

THIRTY SECOND REPORT

MINISTRY OF AGRICULTURE

(DEPARTMENT OF ANIMAL HUSBANDRY AND DAIRYING)

DEMANDS FOR GRANTS

(2002-2003)

PART I

CHAPTER I

ANIMAL HUSBANDRY AND DAIRYING – AN OVERVIEW

Functions

1.1 The Department is responsible for matters relating to livestock production, preservation, protection and improvement of stocks, dairy development and also for matters relating to the Delhi Milk Scheme and the National Dairy Development Board. It also looks after all matters pertaining to fishing and fisheries, inland and marine.

1.2 The Department advises the State Governments/Union Territories in the formulation of policies and programmes in the field of Animal Husbandry and Dairy Development and Fisheries. The main focus of the activities is on (a) the development of the requisite infrastructure in the States/Union Territories for improving the animal productivity, (b) the preservation and protection of livestock through provision of health care, (c) strengthening of Central Livestock Farms (Cattle, Sheep and Poultry) for development of superior germs plasm for distribution to States and (d) expansion of Aquaculture in fresh and brackish waters, development of coastal marine and deep sea fisheries, construction of requisite infrastructure like fisheries harbours and fish landing centers and welfare of fisherfolk etc.

1.3 Demand No. 3 relates to the Department of Animal Husbandry and Dairying. The demand provides for implementation of various Central and Centrally Sponsored Schemes together for Plan and Non-Plan activities.

1.4 The Budget Estimates for the year 2002-03 are Rs. 334.98 crores which includes Rs. 300.00 crores for Plan schemes and Rs. 34.98 crores for Non-Plan activities.

1.5 The revenue section of the Budget Estimates for 2002-03 has proposals for an expenditure of Rs. 311.65 crores while the Capital Section has proposals for Rs. 23.33 crores, thus taking the total to Rs. 334.98 crores.

Share of allocation of Department of AH&D

1.5 The total Central Plan outlay of Government of India is Rs. 4,89,361 crores for the Ninth Plan. This includes Internal and Extra Budgetary Resources (IEBR) Rs. 2,85,379 crores of various Central Ministries and Departments and Budgetary Resources of Rs. 2,03,982 crores earmarked by GOI to various Central Ministries and Departments. The Department of AHD has no IEBR and had been earmarked allocation of Rs. 2,345.64 crores, out of the budgetary Resources for the Ninth Plan. This accounts for about 0.48% of the total Central Plan outlay of GOI. However, it accounts for about 1.1% of the Net Budgetary Resources, earmarked by GOI to various Central Ministries for the Ninth Plan.

1.6 The share of Department of Animal Husbandry and Dairying has increased from 0.35% in 1997-98 to 0.37% in 1999-2000 but declined to 0.23% in 2001-02 of the total Central Plan of GOI during 9th Plan. During the first 3 years of the Plan, it, however, varied from 0.87% to 0.90% of the Budgetary Resources earmarked by GOI. The share

of Department of AHD has been further reduced to 0.21% of the total Central Plan of GOI and 0.45% of the Budgetary Resources during 2002-03.

1.7 The year wise details of the allocation of the Department of AHD alongwith total Central Plan outlay and Budgetary Support earmarked by GOI and IEHR of Central Ministries, during the 5 years of Ninth Plan and 1st year of Xth Plan are given below :

Sl. No	Period	Central Plan Outlay of GOI			Allocation of DAHD	% share of DAHD	
		Total	IEBR	Budgetary Resources		Total	Budgetary Resources
1.	2	3	4	5	6	7	8
1.	Ninth Plan	489361	285379	203982	2345.64	0.48	1.1
2.	1997-98	91839	557019	36130	319.15	0.35	0.88
3.	1998-99	105187	62723	42464	381.90	0.36	0.90
4.	1999-2000	103521	59521	44000	381.90	0.37	0.87
5.	2000-01	117334	66058	51276	300.00	0.26	0.58
6.	2001-02	130181	70725	59456	300.00	0.23	0.50
7.	2002-03	144038	77167	66871	300.00	0.21	0.45

1.8 The Committee desired to know the efforts made by the Department to get higher allocations. The Secretary, DAH&D during oral evidence stated as follows :-

“The budgetary allocation of the Department of Animal Husbandry & Dairying has been fixed at Rs 300.00 crores for the last three years i.e. 2000-01 to 2002-03. This is despite the fact that the Department has formulated Annual Plan proposals far in excess of the approved budgetary allocation for each of these years. For the Annual Plan 2002-03, the Department proposed an outlay of Rs. 469.50 crores but only Rs. 300.00 crores have been allocated by the Planning Commission. The Department took up the matter with Planning Commission for enhancing the budgetary allocation. However, the Planning Commission expressed its inability to raise the budgetary allocation in view of financial constraints.”

Ninth Plan Outlay

1.9 The Department was initially earmarked in January 98, a Plan allocation of Rs. 1677.88 crores for implementing various Plan schemes in animal husbandry, dairy development and fisheries sectors, during the Ninth Plan. In pursuance of Government's strategy for doubling food production and making India hunger free in 10 years, the National Development Council in its meeting held on 19.2.99, stepped up the Plan allocation of the Department, from Rs. 1677.88 crores to Rs. 2345.64 crores with a minimum allocation of Rs. 1426.73 crores for Special Action Plan.

1.10 Accordingly, the Department reviewed its priorities and identified 17 specific schemes, as core plan, for achieving an accelerated growth of production of livestock products viz. milk, egg and fish and earmarked Rs. 1763.62 crores for these specific schemes, as per the break-up given below:

Sl.No.	Particulars	Allocation for Ninth Plan
1.	Extension Fozen Semen Technology/PTP	320.00
2.	National Bull Production Programme	82.20
3.	National Ram/Buck Production Programme	21.05

4.	Assistance to States for Piggery Development	44.00
5.	Assistance to States for Poultry/Duck Farms	16.20
6.	Assistance to State for Fodder Development	50.00
7.	Assistance to States for Control of Livestock Diseases	119.00
8.	Creation of Disease Free Zones	48.00
9.	Integrated Dairy Development in non-of Hilly/Backward Areas	250.00
10.	Assistance to Co-operative	150.00
11.	Organisation of New Dairy Cooperatives	20.00
12.	Setting up of Vidya Dairies	25.00
13.	Establishment of Fishing Harbours	150.17
14.	Development of Fresh Water aquaculture	150.32
15.	Development of Marine Fisheries	86.55
16.	National Welfare of Fishermen	100.36
17.	Fishery Survey of India	130.77
	Total	1763.62

1.11 Against the 9th Plan allocation of Rs. 2345.64 crores, a total BE of Rs. 1682.95 crores was earmarked for the Department, which is about 72% of the 9th Plan Allocation.

Non-Plan Allocation

1.12 A non-plan allocation of Rs. 222.46 crores had been earmarked during the Ninth plan, to meet the expenses of secretariat of the Department, Pay and allowances and other expenses of Subordinate Offices, net expenses of DMS and its organization, and other expenses like payment of custom duties on external aid in kind and International Cooperation etc.

Comparison of Eighth & Ninth Plan

1.13 The following table indicates the expenditure during Eighth and Ninth Plan :-

(Rs. in crores)

actual budgetary expenditure of the Department of Animal Husbandry and Dairying during Eighth Plan :		actual budgetary expenditure of the Department of Animal Husbandry and Dairying and fisheries during Ninth Plan:	
1992-93	Rs. 333.10	1997-98	Rs. 209.81
1993-94	Rs. 421.58	1998-99	Rs. 170.24
1994-95	Rs. 380.95	1999-2000	Rs. 207.30
1995-96	Rs. 447.73	2000-01	Rs. 213.28
1996-97	Rs. 404.25	2001-02	Rs. 240.00 RE
	Rs. 1987.61		Rs.1040.63

*The Fisheries Department was transferred to the Department of Animal Husbandry and Dairying w.e.f. 10th October, 1997.

1.14 The Department has stated that the utilisation of funds during Ninth Plan has been low mainly due to following reasons:-

- “Due to delay in approval of Ninth Plan, EFC memos of many schemes could not be considered and administrative approval of schemes could not be communicated to the States in the initial two years. As a result adequate

proposals for central assistance were not timely received from State Governments.

- Due to ban on new schemes during 1997-98, BE for new schemes were frozen.
- The Election Commission did not allow to float the EFC of new schemes before the Lok Sabha Election. As a result, BE of new schemes was reduced in that year.
- Due to lack of resources and financial constraints, the State Governments are not fully participating in case of Centrally Sponsored schemes, which envisages a sharing of the expenditure between Centre and States.
- Non-submission of viable proposals for release of funds by the States/UTs.

1.15 The utilization of fund has been low during Ninth Plan mainly due to late start or non approval of new schemes. The delay has resulted in shortfall in the achievement of targets in respect of these schemes. The schemes being implemented have long gestation with long term goals. Therefore, adverse impact will be only in terms of time and cost overrun.”

Plan Allocation – Year wise

1.16 The year-wise Plan allocation and expenditure for the entire Xth Plan period for various sectors from (1997-98 to 2001-2002) has been as follows :-

(Rs. in crores)

Sector	1997-98		1998-99		1999-2000		2000-2001		2001-02		Total
	BE	Expd.	BE	Expd.	BE	Expd.	BE	Expd.	BE	RE	BE
1	2	3	2	3	4	5	6	7	8	9	10
A.H. Sector	160.15	94.84	170.40	53.03	160.08	97.26	124.90	85.10	156.49	118.07	772.02
Dairy Dev.	39.00	29.24	50.60	23.97	73.90	16.45	51.00	39.59	37.45	31.45	251.95
Fisheries	119.15	85.06	159.90	91.93	145.92	91.97	120.70	86.39	103.86	87.76	649.53
Sectt. & Eco. Services	0.85	0.67	1.00	1.31	2.00	1.62	3.40	2.20	2.20	2.72	9.45
Grand Total	319.15	209.81	381.90	170.24	381.90	207.30	300.00	213.28	300.00	240.00	1682.95

Details of Schemes/Programmes under operation during Ninth Plan and proposed for the Tenth Plan

Schemes/Programmes

1.17 The Department is implementing a total of 41 Plan schemes during 2001-02 of which 20 schemes relate to animal husbandry sector, 4 to dairy development and the remaining 17 to fisheries. The Department for the Tenth Plan has proposed to adopt macro-management approach by subsuming the existing related schemes. In order to avoid any duplication, the Department has carried out an exercise of zero-based budgeting/convergence resulting in merger and weeding out of some schemes. It is proposed to implement 16 schemes during 2002-03 which comprises of 7 macro-management schemes and 3 new schemes. Of the 16 schemes, 7 schemes relate to animal husbandry sector, 4 to dairy development and 5 to fisheries sector.

1.18 The 7 macro-management and 3 new schemes for the Annual Plan 2002-03 have been provided an allocation of Rs. 199.48 crores with the following break-up :

(Rs. in crores)
Allocation (2002-03)

Sl. No.	Macro-Management	
1.	Livestock and Poultry Improvement Programme	19.00
2.	Livestock Health	30.50
3.	Central Livestock Organisations	17.48
4.	Development of Inland Aquaculture and Fisheries	21.00
5.	Development of Marine Fisheries, Infrastructure and Post Harvest	15.00
6.	Welfare Programme/Human Resources Development	20.00
7.	Assistance to Fisheries Institutes	45.00
	New Schemes	
1.	Creation of Disease Free Zones	30.00
2.	Dairy/Poultry Venture Capital Fund Strengthening of Fisheries Database and information network	0.50
3.	Development of Fisheries in Hilly Region	1.00
	Total	199.48

Xth Plan Proposals and Scheme wise allocations

1.19 The Scheme-wise details of Tenth Plan proposals, Annual Plan (2002-03) proposals and Actual Budgetary Allocation for 2002-03 as follows:

(Rs. in crores)

S.No.	Name of the Scheme	Proposed 10 th Plan	Proposed Annual Plan 2002-03	B.E. 2002-03
I	Animal Husbandry	3910.00	220.50	156.98
1	National Project for Cattle and Buffalo Breeding Programme	500.00	50.00	50.00
2	Livestock and Poultry Improvement Prog.	650.00	36.00	19.00
3	Livestock Health	710.00	42.00	30.50
4	Central Livestock Organisations	240.00	25.50	17.48
5	Central Poultry Development Organisation	70.00	6.00	6.00
6	Directorate of Animal Health	140.00	8.00	3.50
7	Creation of Disease Free Zone (new)	1400.00	50.00	30.00
8	Dairy/Poultry Venture Capital Fund (new)	200.00	3.00	0.50
II	Dairy Development	550.00	54.00	36.52
1	Integrated Dairy Development Project	250.00	30.00	20.50
2.	Strengthening infrastructure for Quality & Clean Milk	140.50	2.00	0.02
3.	Assistance to Co-operatives	150.00	20.00	15.00
4.	Delhi Milk Scheme	10.00	2.00	1.00

III	Fisheries	1533.00	175.00	102.00
i	Dev. of Inland Aquaculture & Fisheries	280.00	25.00	21.00
ii	Dev. of Marine Fisheries, Infrastructure & post harvest	580.00	40.00	15.00
iii	Welfare Programmes/Human Res. Dev.	225.00	28.00	20.00
iv	Assistance to Fisheries Institutes	400.00	62.00	45.00
v	Strengthening of Database & Information Networking (new)	48.00	20.00	1.00
IV	Secretariat and Economic Services	90.00	20.00	4.50
	GRAND TOTAL	6083.00	469.50	300.00

CHAPTER II

SCHEME-WISE ANALYSIS

Animal Husbandry

9 th Plan allocation	1997-98			1998-99			1999-2000			2000-01			2001-02	
	BE	RE	Expd.	BE	RE	Expd.	BE	RE	Expd.	BE	RE	Expd.	BE	RE
1076.12	160.15	97.33	94.84	170.40	68.00	53.03	160.08	101.80	97.26	124.90	91.72	85.10	156.49	118.07

2.1 The total allocation for the 5 years of the IXth Plan was Rs. 1076.12 crores and the expenditure Rs. 448.30 crores. The proposal given by the Department to the Planning Commission for the Xth Plan was Rs. 3910.00 crore which included Rs. 1400.00 crore for Disease Free Zone and Rs. 200 crore for Dairy/Poultry Venture Capital Fund (both new schemes)

2.2 In view of a very low utilization during the IX Plan, the Committee enquired as to why such a high demand was made for the Xth Plan the Department in their reply stated in a note as under :

“The National Agriculture Policy aims to attain a growth rate in excess of 4% per annum in the agriculture sector which is feasible only if a growth rate of 6-8% is achieved in animal husbandry sector as the growth rate in crop production has stagnated at around 2%. Further, the approach paper to Tenth Five Year Plan also calls for diversification of agriculture into animal husbandry including dairying and poultry. In order to achieve these objectives, the Department has formulated Tenth Plan proposals aiming at rapid genetic upgradation of livestock, extension of dairy activities in non Operation Flood hilly and backward areas, provision of animal health services with special emphasis on creation of disease free zones and adoption of integrated approach to marine and inland fisheries. The Department in its Tenth Plan proposals has inter alia suggested to adopt macro-management approach to provide flexibility to State Governments in the implementation of the schemes and formulated proposals involving Rs. 6083.00 crores including Creation of Disease Free Zones and Dairy/Poultry Venture Capital Fund.”

2.3 In this connection, the Committee wanted to know as to whether the allocation of Rs. 156.49 for AH sector during 2002-03 would be fully utilized keeping in view the low utilization in the year 2001-02. The Department in their written reply stated as under :-

“The Department for the Annual Plan 2002-03 has made a provision of Rs. 156.98 crores for the animal husbandry sector. It has been noticed in the past that utilisation of funds has been low in respect of some schemes due to non-participation of the State Governments in the scheme. The utilisation is expected to improve in the year 2002-03 due to adoption of macro-management approach which will provide flexibility to the State Governments in the implementation of the schemes. The Department has also proposed a number of new schemes for the Tenth Plan as well as for the Annual Plan 2002-03. The details of the schemes where macro-management approach will be adopted and new schemes/ components are indicated below:-

S.No.	Name of the Scheme	BE 2002-03
I	Livestock and poultry improvement programme (Macro)	19.00
I	Feed & Fodder Production Enhancement Programme (new)	1.00
ii	Assistance to State Poultry/Duck Farms	5.00
iii	Mod. Of Slaughter Houses & CUC for hygienic meat	6.00
iv	Integrated Sample Survey	6.00
V	Building Infrastructure for AH Prog (new)	0.50
vi	Conservation of Threatened Livestock Breeds-small ruminants & Pack Animals (new)	0.50
II	Livestock Health (Macro)	30.50
I	Assistance to States for Control of Animal Diseases	15.30
ii	National Project on Rinderpest Eradication	12.00
iii	Professional Efficiency Development	3.20
III	Creation of Disease Free Zones (new)	30.00
IV	Central Livestock Organisations (Macro)	17.48
I	Central Cattle Development Org.	10.00
ii	Central Sheep Breeding Farm	1.48
iii	Central Fodder Development Organisation	6.00
V	Dairy/Poultry Venture Capital Fund (new)	0.50
	GRAND TOTAL	97.48

Cattle and Buffalo Development

2.4 Cattle and Buffalo Development is the most important component in Animal Husbandry Sector because of contribution of these two species in terms of value of output, employment generation, supplementing household nutrition and alleviation of rural poverty. Major emphasis in Cattle and Buffalo Development over various Plan periods have been enhancement of productivity through genetic improvement of non-discript low producing animals and conservation of important indigenous breed. The Department operated a number of schemes for this purpose which has resulted in creation of a formidable infrastructure of artificial breeding and a sizeable population of genetically upgraded cattle and buffalo. These achievements culminated in large increase in milk production making India the highest producer of milk in the world.

2.5 The ongoing schemes of Extension of Frozen Technology (EFST), Progency Testing Programme (PTP) and National Bull Production Programme (NBPP) has been subsumed into the National Project for Cattle and Buffalo Breeding (NPCBB), Phase-1 which started in 2000-01.

2.6 Besides NPCBB, the Department continues to operate seven Central Cattle Breeding Farms (CCBFs) in different regions of the country and one Central Frozen Semen Production and Training Institute (CFSPTI) in order to supplement the efforts of the State Governments in production of good quality breeding material and training of personnel engaged in cattle and buffalo breedings. The Department also operates a Central Herd Registration Schemes (CHRS) engaged in registration of elite animals of a few important cattle and buffalo breeds, activities of which is being integrated with NPCBB for wider coverage.

2.7 Against the total Ninth plan outlay of Rs. 470 crores for this sector, the following expenditure has been incurred:

Rs. in crores												
	1997-98			1998-99			1999-2000		2000-01		2001-02	
Ninth Plan Outlay	BE	RE	Actual	BE	RE	Actual	BE	Actual	BE	RE	BE	RE
470.00	40.19	41.30	39.55	49.87	15.00	11.91	56.00	41.15	53.00	35.20	54.85	34.42

BE for 2002-2003 is Rs. 60.00 crore

The following schemes are in operation:

A. Central Plan Schemes

Central Cattle Development Organisation

2.8 The Department operates 7 Central Cattle Breeding Farms, a National Frozen Semen Production and Training Institute and 3 Central Herd Registration Units in different parts of the country. These are geared for production of high pedigree bull calves and quality upgradation of stock. The scheme has three components mentioned below :-

- (i) Central Cattle Breeding Farms
- (ii) Central Frozen Semen Production and Training Institute
- (iii) Central Herd Registration Scheme

B. Centrally Sponsored Schemes

National Project for Cattle and Buffalo Breeding

Evaluation of Some Schemes under Cattle Development

(i) Central Cattle Breeding Farms

2.9 Seven Central Cattle Breeding Farms located in different agro-climatic regions of the country, maintain some important indigenous and exotic cattle breeds as well as buffaloes. Two of the farms also produce crossbred males for inter-se mating. Main objectives of these farms are :

1. Maintenance of rationalized herd strength of the important breed/type of cows and buffaloes and its progressive genetic improvement for milk production by scientific methods.
2. Production and distribution of superior pedigreed bulls for use in cattle and buffalo development programme and
3. Production of elite female for use as donor in embryo transfer project.

The Bull calf production

2.10 The Bull Calf Production during the years 1999-2000 to 2001-02 was as follows:

	1999-2000		2000-2001		2001-2002	
	Target	Achievement	Target	Achievement	Target	Achievement (upto Oct. 2001)
Bull Calf Production	330	323	350	362		
Supply of Bulls	280	.63	280	162		
Page 22 of Performance Budget gives these figures						
Bull calf Production			330	244	350	244
Supply of Bulls			280	126	280	69

2.11 The Committee during the Demands for Grants 2001-02 observed that the farms were producing more bull calves than the demand in the country. The Department in their reply to the recommendation made by the Committee informed that they have constituted a committee to study the different financial aspects of Central Cattle Breeding Farms. Subsequently, the Department in a note informed that the committee recently submitted its report and the recommendations of the Committee were under examination of the Department.

2.12 Regarding low supply of bulls during 2001-02, the Department stated that the bulls were supplied to the breeding agencies according to their demand. The low supply was because of the low demand from the States which could be due to non-availability of funds with them to procure the bulls. Another reason was that the breeding agencies preferred only very high pedigreed bulls. The other bulls produced at the farm were used for natural services. The left over bull calves/bulls were culled and auctioned.

Following are the financial outlays for this scheme

(Rs. in crores)

	Plan	Non-plan
BE 2001-02	6.35	6.38
RE 2001-02	6.85	6.54
BE 2002-03	7.00	6.68

2.13 The Committee pointed out that the financial outlays for 2001-02 at RE and BE 2002-03 have been enhanced despite of such a low demand of bulls and desired to know in regard to the demand placed by each State/Agency for the year 2001-02 the Department explained the reasons for enhanced allocations as under :-

“The financial outlays in RE 2001-02 and BE 2002-03 have been enhanced for procurement of bulls and bulls mothers for the farms to produce high pedigreed bulls and also to produce semen of high pedigreed bulls for improving genetic merit of cows and buffaloes. The state wise information regarding demand is not

available. The breeding agencies select the bulls from the list circulated by the farms and procure those bulls, which meet their requirement.”

When enquired about the heavy non-plan budget, the Department, in reply stated as under :-

“the farms have to maintain a large number of animals and also sustain Group C and D staff for the agricultural and livestock operations. In view of the escalation of price of materials procured by the farms and also increase in salary and wages, there is need to provide more funds under non-plan.”

(ii) National Project for Cattle and Buffalo Breeding

2.14 The Scheme National Project for Cattle and Buffalo Breeding which was launched in 2000-2001 aims at thorough re-organisation and re-orientation of the cattle and buffalo breeding operation in the country and has the following thrust areas :

1. Expansion of area under organized breeding programmes
2. Delivery of breeding inputs at farmers door step
3. Quality control of inputs and services
4. Improvement of indigenous breeds
5. Institutional restructuring for production of breeding inputs of high quality
6. Development of synergies of agencies involved in cattle and buffalo development

2.15 Following are the physical targets and achievements of the scheme:-

Name of Scheme	1997-98		1998-99		1999-2000		2000-2001		2001-2002		2002-03
	Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement	Target	Achievement	Target
Establishment of mobile A.I. centers (in hundred nos.)	20	34	20	8	61	28	59	24	40	33	65
Strengthening of sperm station (in nos.)	12	14	15	1	18	17	16	8	5	5	20
Establishment of Frozen Semen Banks (in nos.)	10	21	27	6	38	40	43	10	22	7	20

2.16 During the year 2000-2001 the Department was sanctioned Rs. 24.92 crores towards higher targets of these 3 schemes whereas in 2001-02, the Department was sanctioned Rs. 26.06 crores to achieve a lesser target. The reason given by the Department was as follows :

“The targets for 2000-2001 were against an allocation of Rs.44.00 crores of which only Rs. 24.92 crores could be released. Keeping in view the achievements made during 2000-2001 against the amount actually released and higher per unit cost of establishment of new mobile AI Centres as compared to introducing mobility in existing stationary AI Centres, targets for 2001-2002 were fixed on realistic basis on the basis of advice of Parliamentary Standing Committee.”

2.17 It was observed that the Department had achieved better targets in Establishment of Frozen Semen Banks in the old pattern of financing scheme. The Department was asked to give its views. In their written reply the Department stated :

“The old pattern of funding Frozen Semen Banks without appropriate consideration towards continuity of liquid nitrogen supply came in for severe criticism in the beginning of 9th plan. A number of Expert Committees constituted by the Department as well as the Working Group on Animal Husbandry set up by Planning Commission favoured the pattern adopted under National Project for Cattle and Buffalo breeding.”

Feed & Fodder Development

Other Programmes

2.18 Seven Regional Stations for forage Production and Demonstration were established during IVth & Vth Five Year Plans for strengthening of fodder seed production in the States under different agro-climatic conditions of the country.

The year-wise allocation and expenditure during 9th plan are given below:-

(Rs. in crores)			
Year	BE	RE	Expenditure
1997-1998	5.00	3.70	3.70
1998-1999	5.40	4.00	3.50
1999-2000	6.50	4.00	4.00
2000-2001	4.00	3.00	3.00
2001-2002	3.00	0.50	1.30*
Total	23.90	15.20	15.50

* Up to 21st March, 2002.

2.19 The Committee pointed out that the performance of this scheme was very dismal during the Ninth Plan, the Department in their reply stated that the performance of the Scheme Assistance to States for Feed and Fodder Development during 9th plan was not dismal as the budget estimates was reduced at the time of revised estimates which were fully released except during 1998-99 when adequate viable proposals were not received. Moreover, the utilization certificates from the State Governments are generally not furnished in time for the releases made during previous years. It was also experienced that the State Governments did not provide their matching share resulting in non-utilization of central share.

2.20 It has been stated in the Performance Budget that the scheme assisted for Feed & Fodder Development will be discontinued from the 10th Plan and a new scheme of Feed & Fodder Enhancement Programme will be taken up as suggested by the Planning Commission.

2.21 Asked about the reasons for changing the nomenclature and classification of the scheme, the Department while giving the details of the modified scheme as under:

“The existing Scheme Assistance to States for feed and fodder development has seven components for which grant in aid is provided to the State Governments on the basis of 25-100% of funds as Central Share. Greater attention is needed for enhancement of fodder production, in view of large-scale investment in upgrading the quality of milch cattle under the National Project for Cattle & Buffalo Breeding and shortage of fodder, both dry and green. In the new Scheme proposed to be taken up during tenth plan for enhancement of feed and fodder production, there will be more focus on coordinating the management of grasslands and pastures available in forests, wasteland development projects and grazing areas on government lands along strengthening infrastructure for feed and fodder development .”

The objectives of the modified scheme are as follows:-

- Increasing fodder seed production.
- Identification of pasture wastelands, community lands and their development for Fodder production.
- Strengthening of joint forest management for better community participation and Technical support.
- Establishment of fodder banks, convergence of fodder into feed blocks, enrichment of straw with urea and hay/ silage demonstration.

2.22 One of the objectives of the scheme is also to provide assistance to State Government agencies to build up their infrastructure and facilities by way of developing the existing farms and Establishment of Fodder Banks.

2.23 The States which were provided funds for establishment of fodder banks during 9th plan are :

Year	State
1997-1998	Karnataka & Mizoram (One fodder bank in each state)
1998-1999	Kerala & Karnataka (One fodder bank in each state)
1999-2000	J&K & Gujarat (Two fodder banks in each state)
2000-2001	Maharashtra ,Arunachal Pradesh and Karnataka (One fodder bank in each state)
2001-2002	-

It has been stated that no target is fixed for the first year of the tenth plan as the details of the new scheme are yet to be finalized.

2.24 Central Minikit Testing Programme of Fodder Crops:

The details of fodder minikits distributed in the 9th plan are given below:-

Year	Number of fodder minikits
1997-1998	3,00, 000
1998-1999	301052
1999-2000	343199
2000-2001	345367
2001-2002	382867

2.25 The details of the financial outlay and target of minikits year-wise during 9th plan are given below:-

Year	Outlays (Rs in crores)	Target (No of Minikits)
1997-1998	1.30	3,00,000
1998-1999	1.30	3,00,000
1999-2000	1.50	3,50,000
2000-2001	1.80	3,00,000
2001-2002	1.80	3,50,000

Central Sheep Breeding Farm, Hissar

2.26 Out of total 6477 acres of land provided to Central Sheep Breeding Farm, Hissar the Government of Haryana in May 1997 had taken back 4028 acres of land. According to the Department on this account the farm may find it difficult to achieve the targets. During 1999-2000 only 686 rams could be supplied to States. Farm stability at existing location is yet to be finalized with State Government of Haryana for extension of lease period and revision of lease rent hence developmental activities are being held up.

2.27 The Department in their Action Taken reply to the recommendation No. 7 of Demands for Grants 2001-02 on the functioning of the Central Sheep Breeding Farm stated that a high level committee has been constituted and its report was expected shortly.

2.28 In this connection, the Committee further enquired about the report of the High Level Committee and its salient features. In reply, the Department informed the Committee as under:

“On the directions of the Parliamentary Standing Committee on Agriculture, a High Level Committee under the Chairmanship of Dr. R. M. Acharya (Retd. Deputy Director General, I.C.A.R.) was constituted with the following terms of references:

- To suggest the ways and means for strengthening of the sheep farm for achieving the stipulated target of 950 quality rams production & supply thereof.
- To assess the problems associated with the functioning of Central Sheep Breeding Farm, Hissar with reference to land and other essential inputs requirement and suggest solutions including, if necessary, relocation of farm.
- To suggest technology for development of model sheep and goats units.

The report of the High Level Committee has been received recently. The salient features of the Report are as follows:

- Looking into the past performance of the Central Sheep Breeding Farm, Hissar with respect to the multiplication of the exotic sheep primarily due to problems of low reproduction rate and higher mortality, which are mainly due to non adaptation of exotic fine wool sheep to the environment prevailing at the farm and management practices followed, it is recommended that the farm may be relocated to a temperate location preferably in the hilly regions of the country comprising the States of Jammu & Kashmir, Himachal Pradesh & Uttaranchal.
- Considering the sheep breeding policy of the Government of India, breeding sheep for fine wool through grading with exotic fine wool breeds should be confined to northern temperate region. The improvement of sheep for carpet wool and mutton may be brought through selection within each recognized superior indigenous breed and grading the non-descript / poor performing breeds with superior indigenous breeds.
- Suggestions have been made in the report for adoption of modern reproduction biotechnologies and other management practices for sheep and goats which will help optimizing production of superior rams and bucks for distribution to the farmers for improvement of productivity of their flocks.

2.29 A meeting was held with the concerned States/Organizations in November, 2001 to discuss the Report of the High Level Committee and to decide about the further course of action. The following action points emerged out of the meeting:

* It should be ascertained that quality Beetal Goats are available in its breeding tract of Punjab.

- The State Government of Haryana may be requested to confirm that the remaining 2449 acres of land is made available on lease for a period of at least 25 years on the reasonable prevailing fixed lease rent.
- The States Governments of Jammu & Kashmir, Himachal Pradesh and Uttaranchal may be taken into confidence before transfer of exotic sheep to these States for their requirement, upkeep and maintenance without disturbing their own breeding activities.
- In case Govt. of Haryana do not accept our terms and conditions for the lease rent, the farm may be closed down since the availability of alternate suitable location for transfer of the farm is a question mark.

It has been stated that accordingly, the State Govt. of Haryana was being pursued.

2.30 The Department had stated in their reply earlier that the target of supply of 750 exotic and crossbreed rams annually to different states was not being achieved due to shortage of space. However, as against a target of producing 750 rams during 2001-02 it had supplied 881 rams upto November, 2001 to the States of Karnataka and Haryana. Explaining how the Department could manage to exceed targets in spite of the reduced land, the Department stated as under :-

“During 2000-01, only 419 rams could be procured by the States. There was a left over balance from previous years of supply of 350 rams as on 1st April 2001. The State Governments were vigorously persuaded to arrange procurement of rams

and 994 rams (previous balance cum 2001-2002 supply) have been supplied up to February, 2002. The target of supply, therefore, was nearly the same (750 rams).”

Livestock Health

2.31 The Veterinary Health cover is provided by the States/UTs through polyclinics/veterinary hospitals/dispensaries/first aid centres and mobile veterinary dispensaries. These institutions are fully supported by about 250 disease diagnostic laboratories functioning in the States and UTs for undertaking quick and proper diagnosis of diseases and for taking effective control measures. There are 29 veterinary vaccine production units in the country of which 22 are in the public and 7 in private sectors. The production of vaccine for livestock excluding FMD is about 12 million doses for combating major diseases. The efforts of the State Governments and Union Territories for the control of certain economically important diseases, are being supplemented by the Government of India with the following schemes:

A. Central Plan Scheme

Directorate of Animal Health

B. Centrally Sponsored Schemes

- (i) National Project on Rinderpest Eradication
- (ii) Assistance to States for Control of Animal Disease
- (iii) Professional Efficiency Development
- (iv) Creation of Disease Free Zones

The Central Plan Schemes of Directorate of Animal Health has the following four components :

- (a) Animal Quarantine and Certification Service
- (b) National Veterinary Biological Products Quality Control Board
- (c) Central Disease Diagnostic Laboratory
- (d) Directorate of Animal Health Service (Headquarters Cell)

The Centrally Sponsored Scheme of Assistance to States for Control of Animal Diseases has the following components :

- (i) Foot and Mouth Disease Control Scheme
- (ii) Animal Disease Surveillance Scheme
- (iii) Systematic Control of Livestock Diseases of National Importance

2.32 Following are the budgetary allocations and expenditure during 9th plan for Animal Health :-

(Rs. in crores)

9 th Plan outlay	Year	Allocation BE	RE	Actual Expenditure
284.00	1997-98	59.00	20.31	19.29
	1998-99	60.00	20.00	09.09
	1999-2000	38.00	16.59	17.29
	2000-01	35.76	27.61	25.45
	2001-02	68.00	34.95	
	2002-03	60.50		

Evaluation of some schemes under Animal Health are:

- (i) National Veterinary Biological Products Quality Control Centre

This National Centre after its establishment would approve the manufacturing methods of vaccines and biologicals, maintain accurate records, inspect and control the final products including the imported products. This would create confidence in safety and potency of the products manufactured in the country. This would also encourage export of vaccines and biologicals to the neighbouring countries of this region and thus help earning foreign exchange. This institute would also maintain seed strains of micro-organisms for the production of biological with a view to have a uniform standard of finished products.

2.33 The Committee noted that National Veterinary Biological Products Quality Centre is a central scheme approved during the Sixth Five Year Plan but its existence is only on paper since then. The Department have been providing the Budget Estimates for this scheme from the year 1992-93 continuously for setting up the National Centre.

2.34 The Department in their Action Taken reply to Recommendation No. 4 of the Report on Demands for Grants 2000-01 have informed that a committee under the chairmanship of National Project Co-ordinator, National Project on Rinderpest Eradication (NPRE) has been constituted to find out the suitability of a site at Ludhiana. The team visited the proposed site at Ludhiana in May 2000. After detailed discussion with senior officers the committee submitted the interim report and recommended this site belonging to the Department of Immunology of Punjab Agricultural University for the establishment of this Centre.

2.35 The Committee wanted to know the details of the report of the expert Committee and progress made by the Department in regard to designing and construction of the laboratory. The Department in their written reply informed the Committee as under :-

“The Expert Committee has recommended suitability of the existing Theileria vaccine laboratory building belonging to Punjab Agricultural University at Ludhiana for setting up of the National Veterinary Biological Products Quality Control Centre. The observations of the committee are as follows :

After seeing the campus, the Committee is of the opinion that the proposed National Veterinary Biological Products Quality Control Centre can be established in the above Theileria vaccine laboratory in the PAU campus. For this purpose, considerable alterations and modifications, including new constructions, have to be made in the building and premises after acquiring the whole site/campus of 10 acres.

2.36 The Committee had recommended that, short-term and long term measures should be immediately taken for setting up of the Centre at Ludhiana. The Recommendations of the Committee had been examined and it had been decided to set up the Centre at Ludhiana. The State Government of Punjab had been requested to arrange for handing over the land and the existing building to Government of India so that further steps to set up the Centre could be initiated.

2.37 The Committee while examining the Demands for Grants 2002-03 asked the Department whether the decision to set up the Laboratory was taken unilaterally by the Ministry or it had the concurrence of PAU, Ludhiana. The Department stated as under:-

“The decision to establish National Veterinary Biological Products Quality Control Centre at Ludhiana was taken by this Department based on the recommendations of a Team constituted by the Department which went

around to locate the Regional Disease Diagnostic Laboratory for the Northern Region and recommended the site at Ludhiana belonging to Punjab Agriculture University suitable for establishing the National Veterinary Biological Products Quality Control Centre. Subsequently, the State Government was requested to take the possession of the land and building from the University and to hand it over to this Department.”

2.38 When asked as to how much more time would it take for taking over the land from the State Govt. of Punjab. The Department in a note stated that:

In spite of vigorous persuasion, the State Government of Punjab did not show interest to hand over the land and building and to negotiate on the Memorandum of Understanding, as proposed by the Department. In view of this and considering the importance and priority of the Centre, the Department has decided to set up the Centre in Uttar Pradesh.

Control of Foot and Mouth Disease

2.39 The main objective of this programme is to protect valuable high yielding indigenous/crossbred and exotic livestock belonging to small and marginal farmers and landless labourers, by proper vaccination, for which the cost of vaccine is subsidized. Funds are released on 50:50 basis to States and on 100% to UTs. The cost of the vaccine is borne by the Centre, State and beneficiary in the ratio of 25:25:50. the vaccination is done twice a year using polyvalent vaccine. In certain specific outbreaks, where the strains are identified monovalent vaccine of that particular identified strain, is used for vaccinating the animals.

2.40 The year-wise allocation and expenditure on this component during 9th Plan are as under :-

Year	Allocation		Expenditure (Rs. in crores)
	BE	RE	
1997-98	3.00	2.75	2.89
1998-99	6.00	3.00	2.44
1999-2000	7.00	3.00	2.94
2000-01	5.50	3.00	3.00 (anticipated)
2001-02	4.50	4.00	---
2002-03	6.00	---	---

2.41 Physical targets and achievements for this scheme Foot and Mouth Disease are as under :-

The Ninth Plan target for vaccination was 130 million.

(in million)

Year	Target	Achievement
1997-98	22	20
1998-99	22	20
1999-2000	24	21
2000-01	26	15
2001-02	20	24
2002-03	26	---

2.42 In pursuance of the recommendation of the Committee in their 20th Report on Demands for Grants (1999-2000) and keeping in view the importance of Foot and Mouth Disease Control programmes in protecting the valuable high yielding cattle belonging to small and marginal farmers and landless labourers, the Department had requested the Planning Commission to accord approval to implement the scheme on 100% grant basis against the existing pattern of 25:25:50 between Central Government and State Government and beneficiary. The Planning Commission vide letter dated 24.8.89 had approved the proposal and advised formulation of a scheme for complete eradication of Foot and Mouth Disease on the lines of National Project on Rinderpest Eradication within the outlay sanctioned to the Department.

2.43 The Committee found that the scheme was still implemented on old pattern. When asked about its reasons, the Department in their written reply stated :-

“As per recommendations of the Planning Commission to implement the Foot and Mouth Disease Control Programme on 100% grant basis, the Department modified the relevant portion of the existing EFC Memorandum. Since the Foot and Mouth disease Control Programme is one of the components of the Centrally Sponsored Scheme ‘Assistance to States for Control of Animal Diseases’ the EFC Memorandum for the whole Scheme has to be modified and redrafted. Accordingly, the Department is modifying the existing EFC Memorandum for the whole Scheme whereafter the same would be processed for its approval”.

2.44 In this connection, during evidence on Demands for Grants 2001-02 the representatives of the Department of Animal Husbandry and Dairying informed the Committee as under :-

“In order to improve the Animal Health Status, we are resorting to improvement of our vaccines and we are trying to ensure programmes for creating this control of foot and mouth disease. A concern has also been expressed by the Hon. Members about this. The only limitation that we have is the shortage of money.”

2.45 The Committee pointed out that the disease was very dangerous and big and rich farmers would be able to go to the doctor and protect the rest of their animals after the outbreak of the FMD but the poor farmers would be able to go to the doctor for treatment only in four or five days by that time they would have incurred heavy losses of animals. Therefore, last year the Committee had recommended that this scheme should be 100% funded. Admitting that the economic losses due to the foot and mouth disease was very large, the representatives of the Department assured the Committee as under :-

“We will go through the whole matter and we will do it as soon as possible”.

2.46 The Committee again in their 20th Report on Demands for Grants 2001-02 had strongly recommended that top most priority should be given to this scheme for getting EFC memo cleared at the earliest to make the scheme a 100% centrally funded scheme.

2.47 The Committee note that the scheme is still running on the existing pattern even after the expiry of 2 Financial years.

2.48 Enquired about the steps taken by the Department to get the EFC memo cleared. The Department stated in a note as follows :-

“The EFC Memo after revising the share of central funding to 100% was circulated to all the Appraisal Agencies and the EFC meeting was also fixed for 20th June, 2001. However, the Plan Finance Division of Ministry of Finance in their Appraisal Note observed that any change in budgetary pattern of a scheme cannot be recommended at this stage of the current plan period.”

Creation of Disease Free Zones

2.49 This is a new scheme envisaged in the Ninth Plan to control and eventually wipe out FMD through creation of disease free zones in selected areas of potential growth of livestock products. This scheme which seeks to improve the export potential of livestock and livestock products is in a formative stage.

In the selected zones, a massive programme of vaccination will be carried out to make the zones disease free. Creation of disease free zones will help to generate demand of India's milk products in the world market, and improve the export potential of livestock products.

2.50 The Committee in their 20th Report on Demands for Grants 2001-02 enquired from the Department about the further progress made in the scheme. The Department stated as under :-

“The EFC Memorandum with an estimated expenditure of Rs. 48.00 crores as budgeted for the 9th Plan period has been prepared for implementing the scheme in three zones viz. Zone-I (Punjab, Haryana, Delhi and Western Uttar Pradesh), Zone-II (Gujarat) and Zone-III (Maharashtra and Andhra Pradesh) and circulated to the Appraisal Agencies for their comments. The comments from concerned Departments have been received and the same are being examined for modification of the Memorandum.”

The Ninth Plan outlay for the scheme is Rs. 48.00 crore and the budgetary allocations/expenditure for the years 2001-02 and 2002-03 are as under :-

Rs. in crores

2001-02		2002-03
BE	RE	BE
27.00	15.41	30.50

2.51 It was observed that the progress of the scheme does not appear in the Performance Budget 2002-03 and Annual Report 2001-02. The Department was asked the reasons for the same. They have replied as under :-

“The EFC Memo for the scheme Creation of Disease Free Zone with an allocation of Rs.48.00 crores for the Ninth Plan was formulated and then circulated to Appraisal Agencies for their comments.

On examining the comments of different Agencies, the Department formulated another EFC Memo for Rs.27.00 crores for Pilot Project on

Disease Free Areas during 2001-2002 only as a Central Sector Scheme. Considering the limited time frame, the amount was reduced to Rs.15.41 crores at RE stage during 2001-2002. The main objective was to generate scientific data on various parameters which will form the basis for preparing the document for the main scheme, Creation of Disease Free Zones to be implemented during the Tenth Plan. The EFC Meeting was held on 11.12.2001 wherein Planning Commission did not agree to approve it as a Central Sector Scheme during 2001-2002. On subsequent persuasion also, Planning Commission stood by their decision not to consider it as a Central Sector Scheme. Hence, no funds could be utilized under this scheme during 2001-2002. However, the Department is still making efforts to convince the Planning Commission to consider it as Central Sector Scheme and another letter from the Agriculture Minister to the Deputy Chairman, Planning Commission was sent on 15.03.2002.”

2.52 Explaining the high allocations to the scheme for the year 2002-03, the Department stated :

“Since the Department proposes to implement the scheme Creation of Disease Free Zones during Tenth Plan, a budgetary provision of Rs.30.50 crores has been kept for the first year of the Tenth Plan, i.e. 2002-2003.”

Dairy Development

Individual Assessment of Some Schemes

Assistance to Co-operatives

2.53 Over the years a number of dairy cooperatives with three-tier structure viz. village level primary cooperatives, district level unions and State level federations have been set up in different parts of the country under the Operation Flood Programme. For a variety of reasons, a number of these unions/federations have accumulated losses. These accumulated losses have been imposing severe hardships on the milk producers and their dairy economy, resulting in, among other things, delayed and irregular payments to the poor farmer members of these cooperatives.

2.54 The scheme ‘Assistance to Cooperatives’ was approved in January, 2000 for providing assistance in the form of grants for rehabilitation of loss-making dairy cooperatives/district level unions, as well as to State Level Federations. The scheme envisages the sharing of the rehabilitation assistance to the Co-operative by the Government of India and the concerned State Government, on 50:50 sharing basis. The scheme is expected to assist in the rehabilitation of around 70 sick unions, located in different parts of the country and will provide a further fillip to milk production in the country.

2.55 Following are the allocations and expenditure made during 9th Plan against the total outlay of Rs. 50 crore :-

(Rs. in crores)

Year	Allocation	Expenditure
1997-98 (9 th Plan)	2.00	0.00
1998-99 –do–	13.00	0.51
1999-2000 –do–	16.00	3.80
2000-01 –do–	25.00	17.00
2001-02 –do–	15.00	9.00 (RE)
2002-03 (10 th Plan)	15.00	---

2.56 The Tenth Plan allocation to the scheme is Rs. 150 crore. Elaborating on the activities undertaken by the Department under the scheme, the Department stated as follows:-

“Six proposals submitted by NDDB for the Co-operative Milk Unions of Ajmer, Bhilwara and Jaipur in Rajasthan Dharwad in Karnataka and Gwalior and Raipur in Madhya Pradesh were considered by the Standing Finance Committee of the Department of Animal Husbandry and Dairying in its meeting held under the chairmanship of Secretary (AH&D) on 22.3.2000. Proposals relating to Gwalior and Raipur in Madhya Pradesh with a total rehabilitation cost of Rs. 1440.00 lakh and Rs. 480.00 lakh respectively have been approved. The cost would be shared between Government of India and Government of Madhya Pradesh on 50:50 basis. Rs. 3.8 crores was released to NDDB for these two schemes in financial year 1999-2000 out of the RE provision of Rs. 4.00 crores.”

In reply to another query, the Department stated:

“There is no fixed maximum amount of assistance as 50% central share for a sick unit. However, as per the provisions of the scheme, the maximum assistance in terms of grant to any cooperative is limited to the minimum amount required so that the net worth becomes positive within 7 years, after allowing for appropriate sacrifices by existing creditors. In any case, the total grant does not exceed the accumulated cash losses.

11 rehabilitation proposals have been approved under the scheme during the year 2001-2002 (upto 19.3.2002) namely HIMUL in West Bengal; Pune; Wardha in Maharashtra; Allahabad in Uttar Pradesh; Bijapur; Gulbarga in Karnataka; West Assam in Assam; Kohima in Nagaland; Hoshiarpur; Amritsar and Jalandhar in Punjab. About 25 rehabilitation proposals are expected to be covered during the 10th Plan period.”

2.57 Allocation has been made to the following two new schemes in the year 2002-2003:

Dairy/Poultry Venture capital fund	BE Rs. 50.00 Lakhs
Strengthening infrastructure for quality and clean milk.	BE Rs. 2.00 Lakhs

2.58 The main objectives of these two schemes as given by the Department in their reply are :-

Dairy/Poultry Venture capital fund

- To promote setting up of modern dairy farms for producing clean milk in a cost-effective manner.
- To bring about structural changes in the unorganized sector by taking measures like processing and marketing of pasteurized milk at village level.
- To bring about quality up gradation and up gradation of traditional technology to handle milk at commercial scale using modern equipment and management skills.

Strengthening infrastructure for quality and clean milk.
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- To create necessary infrastructure for the production of quality and clean milk and milk products at the farmers level to the points of consumption.
- To improve milking procedure at the farmers level.
- To strengthen extension and communication infrastructure to create mass awareness about importance of clean milk.
- To develop competence in all the stakeholders through effective HRD programme for clean milk production.

Delhi Milk Scheme

2.59 Delhi Milk Scheme is a Central Sector Scheme functioning since 1st November, 1959. The main objective of the scheme is to supply wholesome milk and milk products to the citizens of Delhi at a reasonable price after processing in Dairy Plant and also to ensure remunerative and steady market for the milk products in the/around the Capital.

2.60 It was observed that Delhi Milk Scheme prior to March 2000 had always stressed the difference in the price of milk between DMS and Mother Dairy, while accounting for its losses. Now that the prices have become equal but DMS still maintains its losses and these are increasing year after year as under: -

2000-01	Loss of Rs.16 crores
2001-02	Loss of Rs.17.25 crores
2002-03	Loss of Rs.18.15 crore (approx)

2.60 Apart from rising prices of various inputs (which is there for Mother Dairy also). the other factors responsible for these losses as given by the Department are as under :-

“Apart from rising prices of various inputs, the other factors are the large workforce employed in the organization, with huge wage bill and low capacity utilization.”

2.61 The Committee further wanted to know the measures adopted for automation of the plant in its functions. The Department stated as follows:

“A proposal for automation, which includes phased automation in the areas of CIP (Cleaning in Place), processing and instrumentation in

refrigeration/boiler, etc, at an estimated cost of Rs. 20 crores has been prepared.”

2.62 In this connection, when the Committee enquired the Department as to why DMS was not replicating the practices adopted by Mother Dairy. The Deptt. in a written note stated :

“Following are the reasons for DMS not being able to replicate practices adopted by Mother Dairy: -

- The Mother Dairy is an independent entity, registered under the Companies Act with full autonomy whereas DMS is a sub-ordinate office of the Department of Animal Husbandry and Dairying and governed by all the rules and regulations of the Government.
- The Mother Dairy plant is highly mechanized with less manual work whereas DMS is largely dependent on manual operation and is labour intensive.
- Processing systems of both plants are distinctively different. DMS is primarily selling its milk in poly packs while the Mother Dairy is primarily engaged in bulk vending. The poly packing operations are highly labour intensive and involve high investment cost. Apart from above, the plant has to bear an additional burden of washing of the used pouch crates, thereby increasing the load of bio-mass on the effluent treatment facilities.”

On downsizing of manpower the Department informed that :-

- 237 posts in DMS have been abolished.
- New recruitment has been stopped.
- Around 200 daily paid have been disengaged.
- About 190 employees have retired between 200-2002 and these posts have not been filled up.

2.63 Further during evidence the representatives of the Department informed the Committee that:-

“In fact, we have on hand a limited way of automation. The project is ready. We went to the Cabinet. Last time, they asked us to come out with a viable proposition. The Government of India is saying that it should be a public limited company or a private limited company or a joint venture. There are different options. In fact, this is the only organization since 1964 where there has been six or seven committee recommendations including the Sarkaria Committee’s recommendation about the set up.

The DMS is in a peculiar situation. The Government of India’s decision is that it should be given to the Delhi Government but the Delhi Government is not taking it. We are pursuing it with the Delhi Government. Now, Planning Commission has said that it does not care for the DMS. I requested them for keeping some funds because in case there is a fire I have to step in. In the Cabinet, the Finance Minister said that he would not give funds to the DMS because it is not very efficient”.

2.64 In reply to a further query about the money needed for modernization of the DMS, the representatives of the Department during evidence stated :-

“We do not know that correctly because modernization would be taken up only if we retain the DMS with us. If the DMS were to be handed over to the Delhi Government, it would become their job. Actually, the Delhi

Government got a study done through the NDDB. They have got a report also but that report was not shared with us. This kind of a situation is continuing.”

Fisheries

2.65 Following are the budgetary allocations for fisheries:

9th Plan approved outlay is Rs. 800 crore
(Rs. in crores)

Year	BE	Expenditure
1997-98 (9 th Plan)	119.15	85.06
1998-99 -do-	159.90	91.93
1999-2000 -do-	145.92	91.97
2000-01 -do-	120.70	86.39
2001-02 -do-	103.86	87.76
2002-03 (10 th Plan)	102.00	

2.66 When the Committee pointed out that there was a downtrend in budgetary provisions as well as under utilization of funds year after year, the Department gave the following reasons :-

“Poor off take from the States was the main reason for low spending. Some of the Schemes like Motorisation of Traditional Craft became unpopular because it could not be revised commensurate with increase in the unit cost due to objections by the Finance Ministry. The major schemes, ‘Development of Freshwater Aquaculture’ and ‘National Welfare of Fishermen’ also could not be revised until mid 2000 to accommodate the increase in input cost due to delay in obtaining necessary approvals.”

2.67 It is observed that higher demands were placed for 2000-01 and 2001-2002, although the Department was not able to utilize the allocated amount during the previous years of 9th Plan. The Department was asked to give reasons, in their reply the Department stated :-

“As the schemes of Development of Freshwater Aquaculture, Establishment of Fishing Harbours and National Welfare of Fishermen were revised during 2000-2001, higher off take under these schemes was expected during 2001-2002 and hence higher allocation was sought.”

2.68 The Department had proposed Rs. 175.00 crore for 2002-03 to the Planning Commission. The reasons for such a high demand as stated by the Department are :-

“In the light of the recommendations of the Planning Commission and the Working Group Report on Fisheries, and as a sequel to the zero based budgeting exercise, it has been decided to combine schemes in the Fisheries Sector under 5 broad heads and allocations have been made under each of these heads on the basis of anticipated requirement during 2002-03. The various constituent schemes under these broad heads along with their outlays are indicated in the table below.

Sl. No.	Whether CS/CSS	Name of the Scheme	Annual plan outlay (2002-2003)
1.	Centrally Sponsored Schemes (CSS)	Development of aquaculture and Fisheries	
		A. Aquaculture	
		a) Development of Freshwater aquaculture (FFDA) (on-going)	
		b) Development of coldwater fish culture (new)	
		c) Development of waterlogged areas and derelict water bodies In to aquaculture estate (new)	
		d) Utilisation of inland saline soil for aquaculture (new)	
		e) Coastal aquaculture including setting up disease diagnostic labs and establishment of quarantine facilities (modified)	
		Sub-total	
		B. Inland capture Fisheries	
		Programme for augmenting productivity of reservoirs (new)	
		Total (A+B)	25.00
2.		A. Development of Marine Fisheries	
		a) Introduction of intermediate crafts of improved design (new)	
		b) Resource specific deep sea fishing vessels (new)	
		c) Motorisation of traditional craft (modified)	
		d) Subsidy on kerosene (New)	
		e) Safety of Fishermen at sea (New)	
		Sub-total	
		a) Establishment of Fishing harbours (on-going)	
		b) Strengthening of post harvest infrastructure (new)	
		Sub-total	
		C. Maintenance of dredging equipment (on-going)	
		Total (A+B+C)	40.00
3.	CS	Welfare Programmes/ Human Resource Development	
		A. Welfare of Fishers (on-going)	
		B. Human Resource Development	
		Training and Extension including HRD (modified)	
		Total (A+B)	28.00
4.	Central Sector	Assistance to Fisheries Institutes (on-going/modified)	
		a) FSI	
		b) IFP	
		c) CIFNET	
		d) CICEF	
		Total (a+b+c+d)	62.00
5.	CS	Strengthening of Database and Information Networking (new)	20.00
Grand Total			175.00

2.69 The Fishery Survey of India is responsible for survey and assessment of marine survey resources of the Indian EEZ; monitoring of fishery resources for fisheries regulation, management and conservation; assessment of suitability of deep sea fishing gear, preservation of environment and ecology of marine eco-system etc. It has seven operational bases at Porbander, Mumbai, Mormugao, Cochin, Chennai, Vishakhapatnam and Port Blair. 12 oceans going survey vessels are deployed for fishery resources survey and monitoring. A great deal of work in the field of survey of coastal pelagic, deep sea mid-water and oceanic tuna resources is yet to be done.

2.70 The allocations and expenditure to this scheme during 9th Plan is as follows:-

9th Plan outlay is Rs. 130.77 crores
(Rs. in crores)

Year	BE	RE	Expenditure
1997-98	15.50	13.42	10.38
1998-99	27.00	12.00	10.60
1999-2000	38.00	17.11	17.57
2000-01	22.03	18.96	16.31
2001-02	22.00	22.00	-----
2002-03	40.73	-----	-----

2.71 The Department of Animal Husbandry and Dairying had submitted a white paper in response to recommendation No. 14 in 8th Report on Demands for Grants 2000-01 and made the following commitments:

Sl. No.	Time Frame	Action to be Taken
1.	May-Dec. 2000	Approval of EFC Memo, clearance by CCEA finalisation of global tender documents, and issue of tenders. Scrutiny and selection of tenders.
2.	Jan.-April 2001	Execution of ship building contract, placing of orders, completion of 1 st stage construction
3.	May-July, 2001	Completion of 2 nd stage of construction – up to main deck level
4.	Aug. 2001-April 2002	Completion of construction and launching, fitting out and basin trials.
5.	May-June, 2002	Acceptance tests and trials, delivery and commissioning of vessels

2.72 The Committee were also informed that a revised EFC memo for purchase of three Survey Vessels at an approximate cost of Rs. 73.60 crores has since been referred to the integrated Finance Division for their concurrence on 10.5.2001.

2.73 In response to a query on the up-to-date progress in the purchase of the vessels, the Department has explained :-

“The EFC Memo was sent to Internal Finance Division in May, 2000. After receiving their concurrence, it was circulated to other appraisal agencies for their comments. The comments of the appraisal agencies were incorporated and the final EFC Memo was discussed by the EFC chaired by Secretary (Expenditure) on 23.3.2001.

Although the initial proposal was for purchase of 3 vessels for the Fishery Survey of India (FSI) but EFC accorded approval only for 2 vessels at a total cost of Rs. 48.84 crores. Thereafter, the proposal was processed for obtaining the approval of the Competent Authority. After obtaining approval, Director General, FSI was informed to proceed further for purchase of two vessels at a total cost of Rs. 48.84 crores. DG, FSI prepared the draft global tender and obtained the approval of the Ministry of Law. The draft global tender, as approved by the Ministry of Law, was examined in the Ministry and approval was conveyed to DG, FSI to notify/ publish the global tender immediately. The process of notification/ publication of the global tender is in progress and the tender is likely to be notified/ published in the near future.”

2.74 It has been stated in the Tenth Plan Document that at least eight vessels require immediate decommissioning as they are more than 16 to 18 years old. Moreover, the vessels already in possession of the Institute are not fully equipped to carry out the survey properly in the Indian EEZ.

A need is felt that few more fishing survey vessels with modern technologies to carry out the survey work extensively in the Indian EEZ be procured/purchased immediately. There is also a need to reorganize the activities of the Institute for strengthening data collection with modern Information Technology, dissemination, monitoring of marine fishery resources, etc.

Aquaculture Authority Bill, 2000

2.75 A writ petition was filed in the Supreme Court of India in September, 1994 alleging that unregulated shrimp farming was damaging the environment and violated the provisions of Coastal Regulation Zone (CRZ), Notification 1991. The Supreme Court on December, 1996 held that aquaculture is an industry and is covered by the prohibition imposed in the CRZ Act and directed amongst other things that an authority be constituted under the Environment (Protection) Act, 1986 to deal with the situation and that the Authority so constituted by the Central Government shall implement the “precautionary principle” and the “polluter pays principles”. Review Petitions were filed by Ministry of Agriculture, other State Governments & MPEDA.

An Aquaculture Authority was set up through a Notification dated 6th February, 1997 headed by a retired High Court Judge. The need for a legislation was felt by Ministry of Law because the grounds contained in the Review Petition of Ministry of

Agriculture, were similar to the grounds which had already been proposed in the earlier Review Petitions and rejected by the Supreme Court. Because, there was little likelihood or success in the pending Review Petition an alternate plan of action, was, therefore, suggested to prevent what would otherwise amount to a severe setback to the development of coastal aquaculture. This alternate plan of action was to get the Bill passed in both the Houses of Parliament. A Bill was introduced in the Rajya Sabha on 28th February, 2000 and referred to the Parliamentary Standing Committee on Agriculture (PSCA) on 6th March, 2000. The Committee presented a report to Parliament on 4th December, 2000. The report suggested some amendments in the provisions of the Bill. The Bill has not been re-introduced for consideration and passing.

2.76 The latest position of the Bill as given by the Department in their written reply is as under:-

“The Aquaculture Authority Bill 2000 intended for development of coastal aquaculture as an environment friendly and sustainable activity and providing for the Aquaculture Authority was introduced in the Rajya Sabha and was referred to the Standing Committee on Agriculture for examination and report. The Standing Committee has submitted its report to the Parliament on 4th December 2000. As per the recommendations made by the Parliamentary Standing Committee and considering the suggestions from various quarters, it was decided to take up the matter with the Cabinet for finalising the Bill. Accordingly, a draft Cabinet Note dated 19th April 2001 was circulated to various Ministries/ Departments for their comments. The Department of Legal Affairs while concurring with the proposals in the Cabinet Note, has advised that it would be appropriate to finalise the proposal after the final order of the Supreme Court in a relevant court is received.”

Maintenance of Dredging Vessel TSD Sindhuraj Procured under Japanese Grant Aid Programme

2.77 The Externally Aided Project on procurement of dredger under Grant Aid Programme has been completed during March, 1999 with Grant aid of Yen 1248.00 million.

2.78 The dredger is manned, managed and operated by Dredging Corporation of India (DCI) on behalf of the Ministry of Agriculture for carrying out maintenance dredging on the minor fishing harbours on the east and west coast of India. The Ministry of Agriculture is providing expenditure for operation, marine insurance coverage charges incidental expenditure and losses also, if any to DCI.

2.79 A budgetary provision of Rs. 39.99 lakhs is provided at RE stage for the maintenance of the dredger for the year 2001-02. BE provision of Rs. 1.00 crore is provided for the year 2002-03. The dredger is proposed to be deployed at fishing harbours based on the request received from States/ UTs.

2.80 The Department was asked to state the number of hours of dredging has the Sindhuraj has done during the years 1999-2000, 2000-01, 2001-02 and what is the target for 2002-03. It was also asked to give the standards set for this dredger between the

Ministry and the manufacturer before buying the dredger. The Department furnished the following details:

“The details of the dredging work carried out by TSD Sindhuraj during the years 1999-2000, 2000-01 and 2001-02 are as given below:

S. No.	Year	Dredging hours
1.	1999-2000	1512 hours 45 minutes
2.	2000-01	260 hours 05 minutes
3.	2000-02	Nil

The dredger is due for statutory dry docking during the year 2002-03.

As per the basic design study report on the project for construction of the dredger for minor fisheries harbours in India, prepared by the Overseas Agro-Fisheries Consultants Co. Ltd, the average annual operation period of the dredger TSD Sindhuraj is 250 days.

The Dredging Corporation of India has been collecting service charges, mobilisation and demobilisation charges of Rs. 1.80 lakhs per day, Rs. 6.00 lakhs and Rs. 3.00 lakhs respectively. These charges are subjected to the condition that the dredger will work in daylight for 10 to 12 hours only and carry out dredging for minimum average quantity of 700 cubic meters per day. The charges also vary from place to place depending upon petroleum and oil prices.

On the allocation of Rs. 1.00 crore towards maintenance, the Department stated as follows :

“As mentioned above, the dredger TSD Sindhuraj is due for statutory dry docking during the year 2002-03 and the expenditure incurred for dry docking is to be borne by Government Of India, the owner of the Dredger and thus higher demand of budget during the financial year.”

Concept of 2000 based budgetary/convergence of schemes

2.81 On the subject of `Concept of 2000 based budgetary/Convergence of schemes in their note the Department has stated the concept as under :-

“The Department in consultation with Planning Commission has initiated an exercise of Zero Based Budgeting/Convergence of Scheme in order to avoid any duplication or overlapping in their implementation. As a result of this exercise, a number of schemes were identified for weeding out/discontinuation. The schemes which are proposed to be weeded out have either been completed or have become insignificant for continuation.

The 16 schemes are indicated in Annexure III A of the Tenth Plan proposals. Of these, only 3 schemes – (i) Cattle Insurance, (ii) World Bank Project for Shrimp and Fish Culture and (iii) Acquisition of Dredging Equipment have been completed and the specified targets achieved. National Ram/Buck Production Programme and Development of Pack Animals have been discontinued by Planning Commission. The existing Scheme of Assistance to States for Feed and Fodder is to be discontinued from the Tenth Plan and a new Programme on Feed and Fodder Enhancement Production is proposed to be taken up. The

remaining Schemes are not being taken up in their existing form, as the activity components of these Schemes, by and large, are covered under the macro-management approach being proposed for the 10th plan.

The Department for the Tenth Plan has proposed seven schemes based on the macro management approach to rationalize their implementation and to accord greater flexibility to the State Governments. However, the merged Schemes will have their separate identify as a component.”

PART – II**RECOMMENDATIONS/OBSERVATIONS****ANNUAL PLAN ALLOCATION FOR DEPARTMENT OF ANIMAL HUSBANDRY AND DAIRYING**

1. The Committee note that the Department has been allocated Rs. 300 crore (Plan) for the year 2002-2003. Incidentally, the plan budgetary provision for the years 2000-01, 2001-02 was also Rs. 300.00 crore. The actual budgetary expenditure for these years has been Rs. 207.30 crore for 1999-2000, Rs. 213.28 crore for 2000-01 and Rs. 240.00 crore for the year 2001-02. The expenditure has risen gradually but was nowhere near the budgetary provisions. In spite of this low utilization, the Department has approached the Planning Commission for funds to the tune of Rs. 469.50 crore for the year 2002-2003.

The reasons for low utilization of funds during 9th Plan were stated to be delay in approval of the plan due to which adequate proposal for Central assistance were not timely received from State Governments, ban on new schemes in 1997-98, Lok Sabha elections and lack of enthusiasm among State Governments in case of Centrally Sponsored Schemes etc. The Committee are not convinced by the reasons put forth by the Department for low utilization of funds because the time between dissolution of eleventh Lok Sabha and the constitution of 12th Lok Sabha is around 3 months and also because there are other Departments who have gone through the same circumstances in the earlier years but have shown near full utilization. Further, the Planning Commission has once again reiterated before the Committee that good and sound proposals are never denied funds. The Ministry of Food Processing Industries was sailing in the same boat some years back, but the Committee is proud of the fact that good proposals, persuasion by the Committee has borne fruit and the Ministry has been given a 3 fold increase in Xth Plan allocations. In the opinion of the Committee, the proposals/schemes which are not properly formulated and have many loose ends are denied funds. In this scenario, the Committee can only come to one conclusion that the Department is not performing well.

The Committee, therefore, impress upon the Department to formulate their proposals carefully and critically evaluate, them, before going to the Planning Commission for higher allocations.

Performance during Eighth, Ninth and Tenth Plans – An evaluation

2. The Committee are informed that the Government during the Ninth Plan stepped up the allocation of the Department from Rs. 1677.88 crore to Rs. 2345.64 crore under the Special Action Plan. In accordance with the mandate of the Special Action Plan, the Department reviewed priorities and identified 17 schemes as core plan for achieving an accelerated growth of production of livestock products. The performance of the Department could not come up to the expectations and the Budgetary provisions had to be brought down to Rs. 1682.95 crore out of which Rs. 1040.63 crore was spent.

The Committee note that Eighth Plan expenditure of the Department was Rs. 1987.61 crore and that of the Ninth Plan was Rs. 1040.63 crore which works out to approx. 50% of the Eighth Plan expenditure. The utilization of money gives a clear picture of why the targets were minimized, States did not ask for funds for fear of having to give matching contributions and utilization certificates, animal health scheme suffered, co-operatives have gone sick, laboratories have not been set up, fishing vessels have not been purchased etc. etc. during the Ninth Plan.

The Committee also note that the National Agriculture Policy announced by the Government envisages a higher growth rate of 6-8% in the Animal Husbandry Sector. The Department has taken some new initiatives in the Tenth Plan by changing the funding pattern, releasing the money directly to the State Implementing Agency and a macro management approach. It is hoped that it will improve the utilization of funds by the Department. In this connection, the Committee are constrained to note that some amount of funds (Rs. 300 crores) were allocated to the Department during the years 2000-01, 2001-2002 and 2002-03. Seemingly no structural changes have been made in the schemes of the Department.

The Committee, therefore, direct the Department to overhaul, reconstruct and plan their schemes to the benefit of the Animal Husbandry and Dairying alongwith fisheries sector so, that the Tenth Plan Targets and the National Agricultural Policy targets are achieved.

Supply of Bulls by Central Cattle Breeding Farms

3. The Committee note that bulls are supplied by Central Cattle Breeding Farm to various States as per their demand and rest of the bulls are auctioned. During 1999-2000 the production of bulls was 323 but against the target of supply of 280 bulls, the department could supply only 63 bulls. During 2000-01 the production of bulls was 362 but against the target of supply of 280 bulls the Department could supply 162 bulls. The Committee also note that despite a low demand from States financial outlays had been enhanced at RE stage of 2001-02 from Rs. 6.35 crore to 6.85 crore. The budgetary provisions for 2002-03 is Rs. 7.00 crores. When the Committee desired to know the figures of demand placed by various states/agencies, the Department could not furnish the information. Further there are variation in figures of the production and supply of bulls.

The Committee are surprised at the way the Department is functioning. It is evident that bulls will be surplus when they are produced without an actual demand. The Committee feel that a high allocation gives rise to higher production and a higher sale through auctions which may attract unhealthy practices.

The Committee in their 20th Report on Demands for Grant 2001-02 had recommended for setting up a committee which can actually study the aspects of revenue generation, and also had recommended for percentage cut of plan budget so that the funds can be spent on other needy schemes.

The Committee wish to be informed about the salient features of recommendations made by the Committee constituted for the purpose and action taken thereon by the Department. They also desire that an enquiry should be conducted in case some malpractices are suspected in the auction of surplus bulls.

Foot and Mouth Disease

4. Since 1999-2000 the Committee has been continuously recommending that the scheme for Control of Foot and Mouth disease should be a 100% Centrally Sponsored Scheme. The Department had assured the Committee time and again that it would take all possible steps to make the scheme 100% Centrally Sponsored. In this connection, the Department also made correspondence with the Planning Commission but to no avail.

The Committee have now been informed that the Plan Finance Division of the Ministry of Finance observed that any change in budgetary pattern of a scheme could not be recommended at that stage (i.e. June 2001) of the current plan period. The Committee take a very serious view of the attitude shown by the Ministry of Finance in this regard. According to the Committee, the health of the livestock is of utmost importance for Animal Husbandry in the country and again the nation has suffered due to loss of export earnings and also loss to the farming community due to the death of animals suffering from foot and mouth disease. The Committee, therefore, desire that the Department should vigorously pursue the matter with the Ministry of Finance/Planning Commission to make the scheme 100% Centrally funded.

Now that the Ninth plan period is over and we have stepped into the Xth Plan the Committee desire that a whole hearted effort should be made by the Department to get the scheme 100% Centrally Sponsored. Also, the Committee request the Ministry of Finance not to create hurdles in the way of programmes pertaining to health of human beings as well as animals.

National Veterinary Biological Products Quality Control Centre

5. The Committee feel that the dream of the Department for setting up of National Veterinary Biological Quality Control Centre is only on papers. Since 1992-93 the Department has been making allocations for this scheme but not a single rupee could be spent on the project as the Government is indecisive in choosing the suitable place for setting up the center. The Committee during the Demands for Grants 2001-02 were informed that a team under the Chairmanship of National Project Co-ordinator, National Project on Rinderpest Eradication (NPRE) visited the proposed site at Ludhiana in May 2000 and recommended this site for establishment of the centre. For this necessary alteration modifications were to be made after acquiring the whole site/campus of 10 acres belonging to Department of Immunology, PAU. The Committee had recommended to the Department that they

should take immediate short-term and long term measures for setting up of the centre at Ludhiana.

The Committee are constrained to note that the Centre has not been established till date. They have been informed that the Punjab Govt. did not show any interest to hand over the land and building and also to negotiate on the Memorandum of understanding as proposed by the Department. In view of this the Department have now identified a site in Uttar Pradesh to set up the centre.

The Committee deplore the lackadaisical approach of the Department in handling the case of setting up of the National Veterinary Biological Products Quality Control Centres. It should have been known to the Department that the Punjab Govt. was having second thoughts in the transfer of the land and property for the proposed centre because the Department has been continuously in touch with them and negotiating the issue. This reflects the unprofessional and casual attitude of the Department in addressing this issue. The Committee feel that the selection of alternative site for the centre could have been done much earlier. This could also have saved the Rs. 5.00 crore parked for this centre and helped other programmes with additional re-appropriated funds.

Thus the Committee desire that the Department should take over the land selected logistically immediately after obtaining its clear title, for an early establishment of the National Veterinary Biological Products Quality Control Centres.

Central Sheep Breeding Farm, Hissar

6. The Committee find that out of 6477 acres of land provided to Central Sheep Breeding Farm, Hissar, the Government of Haryana had taken back 4028 acres of land in 1997, which had made it difficult for the farm to achieve its laid down targets. In fact, against the target of supply of 1000 rams per year the farm have scaled down the supply of rams to 750 annually. The dispute regarding lease rent which is long pending is yet to be resolved with the Government of Haryana. In view of the uncertain situation in CSBF, Hissar, the Committee during Demands for Grants 2001-02 had recommended that the Department should set up a high level committee to suggest alternate site for the Farm and furnish its findings to the Committee. The Department have now informed the Committee that the report of the High Level Committee has been received and its salient features discussed in November, 2001 with the concerned States and Organisations. In the meeting, one of the action points that emerged was that the State Government of Haryana may be requested to confirm that the remaining 2449 acres of land is made available on lease for a period of at least 25 years on the reasonable prevailing fixed lease rent. In case the Govt. of Haryana do not accept the terms and conditions for lease rent, the farm may be closed down since the availability of alternate suitable location is a question mark. It was also decided to relocate the breeding sheep for fine wool to a temperate location preferably in the hilly regions of the country comprising the States of Jammu and Kashmir, Himachal Pradesh and Uttarakhand. The Committee would like to have a look at the Report of the aforesaid Committee to have a feel of the complexity of the problem before suggesting any long term

remedial measures. In this connection, the Committee suggest that before deciding upon a site to shift the farm, the State Government of UP, Maharashtra, Rajasthan, MP, Gujarat etc. whenever the farm is likely to be relocated may be taken into confidence to avoid the repetition of the National Veterinary Biological Products Quality Control Centre episode.

Integrated Sample Survey for the estimation of Production of major livestock Products

7. The Committee are informed that in order to build up a data base and information system for the major livestock products like milk, eggs, wool and meat and to evaluate and monitor the livestock statistics, the Department of Animal Husbandry and Dairying will conduct regular surveys in all States/UTs and the results of such surveys will be published in an annual publication named 'Basic Animal Husbandry Statistics.' The first publication 'Basic Animal Husbandry Statistics'-2001 will be published shortly.

The Committee are happy that such a compilation of Statistics is being published. The data will be very useful to the nation. The Committee wish that copies of the publication are sent regularly to the Committee for use by Members.

Assistance to Co-operatives **Recommendation No.8**

8. The Committee note that this scheme aims at revitalizing the sick dairy cooperative union at the district level and cooperative federations at the state level. The scheme aims to be implemented on 50:50 sharing basis. The Ninth Plan outlay for this scheme was Rs.150.00 crore and the 10th Plan outlay is also Rs.150.00 crore. The Committee find that the total expenditure on this scheme was Rs. 30.31 crore during the Ninth Plan. The Department have stated that the expenditure will pick up once the condition that the Government of India's share would be released through the NDDB only when the share of the State Government has been received by the Union Federations is met.

The Committee are of the opinion that in this era of liberalization wherein the prices are determined by market forces, small cooperatives will not be able to survive unless assisted by bigger players in the field. Co-operatives which have fallen sick in the days when cooperatives were not allowed to commercialise and the cooperatives had the full support of the Government, cannot sustain the onslaught of bigger cooperatives turning into private sector industries. In such a situation whatever assistance will be provided to sick cooperatives will not bear fruit. The Committee are of the view that now the time has come for these sick cooperatives to fight and stand on their own feet and if they really want to become functional, they should arrange the finances among themselves i.e. as Members of the Cooperatives to make the Cooperative viable. This scheme may be reconsidered in the light of the new developments.

Delhi Milk Scheme

9. The Committee are of the firm opinion that the Delhi Milk Scheme is a clear case of inept handling and gross indecision on the part of the Department. It has led DMS to a state of complete breakdown incurring huge losses year after year. In this connection, the Committee feel that the day is not far off when DMS will crumble on its own weight.

In this world of liberalization, computerization, automation, sanitary awareness and downsizing all odds are with the DMS. Mother Dairy, on the contrary, has the capacity to withstand the pressures, as it is constantly upgrading, modernizing and has the vision of a private entrepreneur. The Committee are of the considered opinion that it would be better to liberate the DMS from the shackles of Govt. control and find its own ground.

Dredging Vessel TSD Sindhuraj

10. The TSD Sindhuraj dredging vessel as per basic design study report prepared by Overseas Agro Fisheries Consultants Co. Ltd. has to have an average annual operation period of 250 days. The Sindhuraj can be paid for operation only if it works for 10 to 12 hours a day and carries out dredging for minimum average quantity of 700 cubic meters per day. With these specification the Sindhuraj must work for at least 2500 hours a year.

The Committee note that for the year 1999-2000 the first year of operation the Sindhuraj was in sea for 1512 hours and 45 minutes against the target of 2500 hours. It was underutilized for 1000 hours approximately. For the year 2000-01 it was dredging for 260 hours only. A shortfall of 2240 hours. The loss in monetary terms are service charges of Rs. 1.80 lakhs per day, mobilization charges of Rs. 6.00 lakhs and demobilization charges of Rs. 3.00 lakhs, which amounts to Rs. 180 lakhs as service charges for 1999-2000 and Rs. 400 lakhs in the year 2000-01. Another Rs. 39.99 lakhs for 2000-2001 and Rs. 1.00 crore for 2001-02 has been provided for maintenance. The Sindhuraj is in heavy losses right from the 1st year of operation.

The Committee in view of the performance of the dredger suggest that an effective plan of utilization of the dredger may be chalked out so that it does not prove to be drain to the fisheries sector through underutilization and maintenance.

Fishery Survey of India

11. The Department of Animal Husbandry and Dairying had submitted a white paper in response to Recommendation No. 14 in 8th Report on Demands for Grants (2000-01) the Committee recommended for purchase of three survey vessels at the approximate cost of Rs. 73.60 crores. The Department had given a time frame of five stages for procurement of survey vessels. The last and fifth stage was fixed from May to June, 2002 for acceptance tests and trials, delivery and commissioning of vessels. The Committee regret that the Department in these 2 years have just got approval of purchase of two vessels instead of three. The process of Global tendering is yet to start.

The Committee are further informed that at least eight vessels require immediate decommissioning as they are more than 16 to 18 years old. Moreover,

the vessels already in possession of the Institute are not fully equipped to carry out the survey properly in the Indian Exclusive Economic Zone (EEZ). A need has been felt that few more fishing survey vessels with modern technologies to carry out the survey work extensively in the Indian EEZ be procured/purchased immediately. There is also a need to reorganize the activities of the Institute for strengthening data collection with modern Information Technology dissemination, monitoring of marine fishery resources, etc.

The Committee would like to draw attention to its 17th recommendation in the Ninth Report on Demands for Grants for the year 1998-99 wherein seeing to the frequent breakdown of Survey vessels with FSI it had recommended that it would be prudent to make a purchase of all the vessels at one time with one block grant as this would help to eliminate the recurring expenditure of Rs.3 crore on the repair of vessels year after year. However, the Department gave satisfying reasons against the purchase of vessels and the Committee was compelled to recommend in its 20th Report on Demands for Grants 1999-2000 stating that the Government should satisfy itself that Survey work does not suffer because of vessels, be it by acquiring four vessels of IFP and utilizing its entire fleet of 12 vessels or by acquiring entirely a new fleet of vessels as suggested earlier by the Committee. The Committee leave it to the Government to take a decision. But, the Committee is unified in their views that the Government will not be excused for spending heavily on extensive repairs, docking of old vessels for many number of days, inability to achieve targets, under utilization of allocations etc.

The Committee, therefore, recommend that the Department would be wiser by purchasing all new survey vessels in one go rather than going in for piece meal purchases.

Welfare of Fishermen

12. The Committee note that there is a scheme 'Saving-cum-relief scheme' whose objective is to provide financial assistance to fishermen during lean fishing season. The scheme has been revised from 2000-01, by changing the pattern of assistance and also including the inland fishermen in the scheme. The monthly contribution of marine fishermen is Rs. 75/- for eight months, while that of inland fishermen is Rs. 50/- for nine months. A matching amount is provided with equal contribution from Central and State Governments. The payment made to marine fishermen will be Rs. 300/- per month for four months while inland fishermen will get Rs. 300/- per month for three months. The Committee wish that a protection scheme for fishermen be evolved in case of a fish famine in any part of the country as in the case of drought and flood in the country. The Department may consider and formulate a scheme on these lines to help the affected fishermen.

Aquaculture Authority Bill, 2000

13. On the Aquaculture Authority Bill, 2000 the Committee has been informed that the Department of legal affairs has advised that it would be appropriate to finalise the proposal after the final order of the Supreme Court is received.

The Committee note that in the initial stage, the Ministry of Agriculture felt that their Review Petition will be defeated so they brought a legislation to by-pass the Supreme Court. Now instead of re-introducing the Bill in the Houses a plea has been taken that on the advise on the Ministry of Law it will not be appropriate for them to reintroduce the Bill. The Committee are not inclined to accept this explanation. The Committee, therefore, feel that the matter is one which requires detailed explanation from the Ministry.

The Committee, therefore, recommend that the Bill may be reintroduced and it can still be discussed in the two Houses keeping in view the directions given by the Supreme Court.

NEW DELHI
9 April, 2002
19 Chaitra, 1924 (Saka)

S.S. PALANIMANICKAM,
Chairman,
Standing Committee on Agriculture.