerned division watches the receipt of UCs from the implementing agency or various grantee bodies before any fresh proposal for release of grant is taken up. The IFD before concurring any proposal from the finance also satisfies itself about the receipt of pending UCs due from the grantee. The sanctioning authorities while issuing the sanction specifically mentions in the sanction that "No UC is pending" from the concerned grantee bodies. The oldest pending UCs is due for year 1992-93 for Rs. 4.00 lakh from centre of Agri Staff Training Institute, Andhra Pradesh.

Details of State-wise Outstanding UCs in respect of Grants released upto 31.03.2014 in r/o Grant 1 as on 31.12.2015 is as follows:

Sl. No.	Name of State	No. of UCs	Amount (Rs. in crore)
1	2	3	4
1.	Delhi	87	397.05
2.	Andhra Pradesh	35	45.71
3.	Arunachal Pradesh	2	6.97
4.	Assam	8	6.35
5.	Bihar	16	18.60
6.	Chhattisgarh	3	4.93

1	2	3	4
7.	Daman and Diu	2	0.12
8.	Delhi	22	153.24
9.	Goa	3	0.52
10.	Gujarat	27	28.83
11.	Haryana	13	7.21
12.	Himachal Pradesh	7	0.60
13.	Jammu and Kashmir	9	13.17
14.	Jharkhand	10	14.95
15.	Karnataka	34	72.05
16.	Kerala	20	4.77
17.	Lakshadweep	1	0.02
18.	Madhya Pradesh	13	24.41
19.	Maharashtra	17	20.82
20.	Manipur	4	0.68
21.	Meghalaya	1	0.06
22.	Mizoram	4	10.38
23.	Nagaland	4	1.22
24.	Odisha	17	12.56
25.	Punjab	7	4.28
26.	Rajasthan	19	44.63
27.	Sikkim	6	4.34
28.	Tamil Nadu	12	5.47
29.	Tripura	213	525.42
30.	Uttar Pradesh	16	23.78
31.	Uttarakhand	11	3.12
32.	West Bengal	16	90.79
	Grand Total	659	1547.03

MINISTRY OF AGRICULTURE AND FARMERS WELFARE
KRISHI BHAWAN
NEW DELHI
D/o Agriculture and Cooperation

Details of Division-wise Outstanding UCs in respect of Grants released upto 31.03.2014 in r/o Grant 1 as on 31.03.2016 is as under:

Sl. No.	Name of Division	No. of UCs Pending	Amount (in crore)
1.	Crop Division	9	4.42
2.	EA Division	11	7.66
3.	Horticulture Division	107	118.30
4.	INM Division	45	67.32
5.	IT Division	10	11.08
6.	M&T Division	1	2.00
7.	Manure and Fertilizer Division	30	38.46
8.	Marketing Division	2	148.14
9.	RKVY Division	14	99.20
10.	Seed Division	77	30.33
11.	TMOP Division	4	9.11
12.	Trade Division	2	0.06
13.	Ext. Division	96	184.8
14	PPM Division	6	6.08
	Grand Total	414	726.95

2.22 When asked to state the reasons for pendency in UCs during the course of evidence before the Committee, the representative of DAC&FW stated as under:—

> "...the third point is regarding Utilization Certificates. On 1 April, 2015 pending UCs amounted to Rs. 15,532.48 crore which have been reduced as on date to Rs.897.32 crore due to our concerted efforts during the last year. Our Finance Wing is in constant touch with all States and they are also in the process of developing a web portal. As of now only 440 UCs are pending."

2.23 On being suggested by the Committee that the monitoring mechanism needs to be further time tuned to ensure progress herein, the Secretary's response was as under:—

> "Once this portal is developed and ready, we will immediately contact the concerned State and can even ask for their UCs....."

(vi) Allocation of Funds to the North-Eastern States

2.24 All Ministries/Departments of the Government of India, except those specifically exempted, are required to earmark 10% of their annual budget, less allocation for externally aided schemes and local or event specific schemes/projects, for expenditure in North-Eastern Region. Since 1998-99, unutilized portion of funds earmarked by non-exempted Ministries/Departments is surrendered in a Non-Lapsable Central Pool of Resources (NLCPR) set up in Ministry of Finance, D/o Expenditure which is maintained on proforma basis.

2.25 On being asked to furnish allocation and utilization figures for North-Eastern Region during the Twelfth Plan period, the Ministry furnished the following figures:—

BE & RE for the Projects/Schemes for the benefits of North-Eastern Region

(Rs. in crore)

	BE	RE	Expenditure	Percentage Utilization of	
				BE	RE
2013-14	1005.50	1004.34	871.38	86.66	86.76
2014-15	1217.60	1112.00	771.69	56.33	69.40
2015-16	1214.64	922.24	695.19	57.23	75.38
2016-17	765.10	-	-	-	-
Total	4202.84	3038.58	2338.26	200.22	231.54

From the above, it can be inferred that BE has been revised downward at RE stage during the fiscals 2013-14, 2014-15 and 2015-16. Also the BE for the current fiscal of Rs.765.10 crore is way lower than the BE for the previous fiscal *i.e.* Rs.1214.64 crore for 2015-16. The utilization of funds was lower in comparison to the allocation during the fiscals 2013-14, 2014-15 and 2015-16.

2.26 The Department further submitted that in so far as the less utilization of funds meant for north-eastern regions is concerned, the Department holds periodic review meetings with State Governments of the NE region about expediting utilization of funds.

CHAPTER III

EVALUATION OF SCHEMES

(i) Pradhan Mantri Krishi Sinchai Yojana (PMKSY)

Pradhan Mantri Krishi Sinchai Yojana (PMKSY) scheme has been conceived by amalgamating ongoing schemes *viz.* Accelerated Irrigation Benefit Programme (AIBP) of the Ministry of Water Resources, River Development and Ganga Rejuvenation, Integrated Watershed Management Programme (IWMP) of Department of Land Resources (DoLR) and the On Farm Water Management (OFWM) of Department of Agriculture, Cooperation and Farmers Welfare. The major objectives of PMKSY include achieving convergence of investments in irrigation at the field level, expanding cultivable area under assured irrigation, improving on farm water use efficiency to reduce wastage of water, enhancing the adoption of precision-irrigation and other water saving technologies (More crop per drop), enhancing recharge of aquifers and introducing sustainable water conservation practices by exploring the feasibility of reusing treated municipal waste water for peri-urban agriculture and attract greater private investment in precision irrigation system. The scheme has been approved with a total outlay of Rs. 50,000 crore for five years (2015-16 to 2019-20) involving all the three Departments.

3.2 PMKSY aims at providing end-to-end solutions in irrigation supply chain, *viz.* water sources, distribution network and farm level applications. PMKSY will not only focus on creating sources for assured irrigation, but also creating protective irrigation by harnessing rain water at micro level through 'Jal Sanchay' and 'Jal Sinchan'. It will also focus on water conservation and ground water recharge. Micro irrigation will be popularised to ensure 'Per drop-More crop'. Programme architecture of PMKSY will adopt a 'decentralized State level planning and projectised execution' structure that will allow States to draw up their own irrigation development plans based on District Irrigation Plans and State Irrigation Plans prioritising the immediate needs of the State.

3.3 Department of Agriculture, Cooperation and Farmers Welfare has been assigned as the nodal Department and to implement the component of Per Drop-More Crop of the programme which is mostly to address water use efficiency at farm level. Besides promoting precision irrigation and better on farm water management practices to optimise the use of available water resources, this component also supports gap filling interventions like micro level water storage or water conservation/management activities, to complement and supplement the works undertaken through various National/ State level programmes for drought proofing. During current year a special initiative has been taken up under this component. Central Ground Water Board (CGWB) has identified 1071 blocks/talukas under over exploited category which need immediate special attention for water conservation and groundwater recharge. They have also notified about 150 blocks/talukas as most vulnerable areas suggesting regulated and cautious use of groundwater. These blocks witness serious scarcity of water and are vulnerable even to sustain drinking water requirement unless addressed for groundwater recharge and its regulated use. It has also been observed that 219 districts in the country have been frequently affected by drought in the recent past. These areas are witnessing regular agrarian crisis and the farmers are in the state of distressed condition, requiring special attention and support for a durable and sustainable solution. These areas have been considered for special treatment under this sub-component to improve the condition of underground water, to improve soil moisture regime and to create micro water storages for protective irrigation during longer dry spells. Department of Agriculture and Cooperation has allocated a fund during the current year to take initiatives in the process of minimizing the impact of drought and improving the groundwater recharge. In the notified blocks, funds have been given to the States for supplementing material component of selected MGNREGS projects on water harvesting/ conservation. From the next year any supplementary interventions for drought proofing and material component of MGNREGS for water conservation works beyond the permissible limit will be supported under this intervention, based on district/State irrigation plan. Allocation and utilization of funds as follows:—

(Rs. in crore)

Year	BE	RE	Expenditure
2014-15	0.00	30.00	00
2015-16	1800.00	1550.01	1556.28
2016-17	2340.00	–	–
Total	4140.00	1580.01	1556.28

The table above reveals that during the year 2014-15 there was nil expenditure of RE figures *i.e.* Rs. 30.00 crore. In the next fiscal, *i.e.* 2015-16, BE of Rs. 1800.00 crore was reduced at RE stage to Rs. 1550.01 crore and actual utilization is Rs. 1556.28 crore.

3.4 When asked to explain the reasons for nil expenditure during 2014-15 and downward revision of BE at RE stage during 2015-16, the Committee were informed that the PMKSY Scheme was launched in July, 2015. Therefore, the expenditure reported was 'NIL' for the fiscal 2014-15. However, the progress of On-Farm Water Management (Micro Irrigation) was implemented in 2014-15 under NMSA which has been subsumed under PMKSY from 2015-16. The expenditure statement is as under:—

(Rs. in crore)

Scheme	Year	BE	RE	Expenditure (Amount Released)
OFWM under NMSA	2014-15	1121.00	1025.39	963.56
Per Drop-More Crop under PMKSY	2015-16	1000.00	874.77	1000.73
	2016-17	1500.00	-	-

It was further stated that the reduction of funds has been made by MoF during RE stage.

3.5 In response to a specific query on whether all States/UTs have drawn up their District Irrigation Plans (DIPs) and State Irrigation Plans (SIPs), the Ministry stated that the programme was only launched in July, 2016. The training programme for preparation of DIP was arranged wherein 153 All India Service Officers were trained. A target for finalizing 100 DIPs were set for 2015-16. As per available information about 148 draft DIPs have been prepared and are in the process of approval by State Level Sanctioning Committees. As per the advice of PMO, efforts are being made to finalise DIPs for all districts. It is expected that these plans would be ready by September, 2016.

3.6 The Committee did not elicit any reply to their query as to how the Government intends to ensure access to water to every farm and the likely time-period for ensuring the same.

3.7 It has also been stated that the PMKSY has been approved with a total outlay of Rs. 50,000 crore for five years (2015-16 to 2019-20) involving all the three Departments *viz.* DAC&FW, Department of Land Resources (DoLR) and Ministry of Water Resources (MoWR).

The funds position for the Scheme is as follows:—

(Rs. in crore)

Min./Deptt.	Component	2015-16			2016-17
		BE	RE	Released*	BE
DoAC&FW (Per drop-More crop)	MI	1000.00	-	1000.73	1500.00
	Drought proofing	410.00	-	258.91	840.00
	Topping up MGNREGS	175.00	-	175.00	
	Extension	185.00	-	56.24	
	DIP/SIP	30.00	-	65.40	
Sub-Total		1800.00	1550.01	1556.28	2340.00
DoLR	Watershed	1500.00	1500.00	1508.82	1500.00
Sub-Total		1500.00	1500.00	1470.35	1500.00
MoWR	AIBP	1000.00	3000.00	-	1377.17
	HKKP	1000.00	1000.00	-	500.00
Sub-Total		2000.00	4000.00	4233.63	1877.17
Grand Total		5300.00	7050.00	7298.73	5717.17

*As on 29.2.2016.

3.8 The Committee observed that BE figures of Rs. 1000.00 crore for Accelerated Irrigation Benefit Programme (AIBP) of Ministry of Water Resources for the year 2015-16 were tripled to Rs.3000.00 crore at RE stage. However, the actual release was only Rs. 1004.97 crore as on 29.02.2016. When they sought the reasons for the same, they were informed that Ministry of Water Resources sought Rs. 16136 crore for AIBP (MMI &SMI), RRR & CAD-WM during 2015-16. Against this an amount of Rs.1799 crore [For

AIBP + PMKSY(HKKP) + FMP] was provided. Therefore, Ministry requested for more funds for the schemes. After the second supplementary grant of 2015-16, received in the fag end of Financial Year 2015-16 at the RE stage, the budget allocation for AIBP was 2735 crore and PMKSY(HKKP) was 1500 crore. The entire amount has been released upto 31.3.2016 for the projects.

3.9 The Committee were further informed that the Government is trying to create additional irrigation potential through completion of ongoing major/medium and minor irrigation projects. However, 89 irrigation projects under AIBP have been languishing for several years. Completion of these projects will irrigate 80.6 lakh hectares. Out of these projects, 46 projects have been prioritized jointly by NITI Aayog and Ministry of Water Resources for completion by 2019-20. The central share for these projects is estimated to be about Rs. 19687 crores for creating irrigation potential of about 1.86 million hectare. It has been targeted to complete 23 projects out of these priority projects by 31st March, 2017 to create irrigation potential of about 7.17 lakh ha. For this, a dedicated Long Term Irrigation Fund will be created in NABARD with an initial corpus of about Rs. 20,000 crore. To achieve all these, a total provision of Rs. 12,517 crore has been made through budgetary support and market borrowings in 2016-17.

When asked by the Committee to furnish the details of the same, the Department in their written reply stated that a Committee under the Chairmanship of Shri Brij Mohan Agarwal, Hon'ble Minister, Chhattisgarh has been constituted by MoWR, RD & GR to finalise the list of projects that can be completed by March, 2017 (Priority I List) and by 2019-20 (Priority II Projects). The list of these is being finalized by the Committee in consultation with the State Governments and Central Water Commission. Therefore, number of projects are likely to change. Thereafter the details of requirements of year-wise funds (Central and State Share) would be worked out for the identified projects. The Committee is expected to submit its report shortly. For completion of priority projects being finalized by the Committee, MoWR, RD & GR is contemplating a proposal to make arrangement for State Governments to raise adequate funds for State share from NABARD for completion of these projects. The proposal is under consultation with the Stakeholders.

(ii) Pradhan Mantri Fasal Bima Yojana (PMFBY)

3.10 In order to make crop insurance simpler and cheaper for farmers and to provide them with better insurance services, a Central Sector Scheme of Pradhan Mantri Fasal Bima Yojana (PMFBY) has been approved by the Government of India replacing NAIS/MNAIS. The salient modifications/changes which have been made over NAIS/MNAIS are:—

- Share of farmer in actuarial premium has been rationalized for crops/areas throughout the country and reduced to a lower level subject to a maximum ceiling of 2% of sum insured for Kharif foodgrains, pulses and oilseed crops, 1.50% for Rabi foodgrains, pulses and oilseed crops and 5% for Kharif and Rabi annual commercial/annual horticultural crops.

- Provisions of capping on actuarial premium rates and reduction in sum insured have been removed.

- The coverage of post-harvest losses has been extended throughout the country and unseasonal rains has been included.

- Besides, hailstorms and landslide, inundation has been included for coverage under localized risks.

- One more indemnity level of 70% has been included and as such, three levels of indemnity, *viz.* 70%, 80% and 90% will be available for high, moderate and low risk crops/areas under PMFBY.

- Provision of selection of implementing agencies (insurance companies) through a transparent bidding process has been made on the basis of mixed-risk-area approach (*i.e.* cluster preferably of 15-20 districts).

3.11 PMFBY is a marked improvement over the earlier schemes on several counts and comprehensive risk coverage from pre-sowing to post-harvest losses has been provided under it. Unit area of insurance has been reduced to village/village panchayat level for major crops where claims will be settled on unit area basis. However, for localized risks like hailstorm, landslide and inundation, claims will be settled on individual farm basis. The premium payable by farmers has been substantially reduced and simplified and there is one premium rate on pan-India basis for farmers which would be maximum 1.5%, 2% and 5% for all Rabi, Kharif and annual horticultural/commercial crops, respectively. Other improved features of the scheme are — no capping on premium with no deduction in sum insured; provision for coverage of the risk of post-harvest losses due to cyclonic and unseasonal rains will be applicable on pan-India level, allocation of districts/areas on cluster/group basis and for longer period to insurance companies, for more effective implementation, as well as use of remote sensing technology and use of smartphone for getting images of Crop Cutting Experiments etc. for early settlement of claims have also been introduced. Premium rates payable by farmers, selection of insurance company and administrative and operational structure of Weather Based Crop Insurance Scheme (WBCIS) have also been rationalized and brought at par with PMFBY. The scheme envisages to enhance the coverage from existing 23% to 50% of total cropped area in next 2-3 years.

3.12 The Committee sought clarification on the salient features of PMFBY to which the Government replied that as Farmers/farmers organizations and States/UTs were continually complaining that farmers share of premium has increased substantially in MNAIS due to actuarial premium rates. In some districts, premium rate touched 57% for few crops. Despite providing subsidy to the tune of 75% in MNAIS and 50% in WBCIS, farmers were compelled to pay burdensome premium up to 15%. Further, there was great difference in the premium rates to be payable by the farmers for different crops under MNAIS in adjacent districts since tendering was done at the district level. Hence, farmers find it difficult to know the premium rate they have to pay due to variation of premium rates from one district to another. Moreover, premium rates were capped in MNAIS and WBCIS. And if the actual premium rate is higher than the capped rate, then the Sum Insured is reduced proportionately. Due to this provision, lower claim payouts are made in spite of high premium rates paid by the farmers. In the new crop insurance scheme namely Pradhan Mantri Fasal Bima Yojana, though the actuarial premium rate will be charged by the insurance companies, the minimum rates have been prescribed for farmers and the remaining rate shall be borne by the Government. Moreover, the provision of capping of premiums has been discontinued to benefit the farmers. This will help the farmers in understanding the scheme well and farmers may adopt the scheme in big way. Under NAIS only standing crops were covered. On the demand of the farmers and State Governments post-harvest losses due to cyclone were included in the coastal areas only for a period of 2 weeks after the harvest in respect of crops remained in cut and spread for drying in the field. To enhance the benefit of this post-harvest losses to all farmers in the country this provision has been extended to all India level with inclusion of unseasonal rains. Now the farmers will get the benefit of insurance scheme for post-harvest loss also. Low, medium and high risk areas/crops are worked on the basis of Yield variability for the crop/area in the past 10 years measured in terms of Coefficient of

Variation (CV). This variation can vary from State to State as well as within the State.

3.13 It was further submitted that the task of selection of implementing agency for PMFBY is selected by the concerned States/UTs through the bidding process which is in progress in the States/UTs.

3.14 Responding to a query as to how PMFBY was an improvement over NAIS and MNAIS, the Department responded that Government has recently approved the new scheme namely, Pradhan Mantri Fasal Bima Yojana (PMFBY) in place of NAIS and MNAIS for implementation from Kharif 2016 season. Following provisions have been made to make the scheme beneficial for the farmers:—

- Provision of capping on premium in earlier scheme of MNAIS which resulted in substantial reduction in sum insured has been totally removed. This will enable the farmers to get claim on the full sum insured. This will particularly benefit farmers from rainfed areas/risky crops.

- The farmer's premium has been fixed at a lowest level uniformly for all crop throughout the entire country *i.e.* Maximum 2% of sum insured for Kharif foodgrains, pulses and oilseeds crops, 1.50% for Rabi foodgrains, pulses and oilseeds crops and 5% for Kharif and Rabi Annual Commercial/Horticultural Crops. Thus PMFBY is easy to understand for the farmers as well as for all implementing agencies namely State Governments, banks, insurance companies and their field level functionaries.

- There has been a constant demand of farmers to do farm level assessment in case of losses due to localized calamities. Keeping this in mind, the perils of inundation, hailstorm and land slide have been categorized as localised risk and would be eligible for individual farm level assessment in case of such a loss and benefit the individual farmers.

- Use of remote sensing technology, drones etc. will be done for quick estimation of crop losses and early settlement of claims.

- Smart Phones will be used mandatorily for capturing Geo-referenced and time stamped images of crop cutting experiments and online data transmission which will help in quicker and more accurate estimation and fast payout of claims to farmers.

- Provision for covering losses of crop harvested and left for drying in the field due to cyclonic and unseasonal rains has also been included. Similarly, loss on account of prevented sowing due to natural calamities shall also be eligible for claims.

- In case losses due to calamities are expected to be losses more than 50% as per assessment by Revenue Authority/State Government, provision of making on account payment upto 25% is also included.

3.15 On the issue of PMFBY envisaging to enhance the coverage from the existing 23% to 50% of total cropped area in the next 2-3 years, it was informed that PMFBY is easy to understand for the farmers as well as for all implementing agencies namely State Governments, banks, insurance companies and their field level functionaries.

Further, the farmer friendly provisions made in the scheme will attract more farmers. Intensive publicity for awareness of the scheme alongwith training/sensitization programmes of the States/bank officials for increase in coverage under crop insurance is being made which will help in increase in coverage of cropped area/farmers under the scheme.

3.16 On adequacy of funding *i.e.* BE of Rs. 5700.00 crore for the fiscal 2016-17 considering the target of reaching the level of 30% coverage in the year 2016-17, the Government's response was Budget Estimates have been made based on the past experience and in consultation with the Agriculture Insurance Company of India Ltd. (AIC). It is expected that the amount will be adequate for meeting the Government of India liability for coverage of 30% cropped area in the country. However, review would be made after actual implementation of the scheme during the year and at RE stage.

3.17 The Department further informed that NAIS and MNAIS has been discontinued/rolled back simultaneously from Kharif 2016 but WBCIS and CPIS shall continue. To make it affordable for the farmers, premium structure in WBCIS has also been revised and brought at par with PMFBY and approach for selection of implementing agencies (IAs) and administration of scheme will be same as that of PMFBY. Based on above changes, the revised guidelines of WBCIS have been circulated. The reasons for discontinuation/rolling back of NAIS and MNAIS were PMFBY has been introduced after making improved provisions and simplification over NAIS and MNAIS. Since after implementation of PMFBY, the MNAIS & NAIS would not be beneficial for the farmers as compared to PMFBY. Therefore, NAIS and MNAIS have been discontinued with the implementation of PMFBY.

3.18 On the issue of settlement of all claims under the NAIS and MNAIS by insurance companies before its discontinuation, the Department submitted that both NAIS and MNAIS are yield based schemes. Settlement of claims under these schemes depends on receipt of yield data from the State Government within the stipulated cut-off-dates which is January/March for Kharif crops and July for Rabi Crops. Further, claims over and above premium collected under food and oilseed crops under NAIS is the committed liability of the Government (both Central and State Government). Whereas, Government is paying premium subsidy only under MNAIS and where actuarial premium is charged under MNAIS, claims are the responsibility of the concerned insurance companies. However, all claims including claims arising due to court cases under these schemes would be fully settled by the Government under NAIS and concerned insurance companies under MNAIS.

3.19 The Committee were further informed that the time-frame drawn by the Government for circulating revised guidelines of WBCIS is Operational Guidelines for implementation of restructured WBCIS from Kharif 2016 season have already been issued on 23rd March, 2016.

3.20 It was further informed that a Pilot Unified Package Insurance Scheme (UPIS) has also been approved by Government to cater to all insurance needs of the farmer including crop insurance, through one scheme. This scheme will be piloted in 45 districts of the country from Kharif 2016 and States have already been requested to indicate the districts where the pilot UPIS would be implemented.

(iii) Integrated Scheme on Agricultural Marketing (ISAM)

3.21 The Committee have been informed that the Agricultural Marketing Infrastructure (AMI) Scheme, in which the erstwhile schemes of Grameen Bhandaran Yojana (GBY) and Development/Strengthening of Agricultural Marketing Infrastructure, Grading and Standardization (AMIGS) have been merged was temporarily stopped on 05 August, 2014 due to exhaustion of funds for general category for the year 2014-15. With overall liabilities of approximately Rs. 2100.00 crore, now only sufficient funds are available under plan allocation to meeting the committed liabilities. Meanwhile, the scheme has been kept open for SCs/STs and NE region.

3.22 The Committee expressed concern on being informed that funds for general category were exhausted during 2014-15. On being queried on the same, DAC&FW replied that Agricultural Marketing Infrastructure (AMI), a sub scheme of Integrated Scheme on Agricultural Marketing (ISAM) was formed w.e.f. 01.04.2014 after merging the two erstwhile schemes of Grameen Bhandaran Yojana (GBY) and Agricultural Marketing Infrastructure Grading and Standardisation (AMIGS). AMI is a demand driven and open ended scheme. As such any eligible project under the scheme, the term loan of which has been sanctioned by eligible financial institutions in the country eventually becomes a liability. In recent years owing to growing awareness among farmers and agri-preneurs about the marketing potential of the sector and growing marketable surplus, there has been an increase in demand for marketing infrastructure projects including storage. Consequently, more project proposals were received and sanctioned by Financial Institutions/Banks during the stated period. Since scheme is open ended project sanctions have tended to be in excess of the annual budget allocation and liabilities created as a consequence are met from allocations of subsequent years.

Under storage component of AMI scheme (erstwhile GBY) sanctions for project increased substantially since 2012-13 owing to the following reasons:—

- As per the then guidelines of GBY, ceiling on capacity creation was imposed in Madhya Pradesh, Andhra Pradesh and Maharashtra as soon as they reached ceiling of 18 lakh MT during the 11th Plan (20% of the total capacity of 90 Lakh MT target during the 11th Plan). Due to this, claims against capacity sanction of 24.79 lakh MT from these States involving subsidy of Rs. 144.28 crore were held up at that time. Subsequently, when the ceiling on capacity creation was removed on 29.10.12, these projects were sanctioned thereafter. The average annual sanction of GBY projects during 11th Plan is 27 lakh MT. Whereas the average annual sanction during the 12th Plan up to June, 2014 is 75 lakh MT, *i.e.* a spurt of about 3 times.

- Effective from 20.10.2011, the normative cost under the scheme has been increased from an average of Rs. 2187/- per MT to Rs. 3250/- per MT *i.e.* about 48% increase and the capacity ceiling has been increased from 10,000 MT to 30,000 MT *i.e.*, 3 times and average subsidy ceiling has been increased from Rs. 45.8 lakh to Rs. 220 lakh *i.e.*, increase by about 5 times.

- Further, since many projects sanctioned even during 11th Plan were still pending inspections, for which advance subsidy was already released, time limits were prescribed on 01.10.2013 for completion of joint inspection and submission of final subsidy claims. Due to this drive, most of the pending projects also came up for release at this time which contributed to the increase in the liability.

- In the case of other marketing infrastructure (erstwhile AMIGS) past trends show that there was a sudden decline in 2012-13 in eligible subsidy of sanctioned projects as processing of advance subsidy claims for new projects was kept in abeyance between 29.07.2011 and 24.01.2013, for want of clarification on procedural issues. Such projects subsequently sanctioned after 24.01.2013 led to the substantial jump during 2013-14.
- Further, w.e.f. 01.04.2014 subsidy per project was enhanced up to Rs. 4 crore from earlier limit of Rs. 50 lakh.

The 12th Plan allocation for the entire Agricultural Marketing Infrastructure Scheme is Rs. 4000 crores. Out of this 10 % fund is allocated to North-East Region. Further, from the year 2014-15 allocations were also started from within the total budget allocation for Scheduled Caste (SC) (16.2%)/Scheduled Tribes (ST) (8%) categories. Therefore, fund availability under General category was restricted to 65.2 % of budget allocation. Under the scheme General Category includes besides private promoters, projects promoted by State Government Agencies and Cooperatives also and as a result of huge off take by all such promoters, the funds allocated for General Category in 2014-15 (RE Rs. 687.5 crore/Expenditure Rs. 685.7 crore) were exhausted and therefore the scheme had to be temporarily stopped on 5th August, 2014 for general category.

Against total 12th Plan allocation of Rs. 4000 crore for AMI scheme, the total expenditure as on 31.03.2016 is Rs. 2414.6 crore which is further disaggregated into Rs. 2160.20 crores for general category and Rs. 66.41 crore for NER and Rs. 188.01 crore for SC and ST in the first 4 years of the Plan. In the year 2015-16, from a total fund allocation (Revised Estimates) for AMI Schemes of Rs. 675.86 crore, funds for General category were exhausted fully with the release of Rs. 493.81 crore. Further in the Budget Estimate (BE) 2016-17 a demand of Rs. 1375 crore was projected for meeting remaining committed liabilities. However, only Rs. 787.90 crore has been received for the whole of Integrated Scheme for Agriculture Marketing (ISAM) scheme, of which AMI is only one sub scheme out of five sub schemes.

3.23 In response to a query on the Government's liability of Rs. 2100.00 crore under this scheme it was submitted that out of approximately

Rs. 2100 crore liability at the time of stoppage of scheme on 05.08.2014 almost all for General Category promoters, the pipeline liabilities as in liabilities created on account of banks sanctioning the projects accounted for approximately Rs. 1315 crore and committed liabilities, as in claims for which NABARD had issued sanctions but funds had not been released, were to the tune of Rs. 855.75. crore. As on date pipeline liability is approximately Rs. 317.52 crore and committed liability is approximately Rs. 932.75 crore. Thus the total liability still stands at Rs. 1250.27 crore. Thus, while the liability is at Rs. 1250.27 crore, mostly for General category, however even the limited allocations in 2016-17 for AMI will be restricted to 65.2% for General category. It was further submitted that It may be stated that the liabilities needs to be honoured by the Government and for this funds will have to be made available in 2016-17, this being the last year of the 12th Plan. Going further the scheme may be modified *inter alia* in terms of closing the open endedness and restricting the sanctions to the actual budget allocation. It could be explored whether allocations may be made to the States based on their existing capacity/ need worked out on the basis of their foodgrains and oil seeds marketable surplus. Similarly for other marketing infrastructure the scheme will have to be rationalized so that the subsidy is not cornered by a few States/Project types like Cotton Ginning and Pressing Units, Color Sortex Units, Paddy Parboiling etc. Further, subsidy ceiling limits may have to be restricted up to smaller capacities and amounts so that small farmers may get “maximum" benefit and subsidy is available to more number of projects.

(iv) Rashtriya Krishi Vikas Yojana (RKVY)

3.24 Rashtriya Krishi Vikas Yojana (RKVY) was launched in 2007-08 to incentivize States to enhance investment in agriculture and allied sectors to achieve and sustain the desired growth rate in agriculture and allied sectors. Funds for implementation of RKVY are made available to the States as grants -in-aid in the form of Additional Central Assistance (ACA). The approved outlay for the scheme for the 11th Plan was Rs. 25000 crore. RKVY requires the States to prepare District and State Agriculture Plans. States have been provided flexibility and authority for selection, planning, approval and execution of schemes as per their priorities and agro-climatic requirements. Projects under the scheme are approved by the State Level Sanctioning Committees (SLSCs) under the Chairmanship of Chief Secretary of the respective States. Funds are routed through the State Agriculture Department, which is the nodal Department for implementation of the scheme in the State. The outlay of RKVY has been stepped up each year since inception of the scheme up to financial year 2014-15. States have been released Rs. 22408.77 crore under RKVY during 11th Plan period. States have been reasonably prompt in approving projects and incurring expenditure under RKVY. States have approved over 5700 projects under RKVY during 11th Plan period across all segments of the agriculture and allied sectors for increasing production and productivity and for creating infrastructure.

3.25 The Status of implementation of the project under RKVY are monitored through a web based monitoring system in which progress of implementation of the project taken up under RKVY by the States are being uploaded by the concerned State Governments. Details of these projects are available at RKVY portal *i.e. http://rkvy.nic.in.*

3.26 The outlay approved for implementation of the scheme during 12th Plan Period is Rs. 63,246 crore. The BE provision for the scheme for 2012-13 was Rs. 9217 crore and Rs. 9954 crore each for 2013-14 and 2014-15. The funding pattern of the scheme has undergone changes in the ratio of 60:40 between Centre and States (90:10 for eight North-Eastern and three Himalayan States) against 100% funding under RKVY by Central Government till the end of the financial year 2014-15. The BE provision for the scheme for 2015-16 was Rs. 4500 crore which has been reduced to Rs. 3900 crore at RE stage.

The status of allocation, release and utilization reported by the States under the scheme during 12th Plan (*i.e.*, 2012-13 to 2016-17) is as under:—

(Rs. in crore)

Year	BE	RE	Release	Expenditure Reported by States
2012-13	9217.00	8400.00	8400.00	8371.26
2013-14	9954.00	7089.00	7052.51	6921.57
2014-15	9954.00	8444.00	8443.00	6581.49
2015-16	4500.00	3900.00	2916.34 (as on 10.02.2016)	957.32
2016-17	5400.00	–	–	–
Total	39025.00	27833.00	26811.85	22831.64

The above table reveals that out of the approved Twelfth Plan Outlay of Rs. 63246.00 crore, the BE is to the tune of Rs. 39025.00 crore, which in monetary terms exhibits a reduction of Rs. 24221.00 crore and in percentage terms is only 61.70% of the approved outlay. The BE figures for the fiscals 2012-13; 2013-14; 2014-15 and 2015-16 have been revised downward at RE stage and the actual expenditure is lower than the RE figures. The BE for 2016-17 of Rs. 5400.00 crore is higher in comparison to the BE of Rs. 4500.00 crore for the year 2015-16, but is lower in comparison to the BE figures of Rs. 9217.00 crore; Rs. 9954.00 crore and Rs. 9954.00 crore for the year 2012-13; 2013-14 and 2014-15 respectively.

3.27 Asked to furnish the reasons for variation between the approved outlay and actual allocation, the Department in their written replies submitted that the annual allocation for RKVY scheme was determined by Planning Commission up to 2014-15. From Financial Year 2015-16 onwards, it is determined by Ministry of Finance. Department of Agriculture and Cooperation (DAC) has no role in fixing the allocation of RKVY scheme. However, the Department has been requesting for the funds in each successive years based on the approved outlay. Though department has not sought any reduction in allocation at RE stage, Ministry of Finance keeping the budgetary constraints and other parameters in view has reduced the allocation at RE stage.

3.28 In regard to under-utilization of funds, the Committee were informed that utilization of funds released under RKVY is done by the prerogative of State Government. Department always insists on furnishing of UCs along with progress reports at the time of release of funds. Late utilization of funds by some States may be due to the weather related factors. Further, completion of infrastructural projects under RKVY generally takes longer time as compared to other projects due to which States have unspent balances. States have reported utilization of Rs. 1301.46 crore against release of Rs. 3871.55 crore during 2015-16 (as on 28.03.2016).

3.29 When asked about the reasons for BE figures of 2015-16 and 2016-17 being lower in comparison to the preceding fiscals *i.e.* 2012-13; 2013-14 and 2014-15 respectively, DAC&FW submitted that the allocation for 2015-16 and 2016-17 has been fixed at Rs. 4500 crore and Rs. 5400 crore respectively by the Ministry of Finance. As there is an increase of 10% in fund devolution from Centre to the States, as per the recommendation of 14th Finance Commission, the funds allocated to regular schemes of Agriculture has been reduced by Ministry of Finance. The funding pattern of the scheme has been changed from 100% Central Share to 60:40 between Centre and State (90:10 for North-Eastern and Himalayan States). It means States will be contributing 40% in RKVY scheme resulting in higher public expenditure in the sector.

3.30 It was further stated that the allocation to agriculture and allied sectors by States which was Rs. 8770.16 crore (4.88% of total State Plan Expenditure) in 2006-07 which has increased to Rs. 38768.43 crore (8.36% of total State Plan Expenditure) during 2013-14. Implementation of the scheme has thus triggered substantial additional investment in agriculture by the States. RKVY has emerged as one of the principal instrument in financing development of agriculture and allied sectors in the country. Its convergence with other Government of India schemes like NREGS that has helped bolster development of the agrarian economy.

3.31 The Ministry also informed that the SAP and DAP have been prepared by most of the States barring one or two for 11th Plan period for RKVY. The mandatory preparation of DAP and SAP for 12th Plan has been mentioned in the revised guidelines of the scheme. A statement showing the status of DAP/SAP during 11th Plan and 12th Plan is given below:—

State-wise Status of District Agriculture Plan (DAP's) and
State Agriculture Plan (SAP's) during 11th Plan

Sl. No.	State/UT	No. of District	DAP Prepared	SAP Prepared
1	2	3	4	5
1.	Andhra Pradesh	23	23	Yes
2.	Arunachal Pradesh	16	16	Yes
3.	Assam	27	27	Yes
4.	Bihar	38	38	Yes
5.	Chhattisgarh	18	16	Yes
6.	Goa	2	2	No
7.	Gujarat	26	26	Yes
8.	Haryana	21	21	Yes
9.	Himachal Pradesh	12	12	Yes

1	2	3	4	5
10.	Jammu and Kashmir	22	22	Yes
11.	Jharkhand	24	24	Yes
12.	Karnataka	28	29	Yes
13.	Kerala	14	13	Yes
14.	Madhya Pradesh	50	50	Yes
15.	Maharashtra	35	33	Yes
16.	Manipur	9	9	Yes
17.	Meghalaya	7	7	Yes
18.	Mizoram	8	7	Yes
19.	Nagaland	11	8	Yes
20.	Odisha	30	30	Yes
21.	Punjab	20	20	Yes
22.	Rajasthan	33	33	Yes
23.	Sikkim	4	4	Yes
24.	Tamil Nadu	32	29	Yes
25.	Tripura	4	4	Yes
26.	Uttarakhand	13	13	Yes
27.	Uttar Pradesh	70	71	Yes
28.	West Bengal	18	17	Yes
	Total	615	604	27

State-wise Status of District Agriculture Plan (DAP) and State Agriculture Plan (SAP) during the 12th Plan

Sl. No.	State/UTs	No. of District	DAP Prepared	SAP Prepared
1	2	3	4	5
1.	Andhra Pradesh	13		No

1	2	3	4	5
2.	Arunachal Pradesh	17		No
3.	Assam	27		No
4.	Bihar	38		No
5.	Chhattisgarh	27	27	Yes
6.	Goa	2		No
7.	Gujarat	33		No
8.	Haryana	21		No
9.	Himachal Pradesh	12		No
10.	Jammu and Kashmir	22	2	Yes
11.	Jharkhand	24		No
12.	Karnataka	30		No
13.	Kerala	14	14	No
14.	Madhya Pradesh	51	51	Yes
15.	Maharashtra	36	31	No
16.	Manipur	9		No
17.	Meghalaya	11		No
18.	Mizoram	8		Yes
19.	Nagaland	11		Yes
20.	Odisha	30		No
21.	Punjab	22		No
22.	Rajasthan	33	34	Yes
23.	Sikkim	4		No
24.	Tamil Nadu	32		No
25.	Telangana	10	8	Yes
26.	Tripura	8	8	Yes
27.	Uttarakhand	13		No

1	2	3	4	5
28.	Uttar Pradesh	75		No
29.	West Bengal	19	19	Yes
	Total States	652	194	8
1.	Andaman and Nicobar Islands	3		
2.	Chandigarh	1		
3.	Dadra and Nagar Haveli	1		
4.	Daman and Diu	2		
5.	Delhi	11		
6.	Lakshadweep	1		
7.	Puducherry	4		
	Total UTs	23		
	Grand Total	675		

States are in the process of finalizing DAPs/SAP for the 12th Five Year Plan. However, Department has been pressing the States during Annual desk review meetings and other forums to complete the preparation of DAPs/SAP.

3.32 On being queried as to whether the Government has got carried out any evaluation study of the scheme during the last three years, the Ministry's response was that the Ministry appointed NIRD (December, 2007) as a Standing Consultant for monitoring and evaluation of RKVY which was renewed on year to year basis for the period January, 2008 to March, 2011. However, NIRD could not carry out all the tasks/duties allotted to it as per the agreements. Due to deficiencies in their performance, the agreement with them has not been renewed after March, 2011. Issues brought out by NIRD regarding implementation of RKVY in the States as a result of their evaluation have been shared also with States for initiating remedial measures. The task of impact evaluation of RKVY scheme for the 11th plan period has been entrusted to ISEC. ISEC has submitted the evaluation reports in which it has summarized suggestions of households and implementing agencies on how to improve the functioning of RKVY. Major suggestions are for (i) capacity building, (ii) simple and timely availability of subsidy, (iii) timely provision of inputs such as seed, fertilizers, pesticides etc., (iv) availability of farm machineries and equipment, (v) easy access to credit, (vi) Market facilitation by way of price information, market identification and transportation, (vii) irrigation facilities, (viii) feed supplements, (ix) general suggestions such as weather related information, fencing of farm land, mobile veterinary clinics, provision of medicines, soil testing facility etc., and (x) integration of schemes and wider coverage of schemes. Further, in respect of infrastructure projects the suggestions have been given for (i) early finalization of action plan of States, (ii) early allocation of funds to States, (iii) early holding of SLSC meetings by States, (iv) early release of first instalment of funds under the scheme, (v) implementation of projects for infrastructure under PPP mode, (vi) evaluation of project performance by academic and research institutions, (vii) improvement in RDMIS, (viii) sector specific suggestions, (ix) simplification of tender process, (x) integration of agriculture with MGNREGA to solve labour problem, (xi) assistance for Multi Utility Vehicle (MUV), (xii) assistance for transfer of technology and extension activities, (xiii) strengthening of bio-labs, and (xiv) replication of completed projects etc. Evidently, many of the suggestions pertain to micro level implementation which the concerned implementing agencies ought to follow. Further, there are certain suggestions which ought to be pursued by the State Governments for example, early finalization of action plan and early holding of SLSC meetings for approval of projects under RKVY. ISEC is submitting individual State Reports containing suggestions for better implementation of RKVY Programme to all the States. The major suggestions of ISEC upon which this Department has to act or is acting are (1) strengthening of RDMIS for better monitoring of implementation of RKVY scheme, (2) the Central Government has already issued a policy framework for Public Private Partnership (PPP) for integrated agriculture development under RKVY, (3) early finalization of inter-State allocation of funds under RKVY, (4) integration/convergence of RKVY with other schemes of Central Government, (5) evaluation of audit/monitoring of RKVY projects by specialized agencies.

3.33 RKVY continued in the 12th Plan with some modifications made on the basis of the experience gained during its implementation in the 11th Plan and suggestions of the States. From the financial year 2014-15 of 12th Plan 35% each of the annual outlay of RKVY funds would be provided to the States for Production Growth and Infrastructure development and 20% of annual outlay would be reserved for special schemes of focused interventions being implemented as sub-schemes and remaining 10% as flexi fund which can be utilized by the States either for Production Growth or for Infrastructure and Assets development projects depending upon State specific needs/priorities. The requirement of minimum allocation of funds to production growth stream has been waved off to boost infrastructure development in agriculture sector. Thus, the States are able to utilize their entire RKVY normal allocation to Infrastructure and Assets Stream depending upon State specific needs/priorities. RKVY fund would continue to be provided to the States as grants-in-aid. RKVY enabled taking up national priorities as sub-schemes, while retaining States' flexibility in project selection and implementation. Special programmes were introduced as sub-schemes of RKVY from 2010-11. During 2015-16 five programmes were taken up for implementation as sub-schemes of RKVY. These sub-schemes and their allocations are:—

(i) **Bringing Green Revolution to Eastern Region:** This programme was initiated in 2010-11 targeting the improvement in the rice based cropping system in Assam, West Bengal, Odisha, Bihar, Jharkhand, Eastern Uttar Pradesh and Chhattisgarh. Allocation for this scheme in 2010-11 and 2011-12 was Rs. 400 crore each. The allocation has been enhanced to Rs. 1000.00 crore in 2012-13, 2013-14 and 2014-15. The Central share of allocation for this programme for the year 2015-16 is Rs. 500.00 crore.

(ii) **Saffron Mission:** The Scheme was initiated in 2010-11 to bring economic revival of Jammu and Kashmir Saffron. The allocation for this programme was Rs. 39.44 crore in 2010-11, Rs. 50.00 crore each in 2011-12 and 2012-13 and Rs. 100.00 crore each for the year 2013-14 and 2014-15. The Central share of allocation for this programme for the year 2015-16 is Rs. 50.00 crore.

(iii) **Vidharbha Intensive Irrigation Development Programme:** The Scheme was initiated in 2012-13 to bring in more farming areas under protective irrigation. The allocation for the programme for the year 2012-13 and 2013-14 was Rs. 300.00 crore each. For the year 2014-15, Rs. 150.00 crore has been allocated for this programme. The Central share of allocation for this programme for the year 2015-16 is Rs.75.00 crore.

(iv) **Crop Diversification:** This scheme is launched in 2013-14 to promote technological innovation and encourage farmers to choose crop alternatives in original Green Revolution States to overcome the problem of stagnating yields and over-exploitation of water resources. The allocation for this programme was Rs. 500 crore for 2013-14. For the year 2014-15, Rs. 250 crore has been earmarked for this programme. The Central share of allocation for this programme for the year 2015-16 is Rs.150.00 crore. From the year 2015-16 a new component on Diversification from tobacco farming in 10 States is part of existing Crop Diversification Programme (CDP) Programme under Rashtriya Krishi Vikas Yojana

(RKVY). The allocation (Central Share) for this new component is Rs. 25.00 crore. The Scheme will be implemented in the States of Andhra Pradesh, Gujarat, Karnataka, Uttar Pradesh, Bihar, Tamil Nadu, Maharashtra, Odisha, West Bengal and Telangana.

(v) **Additional Fodder Development Programme (AFDP):** Launched in 2014-15 to accelerate the production of fodder through intensive promotion of technologies to ensure its availability throughout the year. The allocation for this programme for 2014-15 was Rs. 39.63 crore. The Central share of allocation for this programme for 2015-16 is Rs. 50.00 crore.

3.34 While tendering evidence before the Committee, the representative of the Department informed that on the monitoring aspect of all important scheme a web-based monitoring mechanism has been initiated. Also a system of Nodal Officer has been introduced. For every State a Joint Secretary has been detailed to oversee the implementation/progress of the schemes as well as the problems being faced by these schemes.

3.35 On the periodicity of visits of the Central teams, the representatives submitted that it was once in two months. However, DAC&FW was desirous of having it every month.

(v) National Mission on Agricultural Extension and Technology

3.36 Agriculture Extension has to be a judicious mix of extensive physical outreach of personnel, enhancement of quality through domain expert and regular capacity building interactive methods of information dissemination, Public Private Partnership and pervasive and innovative use of ICT/Mass Media. A multi tiered extensive strategy is therefore being followed to empower farmers with latest knowledge and information. Government has accordingly decided to strengthen, expand and upscale extension and technology in a Mission Mode. National Mission on Agriculture Extension and Technology (NMAET) consisting of five Sub-Missions namely:—

(i) Sub-Mission on Agriculture Extension (SAME);

(ii) Sub-Mission on Seed and Planting Material (SMSP);

(iii) Sub-Mission on Agriculture Mechanization (SMAM);

(iv) Sub-Mission of Plant Protection and Plant Quarantine (SMPP); and

(v) Information Technology.

The aim of the National Mission on Agricultural Extension and Technology (NMAET) is to restructure and strengthen agricultural extension to enable delivery of appropriate technology and improved agronomic practices to the farmers.

(a) Sub-Mission on Agriculture Extension (SAME)

3.37 The Sub-Mission shall promote awareness, enhanced use of appropriate technologies in agriculture and allied sectors, enhancing self-employment opportunities and entrepreneurship development in agriculture and allied sectors. Use of interactive and innovative methods of information dissemination like pico projectors, low cost films, handheld devices, extensive use of ICT, enhancement in quality through domain experts and reaching out to maximum of households every year through Kisan Call Centres (KCCs) and through mobile telephony by sending information and advisories to disseminate timely and relevant information and appropriate technologies to all farmers particularly small and marginal ones are also proposed to be promoted. The Mission has the following components:—

The Mission has the following components:—

A Centrally Sponsored Scheme

- Support to State Extension Programmes.

B Central Sector Scheme

- Mass Media use in Agricultural Extension
- Agri-clinics/Agri-business Centres
- Support to Central Institute/DOE

3.38 The allocation and utilization of funds under Support to State Extension Programmes during the Twelfth Plan Period is as follows:—

(Rs. in crore)

Year	BE	RE	Actual Expenditure
2012-13	600.00	504.13	508.07
2013-14	550.00	505.10	480.93
2014-15	475.00	470.58	522.98
2015-16	450.50	395.35	406.69
2016-17	450.00	–	–
Total	2525.50	1875.16	1918.67

The Table above is indicative of the fact that BE figures have been revised downward at RE stage during the last four fiscals. Also, the actual expenditure was lower in comparison to RE during the year 2013-14. However, during the fiscals 2012-13 and 2014-15, the actual expenditure exceeded the RE. Lastly, the BE for the year 2016-17 of Rs. 450.00 crore mirrors the BE for the previous year *i.e.* 2015-16.

3.39 When asked to furnish the reasons for variation between BE, RE and AE, the Department in their reply stated that majority of the States/UTs have not submitted their approved State Extension Work Plan (SEWP) in time. Hence, the pace of expenditure during the first and second quarter of financial year is slow. It is submitted that more than 50% of the allotted funds under the Scheme are utilized on payment of salaries of the deployed manpower only. In view of salary component, which is mandatory item of expenditure, some States have submitted their demands for grants at the fag-end of the financial year as a result of which expenditure has been increased over and above the approved R.E. as saving in other Schemes of the Department have been utilized after re-appropriation of funds with the approval of the Ministry of Finance. During the fiscal year 2015-16 an amount of Rs. 406.69 crore has been released under the scheme.

3.40 In response to a query as to whether all States/UTs were able to come up with their increased matching share of 40% as a consequence of the revised funding pattern of Centrally Sponsored Schemes, *i.e.* 60% Central Share and 40% State share during the year 2015-16, the Government submitted that all the States have not been able to come up with their matching share of 40% of funds under the Scheme during the fiscal year 2015-16. 06 States namely — Jammu and Kashmir, Kerala, Punjab, Assam, Meghalaya and Sikkim have not been able to get 2nd Instalment of funds during 2015-16 due to non-release of funds (Centre and State Share both) from their Treasuries to the Implementing Agencies. Due to inordinate delay in releasing of funds from State Treasuries to the Implementing Agencies (6-9 months) and reduction in the Central share from 90% to 60%, the implementation of the scheme has been adversely affected in majority of the States. Thus, both the decisions *i.e.* present mechanism for routing of GoI funds through State Treasuries and increasing State matching share from 10 to 40% have contributed the reduction of allocation at RE Stage. Government of Maharashtra is of the view that due to changing the funding pattern, State Government is facing the problems of functioning of ATMA in terms of both making payment of salaries to their deployed manpower and carrying out approved ATMA cafeteria activities in the field and requested to review the Scheme Guidelines making provision for implementing the Scheme under reduced funding pattern.

3.41 Figures highlighting details of achievement of physical targets during the twelfth plan:—

Unit	Twelfth Plan Target (Whole Plan)**	2012-13		2013-14		2014-15		2015-16		2016-17
		Target*	Achievement	Target*	Achievement	Target*	Achievement	Target*	Achievement	Target**
FT (MD)	10000000	2403012	1651363	2477649	1444886	3386013	1079826	2572629	992931	2300000
EV (MD)	4700000	1524131	922316	1492768	1325279	1306982	630676	1126677	279760	1080000
DEMO (Nos.)	1775000	440620	423503	474083	370397	476719	299439	402710	179434	410000
FS (Nos.)	85000	24706	18909	22690	15941	16764	8327	17242	8327	19000
FIG (Nos.)		37802	35951	26050	20701	54249	23103	43770	9998	28700
Kisan Mela (Beneficiaries)										
No. of ATMAs	652									
Estt.	All Rural Districts									

* As per approved State Extension/Work Plan (SEWP).

** As per approved Expenditure Finance Committee (EFC).

FT - Farmer Training, EV - Exposure visits, DEMO - Demonstrations.

FS - Farm Schools, FIG - Farmer Interest Groups, MD - Man Days.

The above Table reflects that achievement figures under Farmers Training (Man Days) for the first four fiscals is 5169006, which is a mere 47.68% of the target figures of 10809303. Under Exposure Visits (Man Days) against the target figure of 54500558 for the first four fiscals, the achievement is only 3158031 *i.e.* an achievement rate of only 37.44%. A similar trend is visible under Demonstration wherein against the target figures of 1794132, the achievement is only 12722773, which in percentage terms is 70.79%. Under Farm Schools the achievement is 51504 against the target of 81402, which in percentage terms is 63.27%. Lastly, under Farmers Interest Groups against the target of 161871 for the first four fiscals, the achievement is only 89753, *i.e.* 55.44%

3.42 When asked to furnish the reasons for under-achievement of physical targets under the scheme during the last four fiscals, the Ministry submitted that this is due to higher targets kept by the States in their State Extension Work Plans (SEWPs). State Governments, have prepared a large shelf of SEWP whereas achievements is based on actual availability of funds and implementation during the financial year.

3.43 When queried by the Committee whether the implementing agencies were encountering any difficulties on the implementation front, the Committee were informed that during the course of review of implementation of ATMA Scheme, feedback of the representatives of the State Governments, was that the present fund routing mechanism through State Treasury should be changed and it should be directly routed to Implementing Agencies.

3.44 On the under-achievement of physical targets having impacted the implementation of the scheme during the last four fiscals, it was submitted that the reasons for reflecting achievement lower than the targets set were reflecting higher targets in their State Extension Work Plans and Inordinate delay of funds from State Treasuries to Implementing Agencies during the last two fiscal years.

3.45 The Ministry has also informed that Agricultural Technology Management Agency (ATMA) Core Committee — Governing Board (GB) and ATMA Managing Committee in 652 districts and Block Technology Team (BTT) and Block Farmer Advisory Committee (BFAC) in 55351 Blocks have been constituted. DFACs at District level (575) and SFACs at State level (20) have also been constituted.

3.46 When asked to furnish the composition details of GB, ATMA Managing Committee, BTT, BFACs, DFACs, and SFACs as well as the periodicity of their meetings, DAC&FW in their written reply furnished the composition of GB, ATMA Managing Committee, BTT, BFACs, DFACs and SFACs that are annexed as **Annexure-I to IV.** In the ATMA Guidelines, 2014, which is in public domain at www.agricoop.nic.in. As per ATMA Guidelines meeting of ATMA GB should be held in every quarter or frequently; ATMA Management Committee, BTT, BFAC shall meet once in month and DFAC&SFAC on quarterly basis.

3.47 DAC&FW stated that State Extensions Work Plans (SEWPs) of 31 States/UTs have been prepared and approved. As against BE of Rs. 450.50 crore, which has been reduced to Rs. 395.35 crore at RE stage, an amount of Rs. 299.06 crore has been released to the States up to 10th February, 2016. In view of increased emoluments, likelihood of higher deployment of personnel, additional activities and increased cost norms, more funds are needed.

3.48 During the course of oral evidence, elaborating on the scheme, the representative of DAC&FW submitted as under:—

> "Sir, 1,20,000 post of extension workers have been sanctioned across States. Thus, the ratio works out to 1 extension worker for 1200 operational holdings, whereas the international standard is 1 extension worker for 700-800 operational holdings. However, out of the 1,20,000 sanctioned post quite a lot are vacant. The Central Government is lending some support to the ATMA Scheme. Whereas earlier in a block there was one Block Technology Manager (BTM) and two ATMs as of now they have been increased to three, thus, in a block there are four extension workers. At the District level, the ATMA is composed of one Project Director/ATMA and two Deputy Project Director."

3.49 When pointed out by the Committee that increasing of posts would only add to the establishment cost, the Ministry's response was that as on date out of the total posts sanctioned under the State Governments were about 27675 posts out of which 13772 posts have been filled up. This number was increasing and had reached upto 16-17 thousand. However, due to the changed ratio of funding pattern *i.e.* 60-40 in the last two years, some States have said that they would reduce these posts.

3.50 Asked about the responsibility of these extension workers, the representative stated these workers would be responsible for bringing all programmes related to ATMA to the farmers *i.e.* farmer to farmer which is the best form of extension.

3.51 On being pointed out by the Committee that it was generally observed that the Farmers Consultant was hardly ever traceable, the representative of the Department stated as under:—

> "Sir, on the issue of Block Farmers Advisory Committee as stated by the Hon'ble Member out of the said six thousand blocks, the Committee has been formed in 5450 blocks...."
>
> "Sir, I will give the State-wise information. In Tamil Nadu it is 90%, 70% in Karnataka it is good in Madhya Pradesh and also in Uttar Pradesh. At the District level out of the 652 districts, the Committees have been formed in 465 districts and are active. The monitoring mechanism that we have put in place i.e. the online system which will be operational from April will ensure that all information has to be furnished online by Districts and States."

3.52 On being pointed out that in many districts the Committee had not been formed, the Ministry stated that in 150 districts Committee was yet to be formed.

3.53 When the Committee drew the attention of the Ministry towards the role played by Village Level Worker (VLW) in extension related activities in the 1960s, the representatives of the Ministry stated as under:—

> "In every block there should be three farm schools. We spend about Rs. 29,000 per farm school. These farm schools extend all facilities to farmers and even provide them with IPM kit for Rs. 200. A group of 25 farmers is constituted and they are provided training by a farmer only. This is one Farmer Friend Scheme, under which for every 2 villages there is a farmer friend, who imparts training to farmers on new techniques. He is a sort of Extended Extension Worker. So many States are not availing Central funds but utilizing their own funds or RKVY funds. I also agree that farmer to farmer extension is the best and under these we have Farms School and Farmer Friend. Once one online monitoring mechanism is active we will have full and up-to-date information from all States..."

3.54 In reply to a specific query as to whether all States/UTs had prepared and got approved their SEWPs, the Committee were informed that State Extension Work Plans (SEWPs) have been prepared by the State Nodal Cell and approved by their Inter-Departmental Working Group (IDWG) and State Level Sanctioning Committee (SLSC) set up under RKVY. SEWP of

Meghalaya State has been approved by the Executive Committee of Sub-mission on Agricultural Extension (SMAE) on the request of the State Government. All the State/UTs have prepared their SEWPs except Delhi, Lakshadweep, Dadra and Nagar Haveli and Daman and Diu.

3.55 On the issue of need for additional funds, the Committee were informed that better performing States are encouraged to seek higher revised allocation against the approved activities in respect of Work Plans submitted by them. Such allocations over and above the Tentative Allocation already communicated to the States depend upon their relative progress in implementation and pace of expenditure amongst various States and overall availability of funds.

3.56 The Ministry stated that a third party evaluation study was conducted by the Agriculture Finance Corporation Ltd. in 2009-10. One of its observations was that "About 25% farmers admitted some increase in agricultural production due to ATMA. 79% farmers reported an increase of Rs.1000 per acre; 9% Rs.2000-5000".

3.57 When asked to furnish details of follow-up action initiated by the Government on one of the observations contained on the evaluation study referred above and also whether any other evaluation studies have been conducted after 2009-10, it was informed that following factors were listed in the Evaluation for the reasons of this variance in increase in agricultural production due to ATMA:—

- The decentralization of planning process yet to percolate down to village level. Need for greater involvement of farmers in actual planning and implementation of extension programmes and development plans.
- A brief structured questionnaire to be developed for obtaining the feedback from specified number of farmers before finalization of BAPS. PACs need to play a more pro-active role in finalisation of BAN. Members of Block Technology Manager may be allowed some fixed allowance for attending the meeting of Block Technology Manager.
- ATMAs should engage reputed NGOs/KVICs to mobilize CIGs/FIGs. FIGs/CIGs should meet at least once in a month and maintain proper register and record.
- For the research priorities XVICs to be fully aligned with Strategic

Research and Extension Plans (SREPS) at the district level and to be involved with the selection of site, varieties for FLUB and assessing the performance after completion of FLDA.

- Time lines in release of funds to implementing agencies well before the commencement of sowing season should be ensured.
- Appointment of Agri-preneurs trained under Agri-Clinic and Agri-Business Centres [Agri-Clinic 61 Agri-Business Centres (ACABC) Scheme] Scheme as Volunteer Specialists at Block level to support the farmers by ATMA GB.
- Farm schools set up under AIWA need to be well structured. The students of Farm Schools should be selected in consultation with the FAQ PG at the Block level and the performance of learnt School in each block to be reviewed regularly.
- Adequate representation of women folk in the training programme be ensured.
- The budgetary enhancement for concurrent Monitoring, Evaluation and Impact Assessment recommended.
- Dedicated Staff at ATAIA should be provided for desired impact.
- ATMA should have an inventory of private sector/organizations and extension service providers. All the ATMAs should have their own website to share information."

Government had tried its utmost to strengthen ATMA Scheme and the key suggestions listed in the above para have been incorporated in the EFC, Cabinet Note as well as Guidelines of ATMA Scheme."

(b) Agri-Clinic and Agri-Business Centres by Agriculture Graduates (ACABC)

3.58 The Scheme aims to provide extension and also to promote self-employment in agriculture sector by way of setting up of agri-ventures. The selected graduates are sponsored to undergo a two months training through MANAGE at various identified Nodal Training Institutes (NTIs), which also provide handholding support for one year. Credit-linked back ended subsidy @ 33% (44% in case of women, SC, ST and Hilly and North Eastern States) of the capital cost. Till March, 2016, 47815 candidates have been trained and 20448 agri-ventures have been established.

3.59 Figures highlighting details of achievement of physical targets during the Twelfth Plan are as follows:—

Sl. No.	Name of the scheme/ Project/ Programme	Unit	Twelfth Plan		2012-13		2013-14		2014-15		2015-16		2016-17
			Target (Whole Plan)	Achvmt.	Target	Achvmt.	Target	Achvmt.	Target	Achvmt.	Target	Achvmt.	Target
1.	Establishment of Agri-Clinics and Agri-Business Centres	Agri. Graduates to be trained	23796	14033	4400	4439	4400	4451	4725	5143	4961	3279	5200

On perusal of the Table above, it is evident that achievement figures have exceeded the target figures during the first three fiscals. The Department also furnished State-wise details of ACABCs established during the Twelfth Plan Period.

3.60 When asked whether the Government has given any thought to actively involve agri-graduates in extension related activities, the Ministry stated that there is proposal to create awareness among final year students of graduate and post graduate courses of all State Agricultural Universities, about the scheme to attract more candidates.

3.61 The Ministry further submitted that presently a study is under process by the Agricultural Economics and Research Centre, Directorate of Agricultural Economics and Statistics, Government of India on “Impact of Extension Services on the farmers by Agri-Clinics and Agri-Business Centres”.

(c) Sub-Mission on Seed and Planting Material (SMSP)

3.62 The interventions proposed in the Sub-Mission cover the entire gamut of seed chain from nucleus seed to supply to farmers for sowing and also to the major stakeholders in the seed chain. In order to provide for the establishment of an effective system for protection of plant varieties, the rights of farmers and plant breeders and to encourage the development of new varieties of plants it has been considered necessary to recognize and protect the rights of the farmers through strengthening Protection of Plant Varieties and Farmers Rights Authority (PPV&FRA). The Sub-Mission has following components:—

- Strengthening for Seed Quality Control
- Strengthening of Grow Out Test (GOT) Facilities
- Support to Seed Certification Agencies
- Seed Village
- Certified seed production through seed villages
- Seed Processing Plant
- Seed Storage
- Transport Subsidy
- National Seed Reserve
- Application of Bio-technology in Agriculture
- Public Private Partnership in Seed Sector
- Assistance for Boosting Seed Production in Private Sector
- Support to Sub-Mission Director and Survey/Studies
- PPV & FRA

3.63 During the course of oral evidence when asked about action initiated against those firms indulging in sale of spurious sale of seeds and pesticides, the representative of the Department stated as under:—

> "Sir, the enforcement of Seed Act and Seed Control Order are at the State level. However, I will compile the information and forward the same within a week."

3.64 When the Committee pointed out that the sought information was never readily available with the Ministry in the past, the representative assured the Committee that they would definitely receive the same within two weeks.

PART II

RECOMMENDATIONS AND OBSERVATIONS OF THE COMMITTEE

Implementation of the Committee's Recommendations

1. The Committee note that the Action Taken Replies regarding the action taken by the Government on the Observations/ Recommendations contained in the Ninth Report of the Committee were furnished by the Government within the stipulated three months. The Committee further note that in pursuance of Direction 73-A of Directions by the Speaker, Lok Sabha, the Minister concerned is required to make a statement on the status of implementation of Observations/Recommendations contained in the Original Reports of the Committee within six months of their presentation to the Parliament. However, the Committee is deeply perturbed to note that the Minister concerned did not make the statement under Direction 73-A in the context of Ninth Report of the Committee within the stipulated time. The Committee take strong exception to the failure of the Ministry time and again to adhere to stipulations laid down in Direction 73-A in respect of statements to be made by the Minister concerned. They expect that there will not be a repeat of such lapses in future. The analysis of the action taken by the Government reveals that 65.5% Recommendations have been implemented, 17.25% Recommendations have not been implemented and 17.25% of Recommendations are in various stages of implementation. The Committee desire the Government to take conclusive action in respect of the fourteen Recommendations commented upon in their Ninth Action Taken Report and furnish further action taken notes to the Committee expeditiously.

Non-Furnishing of Annual Report, 2015-16

2. The Annual Report of any Ministry/Department is an important document in context of examination of Demands for Grants of a Ministry document as it gives an in-depth look into the working of a Ministry/ Department in a given financial year. In the instant case, the Committee express their deep anguish over the fact that during the course of examination of Demands for Grants 2016-17 of Department of Agriculture, Cooperation and Farmers Welfare, copies of the Annual

Report 2015-16 were not made available to them. During the course of oral evidence too, when this matter was raised by the Committee, it did not elicit any response from the Department. Taking a serious note of this serious lapse on part of the Department, the Committee advise the Department to adopt a cautious approach and timely furnish all budget related documents and also ensure that such instances are not repeated in future. The Committee would also like to be apprised of the reasons for non-furnishing of Annual Report, 2015-16.

Viability of Agriculture

3. The Committee are well aware of the fact that agriculture plays a vital role in our nation's economy. As per the 2011 census figures about 54.6% of our populace is engaged in agriculture and allied activities and it contributes 17.4% to the country's Gross Value Added. However, the Committee are constrained to observe that things are not satisfactory in this vital component of the economy and we are still far away from achieving the goal of food and nutritional security for the poor people of the country. The condition of farmers, especially the small and marginal farmers is very pitiable. Due to ever rising cost of agricultural inputs like seeds, fertilizers, pesticides etc., alongwith the vagaries of climate change coupled with a myriad of other problems like increasing land fragmentation, depleting soil health, lowering of water table, lack of easy access to institutional credit and not getting the best price for their produce, the agriculture sector is no longer a viable vocation. Deeply perturbed and concerned at this alarming state of affairs, the Committee impress upon the Government to take a stock of the situation in a holistic manner and work in real earnest to bringing a turnaround of the agriculture sector and ensuring that ever toiling farmers of the country are adequately paid in return for their produce. The Committee would like to be apprised of the initiatives undertaken by the Department in this regard.

Attracting Rural Youth towards Agriculture

4. Apart from increasing the financial allocation to the Agriculture Sector, the Committee are also of the firm conviction that the vocation of Agriculture needs to be a remunerative one like any other vocation. A sense of pride needs to be infused if this vital sector of the economy is to attract youth especially, the rural educated youth. These youth need to be given institutional training to develop their entrepreneurship skills in the field of agriculture apart from providing institutional finance at easy terms to kick start their ventures. The Committee hope that as

result of involvement of youth in agriculture, the core sector of our economy could become sustainable and viable. The Committee would like to be apprised of the initiatives undertaken by the Department in this regard.

Share of Agriculture and Allied Sector in Central Plan

5. The augmentation of share of Agriculture and Allied Sector in the Central Plan is one which has been espoused by the Committee time and again. From the figures furnished by the Department, the Committee note that the share of DAC&FW in the Tenth, Eleventh and Twelfth Five Year Plans is Rs. 13,200 crore, Rs. 66,577 crore and Rs.71,500/- crore respectively. In percentage terms this works out to 1.48%, 3.09% and 1.65% respectively. Thus, the share of the Department in the Central Plan in the 12th Plan has declined with respect to 11th Plan. However, in its explanation, the Department submitted that the allocation approved for 12th Plan is Rs. 1,34,746.00 crore and not Rs. 71,500.00 crore. Also, the percentage share of the Department with respect to the total Central Plan is actually 3.11% and not 1.65%. While expressing their satisfaction over this increase in plan allocation, the Committee are of the opinion that this increase is just incremental and falls way short of what the agriculture sector actually needs. Further, the Committee are also aware that inspite of this increase, the share of agriculture and allied sectors is way less than those of other Departments of the social sector. While accepting this fact, the Secretary of the Department submitted before the Committee that they would be requesting the Ministry of Finance for increased allocation. Taking into focus the plight of our farmers and being well aware that the country has miles to go before it can achieve the goal of Food and Nutritional Security for all, the Committee urge the Ministry of Finance to increase the share of the Department in Central Plan so that various schemes undertaken by them do not suffer for want of funds. The Committee would like the Department to take initiatives to impress upon the Ministry of Finance to allocate funds to them as per their requirement at RE stage.

Mismatch between Approved Outlay and Actual Allocation

6. The approved plan outlay of the Department for the 12th Plan Period is Rs. 1,34,746.00 crore. However, it has been observed by the Committee that BE for all the five fiscals amounts to only Rs. 1,01,172.35 crore, which means a reduction of Rs. 33,573.65 crore during the period. Not only this, the RE for the four fiscals amounts to

Rs. 71,897.32 crore. Going by the precedent, the Committee are very sure that even in the current fiscal the BE of Rs.20,400.00 crore would be pruned at RE stage. What raises the apprehension of the Committee is rather standard reply of the Department that Revised Estimates, *vis-a-vis* the Budget Estimates are decided by the Ministry of Finance based on it's internal assessment of the fund requirements of the Department keeping in view the overall macro-economic situation of the country. The Committee do not buy this argument at all as they view it as the mockery of planning process and the failure of the Department to convince the Ministry of Finance to allocate funds as per their plan. Irrespective of the approved outlay, the BE would be significantly lower than the approved outlay and again the actual allocation *i.e.* RE would be lower than the BE. Due to a considerable variation in the figures of approved outlay, BE & RE, the Committee feel that this issue needs to be looked into afresh. The Committee, therefore, exhort upon the Ministry of Finance to arrive at a formula wherein there is a semblance between approved outlay, BE and RE figures so as to make this exercise rational, realistic and meaningful for effective implementation of the various schemes undertaken by the Department. The Committee would also like the Department to take up this issue with the Ministry of Finance.

Slow Paced Utilization of Funds

7. Notwithstanding the argument put forth by the Department that their utilization of funds has been around 99.23%, 98.53%, 98.26% and 96% (provisional) of RE during the fiscals 2012-13; 2013-14; 2014-15 and 2015-16, the facts remain that the funds allocated to them have been drastically cut down with reference to funds actually required as reflected in BE as per their plan of action. The Department cannot rest satisfied based on high percentage of utilization of RE funds, as contrary to the fact that their plan of action has been affected due to drastic cut in the approved plan outlay. Thus, by relying on RE figures, the Ministry is trying to put a lid over the slow pace of utilization of funds during the first two quarters of a fiscal year which results in Ministry of Finance resorting to reducing the allocation at RE Stage. If BE figures are taken into consideration, then percentage of actual utilizations dips to 87.74%; 86.63%; 86.02% and 82.71% (provisional) for the fiscals under consideration. The Committee are of the firm opinion that the later figure is more accurate as it reflects the true picture. On the Flip side if credence is to be given only to actual utilization figures *vis-a-vis* RE figures, this will ultimately prove detrimental to

the overall growth and development of agri-sector due to slow-pace of utilization of funds with reference to BE. The Committee therefore, recommend that the Ministry should take a holistic view in the matter and efforts should be made for optimum utilization of funds in the first two quarters under various schemes implemented by them. In this regard the Department should impress upon the implementing agencies *i.e.* States/UTs to expedite the pace of utilization of funds so as to demand more funds from the Ministry of Finance.

Outstanding Utilization Certificates

8. The issue of liquidation of Outstanding Utilization Certificates has been raised time and again by the Committee in their earlier Reports. The Committee have been apprised that in spite of the efforts of Department of Agriculture, Cooperation and Farmers Welfare (DAC&FW), as on 31 March, 2016, 414 Utilization Certificates are still pending, amounting to Rs.726.95 crore. While appreciating the efforts put in by the Department with regard to liquidation of Outstanding Utilization Certificates, the Committee feel that the entire issue needs to be relooked afresh, so that corrective measures may be taken to address the issue comprehensively. The Committee, therefore, desire that the Department should take up the matter proactively with all State Governments/Implementing Agencies ensuring a lasting solution to this perennial problem. The Committee would like to be apprised of the initiative undertaken by the Department in this regard.

Under Utilization of Funds Earmarked for North Eastern States

9. The continuous vicious cycle of underutilization of funds earmarked for the North Eastern Region has been a regular cause of concern for the Committee. Needless to say, the under utilization of funds has had a negative impact on the overall growth and development of agriculture sector in North Eastern States. The Committee, therefore, desire that the issue needs to be looked into comprehensively in consultation with all involved in the process and expedite optimum utilization of funds earmarked for North Eastern States. In this regard, the Department of Agriculture, Cooperation and Farmers Welfare may seek the view points of the North Eastern Region through the representatives of the people, discuss it threadbare with them and then come up with a mutually agreeable mechanism which would ensure optimum utilization of funds meant for the North Eastern Region for schemes being implemented by them. The Committee would like to be informed of the progress made in this regard.

10. Being well aware of the fact that major part of our agriculture is rain fed, the Committee view the scheme of PMKSY as a step in the right direction for enabling our agriculture to break free from the shackles of overdependence on monsoon for providing water to the crops. The involvement of three agencies *viz.* Ministry of Water Resources, River Development and Ganga Rejuvenation for Accelerated Irrigation Benefit Programme; Department of Land Resources for Integrated Watershed Management Programme and Department of Agriculture, Cooperation and Farmers Welfare for On Farm Water Management gives it a holistic look as it more or less encompasses all the areas of irrigation. The Committee would stress upon increased cooperation amongst the three agencies so as to ensure the smooth working and viability of this scheme. DAC&FW, being the nodal agency for PMKSY, has its task cut out as not only does it have to ensure the smooth implementation of its responsibility On Farm Water Management, but also needs to act as a facilitator and coordinator with the other two Departments. The Committee hope that as a result of concerted and coordinated efforts by the participating agencies including the DAC&FW, the avowed objectives of the scheme to provide Water Security to agriculture sector would be achieved. The Committee would like to be apprised of the progress made under the scheme.

11. So far as the ambit of DAC&FW under PMKSY is concerned, the Committee desire that the Department should work in real earnest in ensuring Per Drop More Crop component of the programme resulting in efficiency and optimum utilization of available water resources. This would also ensure that water storage and water conservation/ management activities would finally be able to provide support to the farmers in the eventuality of a weak/lean monsoon and mitigate the adverse impact of drought/drought like situation on agriculture to a great extent. The Committee expect that the Department will take all measures involving proper implementation of the scheme and the effective monitoring and adherence to the timelines. The Committee would also like to be apprised of the time period by which the Government hopes to provide water to all fields in the country.

12. The Committee take note of the fact that the programme architecture of PMKSY envisages a 'decentralized State Level planning and projectised execution' Structure that will allow States to draw up their own irrigation development plans based on District Irrigation Plans (DIPs) and State Irrigation Plans(SIPs) prioritising the immediate needs

of a State. Further, 148 draft DIPs have been prepared and are in the process of approval by State Level Sanctioning Committees. It was also stated that the Government is expecting that DIPs for all districts would be ready by September 2016. Being of the firm conviction that formulation and approval of DIPs/SIPs are the bedrock of the PMKSY, the Committee recommend that the Department should impress upon all States/UTs the necessity and importance of formulating and approving their DIPs/SIPs by the stipulated timeline. The Department should provide all necessary support to the States/UTs in this regard to ensure compliance of the deadline. The Committee would like to be apprised of the progress made in this regard.

13. The Committee further note that a Committee under the Chairmanship of Shri Brij Mohan Agarwal, Hon'ble Minister, Chhattisgarh has been constituted by MOWR, RD&GR to finalise the list of project under AIBP that can be completed by March, 2017 and 2019-20. This Committee is likely to submit its report shortly. The Committee desire that the details of this report be furnished to them after its submission.

Pradhan Mantri Fasal Bima Yojana (PMFBY)

14. The Committee express their satisfaction on being informed that in order to make crop insurance simple and cheaper for farmers and to provide them with better insurance services, a Central Sector scheme of PMFBY has been approved by the Government, replacing the erstwhile schemes of National Agriculture Insurance Scheme (NAIS) and Modified National Insurance Scheme (MNAIS). PMFBY is a marked improvement over the earlier schemes as it provides comprehensive risk coverage from pre-sowing to post-harvest losses. Unit area has been reduced to Village/Village Panchayat Level. Also for localised risks like hailstorm, landslide and inundation, claims will be settled on individual farm basis, etc.. While the Committee would like to wait and watch before passing any comments on PMFBY, they feel that the farmers need to be explained the benefits of PMFBY in vernacular language repeatedly, before they are totally convinced that by subscribing to PMFBY they would actually safeguarding their crops from damage due to vagaries of nature. In this regard, the Committee desire that vigorous publicity and awareness campaign about the benefits of the scheme may be made amongst farmers in print and media in their vernacular language. The Committee recommend that Agri-clinics and Agribusiness Centres be roped in for generating awareness on PMFBY.

Integrated Scheme on Agricultural Marketing (ISAM)

15. The Committee were informed that funds meant for general category for construction of Rural Godowns under the sub-scheme of Agricultural Marketing Infrastructure (AMI) during the year 2014-15 has exhausted. In the year, 2015-16, out of the RE of Rs. 675.86 crore for AMI schemes, funds for the general category were fully exhausted with the release of Rs. 493.81 crore. The BE for the whole of ISAM for the current fiscal is only Rs. 787.90 crore, out of which AMI is one of the five sub-schemes. Further the total liability as on date stands at Rs. 1250.27 crore. This comprises of Rs. 317.52 crore pipeline liability and Rs. 932.75 crore Committed liability. This total liability is mostly for the general category. Also, the limited allocations for AMI in 2016-17 will be restricted to 65.2% for the general category. Totally dissatisfied at this sordid state of affairs, the Committee recommend that allocation of funds be enhanced at RE stage during the fiscal for ISAM, so that the Department is in a position to honour its total liability of Rs.1250.27 crore at the earliest.

16. The Committee concur with the submission of the Department that for marketing infrastructure the scheme will have to be rationalised so as to ensure that subsidy is not cornered by a few States/Projects. Also it should be explored whether allocations should be made to States based on their existing capacity or need to work out on the basis of their food grains and oilseeds marketing surplus. Lastly, subsidy ceiling limits may have to be restricted upto smaller capacities and amounts so as to ensure that small/marginal farmers may get maximum benefit and subsidy is available for more number of projects. The Committee, therefore, desire that the Department may act upon their suggestions at the earliest.

Rashtriya Krishi Vikas Yojana (RKVY)

17. Rashtriya Krishi Vikas Yojana, the flagship scheme of the Ministry has ensured increase in allocation to agriculture and allied sectors by States from Rs. 8770.16 crore (4.88% of total States Plan Expenditure) in 2006-07 to Rs. 38768.47 crore (8.36% of total State Plan Expenditure) during 2013-14. RKVY during course of its implementation has triggered substantial additional investment in agriculture by the States. It has also emerged as one of the principal instrument in financing development of agriculture and allied sector in the country. However, the Committee note with concern that the bug of under-utilization of allocated funds by State/UTs has not spared this

flagship scheme either. The Department has explained that they always insist on furnishing of UCs alongwith the progress report at the time of release of funds. Utilization of funds released under RKVY is done by the prerogative of State Government. Further, late utilization of funds by some States may be attributed to weather related factors. Completion of infrastructural projects takes longer time in comparison to other projects due to which states have unspent balances.

While agreeing with the views of the Department, the Committee feel that the Department, being the nodal agency can not absolve themselves on the issue. The under utilization of funds reflects the point that the mechanism in place to monitor the scheme is not effective and needs to be strengthened and made active. The Committee, therefore impress upon the Department that the existing mechanism to monitor the scheme may be made pro-active, so as to ensure optimum utilization of funds by the State Governments/Implementing Agencies.

18. The Committee have been informed that from April, 2016, the Ministry's online monitoring mechanism would be functional which would ensure uploading of uptodate figures at the touch of a button and thereby providing the much needed dynamism to the monitoring mechanism. It has further been stated that Central Teams under a Joint Secretary conduct field visits every two months. However, the Committee are anguished to note that the visit of the Central teams are confined to the State Capital level only. However, the Committee is of the opinion that these visits should invariably be done at the district level so as to get the situation prevalent at the ground level. The Committee would like the Department to act accordingly.

19. The Committee express their concern to note that out of the 29 States, only 8 States have prepared their State Agriculture Plan (SAP) and out of the 652 Districts, District Agriculture Plan (DAP) for only 194 District have been prepared as on date despite the fact that preparation of DAP and SAP is mandatory and has been mentioned in the revised guidelines of the scheme for the 12th Plan. This sordid state of affairs is reflective of the lackadaisical approach of all concerned and pervading morass in the system as a result of which the entire agriculture sector has to suffer. Strongly deprecating this fact, the Committee urge the Department to get the message conveyed to all State/UTs for strict compliance with the mandatory provision to prepare SAP/DAP without any further loss of time. The Committee would like to be apprised of the action taken by the Department in this regard.

20. Another significant issue under RKVY which has captured the attention of the Committee is the differential pricing of agriculture implements under RKVY scheme. This has lead to a peculiar situation wherein particular agri implement is available at different prices in different States. Further, inspite of the subsidy being provided to the farmers, they end up paying more than the market price of the implement. Further, it has come to the notice of the Committee that implements of a particular brand are being forced upon farmers. Strongly condemning this state of affairs, wherein one vulnerable farmers are being exploited by unscrupulous agents whose sole intention is to make a quick buck, the Committee impress upon the Ministry to look into this matter at the earliest and in tandem with the States to ensure uniform pricing of agri-implements under RKVY in the entire country. The Committee further desire that the subsidy being granted on agriculture implements be provided directly to the farmers who will then exercise their freedom of choice based upon their need.

Support to State Extension Programmes

21. The Committee are distressed to note that BE for the scheme has been pruned at RE Stage during the first four fiscals and actual expenditure is lower than the RE. The reasons for the same have been attributed to the fact that majority of the States/UTs have not submitted their approved State Extension Work Plan (SEWP) in time. Hence, the pace of expenditure during the first and second quarter of a financial year is slow. Also, States furnish their demands for grants at the fag end of a financial year. Notwithstanding the argument put forth by the Department, the Committee express their dissatisfaction with the financial performance of the Department under the scheme. Keeping in view the pivotal nature of the scheme, the Committee recommend that bottlenecks which impede the effective implementation of the scheme be addressed at the earliest. The Department being the nodal agency should play pro active role and motivate the Implementing Agencies to ensure optimum utilization of central funds.

22. The rather candid reply of the Department that the present mechanism for routing Central funds through State Treasuries and increasing State matching share from 10% to 40% have contributed the reduction of allocation at RE stage. In fact, State Government of Maharashtra has requested that the scheme guidelines may be reviewed making provision for implementing the scheme under reduced funding pattern. However, the Committee are of the view that as the revised funding of Central Sector Schemes cannot be revised immediately, it

would be but necessary for the Department to take this matter at the highest level with all Implementing States to ensure that they come up with their matching share of 40% under ATMA without fail at the earliest. The Committee also desire that the matter of routing ATMA funds directly to the Implementing Agencies rather than routing the same through State Treasury be looked into at the earliest by the agency concerned. The Committee feel that both these issues need to be tackled with the alacrity they deserve. The Committee would like to be apprised of the initiatives undertaken by the Department in this regard.

23. On the aspect of under-achievement of physical targets under the scheme, the Committee were informed that this was due to higher targets kept by the States in their SEWPs, whereas achievement is based on actual availability of funds and implementation during a financial year. Taking a cue from the Ministry's admission, the Committee desire that the Ministry take up the issue with the States bringing the targets fixed at a realistic level guided by the achievements of the previous year as well as the availability of funds.

24. The Committee note that Agricultural Technology Management Agency (ATMA) is a purportedly farmer-driven institutionalized arrangement at district level for dissemination of farm technology and knowledge and which aims at making extension system farmer driven and farmer accountable. Taking into consideration the pivotal nature of this scheme that aims for empowering the farmer, the Committee desire that ATMA work in such a way that the benefits of agriculture technology in terms of good practices/new developments in scientific approach percolate down to the farmers for implementation along with their traditional knowledge and practice. This can only be ensured if the extension services are able to deliver their mandate. Further, Government should ensure adequate funding and impress upon optimum utilization of allocated funds, so as to make this extension system farmer centric and farmer accountable. The Department should impress upon States to conduct periodic training of farmers, who would then act as farmer trainers to train more farmers. On field training of farmers assumes significance importance as in the Committee's considered view 'Seeing is Believing' and a farmer is easily able to assimilate the knowledge gained *via* live demonstration and then replicate the same on his field. The Committee, therefore, desire that on field training of farmers may be organized regularly and frequently in all parts of the country.

25. The Committee also desire that meetings of ATMA Core Committee *i.e.* Governing Board, Block Technology Team, Block Farmer Advisory Committee, District Farmer Advisory Committee and State Farmer Advisory Committee be held regularly as per norms and people's representatives may also be made a party to these sittings and be informed of the same well in advance, so as to ensure their participation in these meetings.

Agri-Clinics and Agri Business Centres by Agriculture Graduates (ACABCs)

26. Noting that the scheme aims to provide extension and also to promote self-employment in agriculture sector by way of setting up of agri-ventures, the Committee opine that the Government work towards actively involving agri-graduates in extension related activities like soil-testing and also involve them in educating farmers on Pradhan Mantri Fasal Bima Yojana and then ensuring farmers subscribe to this scheme. The Committee would like to be apprised of the action taken by the Department in this regard.

Sub-Mission on Seed and Planning Material

27. The Committee emphasize the importance played by quality seed as a vital agricultural input. To take care of this, the SMSP proposes to intervene to cover the entire gamut of seed chain from nucleus seed to supply to farmers for sowing and also to major stakeholders in the seed chains. This fact has gained credence as is evident in the 14 components of the sub-mission. Keeping this aside, what concerns the Committee are the cases of spurious seeds and pesticides being sold by unscrupulous agents. These people have a simple trick policy of making a fast buck, whilst spelling economic disaster for the farmer who uses their products. Being well aware of the turmoil caused to the farmers by these unscrupulous agents, the Committee recommend that swift and strict action be initiated against those indulging in this malpractice. Further, the Department should seek exemplary punishment for these racketeers so that they are deterred before venturing into sale of spurious seeds and pesticide. The Committee further desire that the details of these agents/firms may be furnished alongwith the action initiated against them at the earliest.

NEW DELHI;	HUKM DEO NARAYAN YADAV,
28 *April*, 2016	*Chairperson,*
08 *Vaisakha*, 1938 *(Saka)*	*Standing Committee on Agriculture.*

ANNEXURE I

ATMA Governing Board (GB)

The ATMA Governing Board (GB) is a policy making body which provides guidance, reviews and steers the progress and functioning of the ATMA.

Composition

1.	District Magistrate/Collector	Chairman
2.	Chief Executive Officer (CEO), Chief Development Officer (CDO) District Head of Agriculture Department	Vice-Chairman Deputy Chairmen
3.	Representative of Zila Panchayat/Zila Parishad	Member
4.	Joint Director/Deputy Director (Agriculture)	Member
5.	Joint Director/Deputy Director (Horticulture)	Member
6.	Joint Director/Deputy Director (Animal Husbandry/ Fishery/Sericulture)	Member (one of them as per local priorities)
7.	A representative from Zonal Research Station (ZRS)	Member
8.	Programme Coordinator, Krishi Vigyan Kendra	Member
9.	One Farmer representative (nominated from DFAC)	Member
10.	One Livestock Producer (nominated from DFAC)	Member
11.	One Horticulture Farmer (nominated from DFAC)	Member
12.	Representative of Women Food Security Group	Member
13.	Representative or FIG/CIG	Member
14.	One SC/ST farmer representative (nominated from DFAC)	Member
15.	A representative of NGO	Member
16.	Lead Bank Officer of the District	Member
17.	A representative of District Industrial Center	Member
18.	Representative of Agriculture Marketing Board	Member
19.	Representative of Input supplying Association	Member

20.	A representative of trained Input dealers who is also providing extension services	Member
21.	One Fisheries/Sericulture representative	Member
22.	A DRDA representative	Member
23.	Project Director ATMA	Member-Secretary-cum-Treasurer (Ex-officio)

Notes:

(i) States may identify any other officer, not below the rank of CEO, Zila Parishad/ Chief Development Officer/Additional District Collector for 1 and 2 above, under intimation to DAC.

(ii) States may also co-opt additional members, if required.

(iii) All farmer representatives are to be nominated by the District Farmers Advisory Committee by consensus or by majority.

Appointment/Nomination/Term of Members:

Non-official members of GB will be appointed for a period of 2 years by APC on the recommendation of the Chairman of GB.

Some Initial appointments would be staggered to ensure that about two-thirds of the members would carry on for an additional year on the GB.

Thirty per cent of the farmer representatives on the GB would be reserved for women farmers to ensure that their interests are fully represented.

Key functions of ATMA Governing Board

The key functions of ATMA Governing Board would be to:—

1. Review and approve Strategic Research and Extension Plan (SREP) and annual action plans that are prepared and submitted by the participating units.
2. Receive and review annual reports presented by the participating units, providing feedback and direction to them as needed, for various research and extension activities being carried out within the district.
3. Receive and allocate project funds to carry out priority research, extension and related activities within the district.

4. Foster the organization and development of Farmers' Interest Groups (FIGs) and Farmers Organizations (FOs) within the district.
5. Facilitate greater involvement of private sector and firms and organizations in providing inputs, technical support agro-processing and marketing services to farmers.
6. Encourage agriculture lending institutions to increase the availability of capital to resource poor and marginal farmers, especially SC, ST and women farmers.
7. Encourage each line department, plus the KVK and ZRS, to establish farmer advisory committees to provide feedback and input for their respective Research — Extension Programmes.
8. Enter into contracts and agreements as appropriate to promote and support agricultural development activities within the district.
9. Identify other sources of financial support that would help in ensuring the financial sustainability of the ATMA and its participating units.
10. Converge human and financial resources available for extension under different schemes and programmes of DAC.
11. Establish revolving funds/accounts for each participating unit, and encourage each unit to make available technical services, such as artificial insemination or soil testing, on a cost recovery basis moving towards full cost recovery in a phased manner.
12. Arrange for the periodic audit of ATMA's financial accounts.
13. Adopt and amend the rules and by-laws for the ATMA.
14. Hold meetings of ATMA GB every quarter or frequently.
15. Any other functions that support effective functioning of ATMA in the district.

ANNEXURE II

ATMA Management Committee (MC)

The Management Committee would be responsible for planning and execution of day-to-day activities of ATMA.

Composition

1.	District Head of Department of Agriculture	Chairman
2.	Project Director of Agriculture Technology Management Agency	Co-Chairman
3.	District Head of Department, Horticulture	Member
4.	District Head of Department, Animal Husbandry	Member
5.	District Head of Department, Fisheries	Member
6.	District Head of Department, Sericulture	Member
7.	Head, Krishi Vigyan Kendra	Member
8.	Head, Zonal Research Station	Member
9.	Project Officer, District Rural Development Agency	Member
10.	One representative of Farmers' Organization promoted by an NGO	Member
11.	Representative of NGO, if any, involved in agricultural extension	Member
12.	District level NABARD Officer	Member
13.	Lead Bank Officer	Member
14.	A representative of trained input dealers who is also providing extension services	Member
15.	Two progressive farmers (one of whom should be a a woman) (nominated from DFAC)	Member
16.	Two Deputy Project Directors (of which one will be nominated as Member Secretary)	Member Secretary

Note:–

(i) States may also consider co-opting additional members, if required.

(ii) All farmer representatives are to be nominated by the District Farmers Advisory Committee by consensus or by majority.

Key functions of Management Committee (MC)

1. Carry out periodic Participatory Rural Appraisal (PRA) to identify the problems and constraints faced by different socio-economic groups and farmers within the district.

2. Prepare an Integrated, Strategic Research and Extension Plan (SREP) for the district that would specify short and medium term adaptive research as well as technology validation and refinement and extension priorities for the district.

3. Prepare annual District Agriculture Action Plans in consultation with DFAC which would be submitted to the ATMA Governing Board for review, possible modification and approval.

4. Maintain appropriate project accounts for audit purposes.

5. Coordinate the execution of these annual action plans through participant line departments, ZRSs, KVKs, NGOs, FIGs/FOs and allied institutions, including private sector firms.

6. Establish coordinating mechanisms at the Block level, such as Farm Information and Advisory Centres (FIACs) that would integrate extension and technology transfer activities at the block and village levels.

7. Provide periodic performance reports as required by DAC to the Governing Board outlining the various targets and achievements.

8. Provide secretariat to Governing Board and initiate action on policy direction, investment decisions and other guidance received from the Governing Board.

9. ATMA Management Committee shall meet once in a month to review the progress in various blocks and submit the report to State Nodal Cell/DAC.

ANNEXURE III

Block Technology Team (BTT)

It is an Inter-Departmental Team of Agriculture and Line Departments operating at block level. An indicative composition of BTT is given below. However, the composition would change from place to place depending on the critical areas pertaining to different blocks in a State.

Composition:

BTT shall consist of Chairman Block Panchayat Samiti, Block level officers of Agriculture, Horticulture, Animal Husbandry, Fisheries, Plant Protection, Veterinary Science, Soil Conservation, Extension, Sericulture, Corporative, Marketing etc. Block Technology Manager would be the Member Secretary. A designated scientist from the KVK will also attend meetings of BTT, provide requisite technical guidance and take feedback for his colleagues in the KVK in respect of their respective areas of expertise.

The senior most official at the Block level shall head the Block Technology Team as BTT Convener.

Key functions of Block Technology Team (BTT)

- Operationalize the SREP in each block and move towards single window extension system.
- Help district core team in upgradation of SREP.
- Prepare Block Action Plan detailing extension activities to be undertaken.
- Coordinate the implementation of extension programmes detailed in the Block Action Plan.
- Facilitate formation of FIGs/Women Food Security Groups/FOs at the block level and below.
- Support ATMA Management Committee in discharging its function by providing inputs related to the Block.
- Facilitate planning and implementation of Farm Schools in all major sectors in the Block.
- The Block Technology Team (BTT) shall meet every month to review the progress and report the same to ATMA Management Committee.

Farmer's Advisory Committees at Block, District and State Level

I. The Block Farmers Advisory Committee (BFAC) shall consist of 20-25 members covering different categories of farmers within the given Block, with due representation to women farmers and weaker sections of the society. An indicative composition of BFAC is given below:—

Composition

Sl. No.	Member	Occupation
1.	Farmers (2)	Agriculture
2.	Farm Women (2)	Agriculture
3.	Farmers (2)	Horticulture
4.	Farm Women (2)	Horticulture
5.	Farmers (2)	Livestock Producers
6.	Farm Women (2)	Livestock Producers
7.	Farm Women (2)	Mahila Mandal
8.	Farmers (2)	Yuvak Mandal
9.	Farmers (2)	Input Dealers
10.	Farmers (2)	Farmer Groups
11.	Farmers (2)	BDC Members (Block Dev. Council)

Note:

(i) Additional four Members could be co-opted from the farming community practising various agriculture related enterprises in the Block.

(ii) Duration of a BFAC shall be two years after which new set of farmers shall constitute the BFAC.

(iii) The States shall evolve and notify their own transparent and democratic mechanism for nomination of farmers to BFAC while giving due weightage to members of CIGs, FIGs, SHGs and progressive farmers in the area. Adequate representation should be given to SC/ST and small and marginal and women farmers.

(iv) Chairman shall be elected out of the above members on rotation basis.

(v) BTM shall also act as Member Secretary to BFAC.

II. District Farmers' Advisory Committee shall comprise not more than 25 farmers (numbers will thus need to be restricted depending on number of blocks in the District):—

(i) 1 to 2 farmers each nominated by the BFAC as per consensus or majority.

(ii) Selected District level award winning farmers.

(iii) PD (ATMA) shall act as Chairman of DFAC.

III. State Farmers' Advisory Committee shall comprise not more than 30 farmers (numbers will thus need to be restricted depending on number of districts in the State):—

(i) 1 to 2 farmers each nominated by the DFAC.

(ii) Selected State level award winning farmers.

(iii) SNO shall act as Chairman SFAC.

Key functions of Farmers Advisory Committees:

- Act as an agency for providing farmers' feedback and inputs for preparation/compilation of Action Plans and for prioritization of activities as follows:—

  (i) BFAC to BTT.

  (ii) DFAC to ATMA GB and MC (through nominated representatives).

  (iii) SFAC to SAMETI for training related needs and SNC for finalisation of SEWP (through nominated representatives).

Note: These administrative bodies will necessarily consider suggestions given by these Advisory Committees based on technical feasibility and financial viability (including availability of funds). If inputs are not received from these Advisory Committees before the meetings of BTT, ATMA (GB and MC), SAMETI or by SNC in time, the respective administrative bodies need not delay their deliberations and decision making solely on this account.

- FACs shall meet as per the following periodicities:—

  (i) BFAC: Once in a month during the season and quarterly in lean season.

  (ii) DFAC: Quarterly and preferably before ATMA MC.

  (iii) SFAC: Quarterly.

- Help in formation and nurturing of Farmer Interest Groups at Block level and below.

APPENDIX I

MINUTES OF THE NINETEENTH SITTING OF THE STANDING COMMITTEE ON AGRICULTURE (2015-16)

The Committee sat on Tuesday, the 29th March, 2016 from 1100 hours to 1350 hours in Committee Room 'E', Parliament House Annexe, New Delhi.

PRESENT

Shri Hukm Deo Narayan Yadav — *Chairperson*

MEMBERS

Lok Sabha

2. Prof. Ravindra Vishwanath Gaikwad
3. Prof. Richard Hay
4. Shri Janardan Mishra
5. Shri Ajay Nishad
6. Shri Dalpat Singh Paraste
7. Shri Nityanand Rai
8. Shri Mukesh Rajput
9. Shri Konakalla Narayana Rao
10. Shri Arjun Charan Sethi
11. Shri Satyapal Singh (Sambhal)
12. Shri Virendra Singh
13. Shri Jay Prakash Narayan Yadav

Rajya Sabha

14. Shri A.W. Rabi Bernard
15. Shrimati Renuka Chowdhury
16. Shri Janardan Dwivedi
17. Shri Vinay Katiyar
18. Shri Mohd. Ali Khan
19. Shri Rajpal Singh Saini
20. Shri Ram Nath Thakur
21. Shri Shankarbhai N. Vegad

SECRETARIAT

1.	Shri U.B.S. Negi	—	*Joint Secretary*
2.	Shri Arun K. Kaushik	—	*Director*
3.	Shri C. Vanlalruata	—	*Deputy Secretary*

WITNESSES

Ministry of Agriculture and Farmers Welfare
(Department of Agriculture, Co-operation and Farmers Welfare)

1.	Shri Shobhana Kumar Pattanayak	—	Secretary
2.	Shri Kumar Sanjay Krishna	—	AS & FA
3.	Shri Jalaj Srivastava	—	Additional Secretary
4.	Dr. Ashok M.R. Dalwai	—	Additional Secretary
5.	Smt. Sangeeta Verma	—	ESA
6.	Shri S.K. Malhotra	—	Agriculture Commissioner
7.	Shri Utpal Kumar Singh	—	Joint Secretary
8.	Shri R.B. Sinha	—	Joint Secretary
9.	Smt. Rani Kumudini	—	Joint Secretary
10.	Shri Rajesh Kumar Singh	—	Joint Secretary
11.	Shri Ashish Kumar Bhutani	—	Joint Secretary
12.	Shri Narendra Bhushan	—	Joint Secretary
13.	Shri Sanjay Lohiya	—	Joint Secretary
14.	Dr. Shakil P. Ahammed	—	Joint Secretary
15.	Shri K.S. Srinivas	—	Joint Secretary
16.	Shri Amitabh Gautam	—	Joint Secretary
17.	Shri Dinesh Kumar	—	Joint Secretary
18.	Shri Ashwani Kumar	—	Joint Secretary
19.	Shrimati Vibha Pandey	—	Chief Controller of Accounts

Commission on Agricultural Costs and Prices

1.	Shri Suresh Pal	—	Chairman, CACP
2.	Smt. Shailja Sharma	—	Member, CACP
3.	Shri Rajeev Lochan	—	Adviser

2. At the outset, the Chairperson welcomed the Members of the Committee to the Sitting convened for taking evidence of the Ministry of Agriculture and Farmers Welfare (Department of Agriculture, Cooperation and Farmers Welfare) in connection with the examination on Demands for Grants (2016-17). Thereafter, the Chairperson welcomed the witnesses to the Sitting and apprised them of the provisions of the Directions 55(1) and 58 of the Directions by the Speaker, Lok Sabha regarding confidentiality of the proceedings.

3. After the witnesses introduced themselves, the Committee *inter-alia* raised the following queries:—

I. Reasons for reduction of BE at RE Stage and actual expenditure being lower than RE during the last four fiscals of the Twelfth Plan;

II. Reduced share of the Department in Central Plan outlay in Twelfth Plan, in comparison to Eleventh Plan to other Departments of the social sector;

III. Increase in BE of 2016-17 on Non-Plan side;

IV. Pendency of Utilization Certificate;

V. Variation in Price of Agri Implements Purchased by farmers under Rashtriya Krishi Vikas Yojana (RKVY);

VI. Outcome of enquiry into purchase and usage of non-approved pesticide *i.e.* Raxil for treatment of Karnal Bunt Disease in Wheat by Government of Haryana under RKVY;

VII. Misuse of Central Subsidy and financial irregularities under RKVY;

VIII. Under-utilization of BE funds by States/UTs under RKVY;

IX. State-wise details of Agri-implements Purchases by farmers under RKVY during the last four fiscals alongwith the present status of these implements;

X. Need for a dynamic monitoring mechanism to increase viability of Central Schemes;

XI. Need to relook the concept of Minimum Support Price as well as its viability;

XII. Decreasing cost of agricultural inputs so as to enhance income of farmers and thus striving for making agriculture as remunerative and viable and sustainable vocation;

XIII. Digitization of Agriculture markets and live telecast of bidding and auction process;

XIV. Promote cultivation of traditional breeder seeds;

XV. Develop seeds that require less water and less use of pesticides on them;

XVI. Action against dealers selling spurious insecticides/pesticides;

XVII. Ensure that benefits of Scientific Research percolate down to the farm level;

XVIII. Increased allocation for promoting organic farming;

XIX. Promote use of other bio-pesticides like Kesava apart from Neem;

XX. Tackle the issue of diseased coconut palms in Kerala at the earliest and work towards developing disease resistant high yielding variety of coconut;

XXI. Promote cultivation of Pulses;

XXII. Whether National Horticulture Mission has been successful in meeting its objectives or no;

XXIII. Periodicity of field visits of Central Teams of States/UTs for monitoring implementation of various schemes of the Department;

XXIV. Further fine-tuning of schemes of the Department to ensure a focused approach as well as avoid overlapping of schemes;

XXV. Information on agricultural schemes to be simple and precise and to be provided in the vernacular language for ease of understanding;

XXVI. Whether all States/UTs were consulted before formulation and implementation of Pradhan Mantri Fasal Bima Yojana (PMFBY);

XXVII. Can Krishi Vigyan Kendras (KVKs) and Agricultural Technology Management Agency (ATMA) can be involved in increasing the reach of PMFBY;

XXVIII. Agency that would assess loss to crops under PMFBY;

XXIX. Steps to increase accuracy of data collected from Crop Cutting Experiments (CCEs) and take the help of satellite imagery in the same;

XXX. If the target of providing access to agri-insurance within the next two years achievable or not;

XXXI. Measures taken to attract farmers towards Agri-Insurance Scheme;

XXXII. Ensuring access of farmers to institutional credit, *i.e.* Agri loans;

XXXIII. Special focus on training of farmers so as to develop farmer trainers who would then impart training to farmers;

XXXIV. Ensure technology demonstration as farmers are able to replicate the same on their field after having witnessed the same with their own eyes;

XXXV. Involve Agri Clinics and Agri Business Centres in implementation of various agri-schemes at Panchayat Level;

XXXVI. Need for farmer Consultative Committee at Block Level;

XXXVII. Provide information to the representatives of the people on ATMA and other schemes of the Department;

XXXVIII. Frequency of meetings of ATMA core Committee like Governing Body (GB), ATMA Managing Committee; Block Technology Team (BTT), Block Farmer Advisory Committee (BFACs) and District Farmer Advisory Committees (DFACs);

XXXIX. Explore the possibility of according farmers the right to choose their brand of agri-implements after providing them subsidy;

XL. Ensure timely completion of Soil Health Testing Exercise;

4. The Representatives of the Ministry responded to the queries raised by the Members. The Chairperson thanked the witnesses for sharing the information with the Committee and desired that the requisite information on the points/items, which was not readily available with them be furnished to the Secretariat at the earliest.

5. A copy of verbatim record of the proceedings has been kept separately.

The Committee then adjourned.

APPENDIX II

MINUTES OF THE TWENTY SECOND SITTING OF THE STANDING COMMITTEE ON AGRICULTURE (2015-16)

The Committee sat on Thursday, the 28th April, 2016 from 1000 hrs. to 1100 hrs. in Room No. '138', Chairperson's Chamber, Parliament House, New Delhi.

PRESENT

Shri Hukm Deo Narayan Yadav — *Chairperson*

MEMBERS

Lok Sabha

2. Shri Nalin Kumar Kateel
3. Md. Badaruddoza Khan
4. Dr. Tapas Mandal
5. Shri Ajay Nishad
6. Shri Dalpat Singh Paraste
7. Shri Nityanand Rai
8. Shri Mukesh Rajput
9. Shri Arjun Charan Sethi
10. Shri Satyapal Singh (Sambhal)

Rajya Sabha

11. Shrimati Renuka Chowdhury
12. Shri Mohd. Ali Khan
13. Shri Ram Nath Thakur
14. Shri Shankarbhai N. Vegad

SECRETARIAT

1. Shri U.B.S. Negi — *Joint Secretary*
2. Shri Arun K. Kaushik — *Director*
3. Shrimati Juby Amar — *Additional Director*
4. Shri C. Vanlalruata — *Deputy Secretary*
5. Shri Sumesh Kumar — *Under Secretary*

2. At the outset the Chairperson welcomed the members to the Sitting of

the Committee. The Committee, then, took up the following draft Reports for consideration:—

*(i) *** *** *** ***

*(ii) *** *** *** ***

(iii) Twenty Fifth Report on Demands for Grants (2016-17) of the Ministry of Agriculture and Farmers Welfare (Department of Agriculture, Cooperation and Farmers Welfare);

*(iv) *** *** *** ***

3. After some deliberations, the Committee adopted the draft Reports without any modification and authorized the Chairperson to finalise the Reports on the basis of factual verification from the concerned Ministry/Department and present the same to Parliament.

4. *** *** *** ***

The Committee then adjourned.

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*Matter not related to this Report.

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