

**STANDING COMMITTEE ON AGRICULTURE**  
**(2004-2005)**

FOURTEENTH LOK SABHA

MINISTRY OF AGRICULTURE  
(DEPARTMENT OF ANIMAL HUSBANDRY AND DAIRYING)

DEMANDS FOR GRANTS (2005-2006)

ELEVENTH REPORT



LOK SABHA SECRETARIAT  
NEW DELHI

April, 2005/Chaitra, 1927 (Saka)

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Presented to Lok Sabha on 20.4.2005

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**LOK SABHA SECRETARIAT  
NEW DELHI**

**April, 2005/Chaitra, 1927 (Saka)**

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## CONTENTS

### COMPOSITION OF THE COMMITTEE

### INTRODUCTION

#### PART - I

CHAPTER I Introduction

CHAPTER II Sector-wise Analysis

#### PART - II

### Recommendations/Observations

### APPENDICES

Minutes of the Sixteenth Sitting of the Committee held on  
2 April, 2005

Minutes of the Eighteenth Sitting of the Committee held on 9  
April, 2005

**COMPOSITION OF THE STANDING COMMITTEE ON AGRICULTURE (2004-2005)**

**Prof. Ram Gopal Yadav – Chairman**

**MEMBERS**

**LOK SABHA**

2. Shri Hiten Barman
3. Shri Manoranjan Bhakta
4. Shri G.L. Bhargava
5. Shri Kuldeep Bishnoi
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20. Shri Mahboob Zahedi
21. # Smt. Anuradha Choudhary

**RAJYA SABHA**

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23. Shri Harish Rawat
24. Shri Pyarelal Khandelwal
25. Shri Raj Nath Singh
26. Shri Sk. Khabir Uddin Ahmed
27. Shri Bhagwati Singh
28. Shri Datta Meghe
29. Shri Bashistha Narain Singh
30. Shri Sharad Anantrao Joshi
31. \*Dr. M.S. Gill

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Chaudhary Munawwar Hassan ceased to be the Member of this Committee owing to his nomination to the Standing Committee on Labour w.e.f. 16.8.04 vide L.S. Bt.Pt.-II dt. 16.8.04

# Smt. Anuradha Choudhary has been nominated to this Committee w.e.f. 30.8.2004 vide L.S. Bt.Pt.-II, dt. 30.8.2004

Shri Raashid Alvi ceased to be the Member of this Committee owing to his nomination to the Committee on Personnel, Public Grievances, Law & Justice w.e.f. 31.8.2004 vide R.S. Bt Pt-II dt. 31.8.2004

\*Dr. M.S. Gill has been nominated to this Committee w.e.f. 31.8.2004 vide R. S. Bt Pt-II dt. 31.8.2004

**Secretariat**

1.	Shri P.D.T. Achary	-	Secretary
2.	Shri N.K. Sapra	-	Joint Secretary
3.	Shri Devinder Singh	-	Director
4.	Shri K.D.Muley	-	Under Secretary
5.	Smt. Ratna Bhagwani	-	Assistant Director
6.	Shri N.K.Touthang	-	Executive Assistant

## INTRODUCTION

I, the Chairman, Standing Committee on Agriculture, having been authorised by the Committee to submit the Report on their behalf, present this Eleventh Report on Demands for Grants of the Ministry of Agriculture (Department of Animal Husbandry and Dairying) for the year 2005-2006.

2. The Standing Committee on Agriculture (2004-2005) was constituted on 5<sup>th</sup>, August, 2004. One of the functions of the Standing Committee, as laid down in Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha, is to consider the Demands for Grants of the concerned Ministries/Departments and make a report on the same to the Houses. The report shall not suggest anything of the nature of cut motions.

3. The Committee took evidence of the representatives of the Ministry of Agriculture (Department of Animal Husbandry and Dairying) on 2 April, 2005. The Committee wish to express their thanks to officers of the Ministry of Agriculture (Department of Animal Husbandry and Dairying) for placing before them the material and information which they desired in connection with the examination of Demands for Grants of the Department for the year 2005-2006 and for giving evidence before the Committee.

4. The Committee considered and adopted the Report at their sitting held on 9 April, 2005.

NEW DELHI;  
YADAV  
9 April, 2005

*PROF. RAM GOPAL*  
*Chairman,*

19 Chaitra, 1926 (Saka)

*Standing Committee on Agriculture*



## **PART-I**

### **CHAPTER – I**

#### **Introduction**

The Department of Animal Husbandry and Dairying (AH&D) {recently renamed as Department of Animal Husbandry, Dairying and Fisheries (ADF)} is one of the Departments in the Ministry of Agriculture and came into existence with effect from February 1991 by converting two divisions of the Department of Agriculture and Co-operation namely, Animal Husbandry and Dairy Development into a separate Department. The Fisheries Division of the Department of Agriculture and Co-operation and a part of the Ministry of Food Processing Industries was later transferred to the Department of Animal Husbandry and Dairying with effect from 10 October 1997.

1.2 Animal Husbandry, Dairying and Fisheries activities along with Agriculture is an integral part of human life. These activities have sustained their contribution to food basket, drought animal power and for maintaining ecological balance. These activities also play a significant role in generating gainful employment in the rural sector, particularly among the landless, small and marginal farmers and women besides providing cheap and nutritious food to millions of people. India is endowed with 57 per cent of the buffalo, 16 per cent of the cattle, 17 per cent of goats and 5 per cent of sheep population of the world. Similarly, a coastline of over 8,000 km. and immense inland water resources provide for vast fishery resources.

1.3 The employment in the livestock sector was approximately 19 million in principal status and subsidiary status according to the National Sample Survey Organisation's latest survey. Livestock and Fishery Sectors provide milk, eggs, meat and fish to meet the animal protein requirements of the large human population. According to estimates of

the Central Statistical Organisation (CSO), the value of output from livestock and fisheries sectors together at current prices was about Rs. 1,86,094 crore at current prices during 2002-03 (Rs. 1,56,080 crore for livestock and Rs. 30, 014 crore for fisheries). The contribution of these sectors in the total GDP during 2002-03 was 6.8%.

1.4 The contribution of these sectors to the food basket in the form of milk, eggs, meat and fish has been immense in fulfilling the animal protein requirement of growing human population. The trends indicate that the animal protein requirement both in India and the world is growing at a faster rate than other sources. The present availability of animal protein in an Indian diet is around 10 gm per person per day, as against a world average of 25 g. Keeping in view the growing population, the animal protein availability has to increase at least two-fold for maintaining the nutritional level of growing children and nursing mothers in India.

### **Functions**

1.5 The Department is responsible for matters relating to livestock production, preservation, protection and improvement of stocks and 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-both inland and marine.

1.6 The Department advises State Governments/Union territories in the formulation of policies and programmes in the field of animal husbandry, dairy development and fisheries. The main focus of the activities is on (a) development of requisite infrastructure in States/UTs for improving animal productivity, (b) preservation and protection of livestock through provision of health care, (c) strengthening of central livestock farms (Cattle, Sheep and Poultry) for development of superior germplasm for distribution to

States and (d) expansion of aquaculture in fresh, brackish water, (e) welfare of fisherfolk etc.

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

1.8 The Budget Estimates for the year 2005-06 are Rs. 710.69 crore which include Rs.669.08 crore for Plan Schemes and Rs. 41.61 crore for Non-Plan activities.

1.9 The revenue section of the Budget Estimates for 2005-06 has proposals for an expenditure of Rs. 690.47 crore while the Capital Section has proposals for Rs. 20.22 crore, thus taking the total to Rs. 710.69 crore.

#### **Ninth Plan Outlay and Expenditure**

1.10 The Department was initially earmarked in January 1998 a Plan allocation of Rs.1,677.88 crore 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 19.2.1999 stepped up the Plan allocation of the Department from Rs. 1,677.88 crore to Rs. 2,345.64 crore with a minimum allocation of Rs. 1,426.73 crore for Special Action Plan.

1.11 Against the 9<sup>th</sup> Plan allocation of Rs. 2,345.64 crore, however, an amount of Rs. 1,682.95 crore was earmarked for the Department at BE stage, which was about 72 per cent of the 9<sup>th</sup> Plan allocation. The Department had made an expenditure of Rs. 1,039.61 crore which was 62 per cent of the BE allocation and 44 per cent of total 9<sup>th</sup> Plan outlay.

### **Allocation for the 10<sup>th</sup> Plan**

1.12 For the 10<sup>th</sup> Plan, the Department proposed to implement eighteen schemes, which comprised four new main schemes, viz. Creation of Disease Free Zones, Dairy/Poultry Venture Capital Fund, Strengthening of infrastructure for quality and clean milk production and strengthening of Database & information Networking (for fisheries). One scheme namely Livestock Census has been transferred to the Department from Department of Agriculture and Cooperation. Of these eighteen schemes, one relates to Secretariat and Economic Services, eight relate to Animal Husbandry, four to Dairy Development and five to Fisheries sector. The Department also proposed to adopt macro-management approach in respect of Centrally Sponsored Schemes and accordingly five schemes on macro management approach were formulated to enhance the productivity of support programmes and to accord greater flexibility to State Governments to develop and pursue activities on the basis of regional priorities. It is a major step towards achieving decentralization in pursuance of restoring primacy of States in Agricultural development planning. It has also been decided to include a new Centrally sponsored Scheme, viz. 'Livestock Insurance' in the Tenth Plan. Another new Central Sector Scheme proposed to be included in the Plan is setting up of 'National Fisheries Development Board'.

1.13 The Department has been allocated Rs. 2,500.00 crore to implement the above schemes for the 10<sup>th</sup> Plan. Three schemes namely the Modernisation of Slaughter Houses/Carcass Utilisation Centre, Directorate of Animal Health and Delhi Milk Scheme have been approved conditionally.

### **Allocation and Expenditure in 2002-03**

1.14 The allocation for the Annual Plan 2002-03 was fixed at Rs. 300.00 crore, which was further curtailed to Rs. 240.00 in the Revised Estimates (RE). Against this, the Department incurred an expenditure of Rs. 238.90 crore, which is about 99% of the RE allocation of Rs. 240.00 crore and about 80% of the BE allocation of 300.00 crore.

### **Allocation and Expenditure in 2003-04**

1.15 The allocation for the Annual Plan 2003-04 was fixed at Rs. 300.00 crore, which was further curtailed to Rs. 275.00 crore in the Revised Estimates (RE). Against this, the Department incurred an expenditure of Rs. 273.85 crore, which is about 99% of the RE allocation of Rs. 275.00 crore and about 91% of the BE allocation of 300.00 crore.

### **Annual Plan 2004-05**

1.16 The allocation for the Annual Plan 2004-05 was initially fixed at Rs. 500.00 crore against which the Department incurred an expenditure of about Rs. 346.17 crore till 31 October 2004. However, in order to fulfill the spirit of National Common Minimum Programme, the Department proposed new schemes and sought additional allocation of Rs. 352.06 crore for certain new schemes and some of the existing schemes. The Planning Commission has agreed to provide an additional allocation, as a result of which Rs. 75 crore was made available at the RE stage. The revised allocation of Rs. 575 crore includes Rs. 10.00 crore for the proposed scheme 'Livestock Insurance'.

### **Harmonization with Common Minimum Programme**

1.17 The National Common Minimum Programme has given emphasis to various agricultural issues and special reference has been made to the following activities undertaken by this Department:

- (i) Credit and technological priority to the continued growth of agriculture aquaculture, dairy, agro-processing, etc.
- (ii) Public investment in agricultural research and extension and rural infrastructure
- (iii) Livestock insurance scheme to be made more effective
- (iv) Removal of controls that depress the incomes of farmers
- (v) Adequate protection to farmers from imports
- (vi) Augmenting and modernizing rural infrastructure of cold chain and marketing outlets

The Department is already implementing various schemes/programme, which are in consonance with the National Common Minimum Programme (NCMP). However, in order to achieve the objectives laid in the NCMP, some of the schemes related to Animal Husbandry, Dairying and Fisheries Sectors need to be modified, re-formulated or revived. The Department has, therefore, proposed a number of new schemes including the Centrally sponsored scheme 'Livestock Insurance' which is being formulated.

#### **Annual Plan 2005-06**

1.18 The Annual Plan allocation of the Department has been fixed at Rs. 669.08 crore for the year 2005-06. This includes Rs. 397.91 crore for Animal Husbandry Sector, Rs. 92.00 crore for Dairy Development and Rs.174.36 crore for Fisheries Sector. The Secretariat and Economic Services had been provided Rs.4.81 crore. The total allocation for 2005-06 is to be financed from Domestic Budgetary Support.

The Sector-wise and year-wise break-up of 10<sup>th</sup> Plan allocation is as below:

Sector	Outlay 10 <sup>th</sup> Plan	<u>Annual Plan 2002-03</u>			Annual Plan 2003-04			Annual Plan 2004-05		Annual Plan 2005-06
		BE	RE	Exp.	BE	RE	Exp.	BE	RE	BE
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)	(10)	(11)
A.H. Sector	1355.00	156.48	122.48	125.36	172.10	181.79	181.93	284.38	348.92	397.91
Dairy Dev.	380.00	37.02	31.02	34.99	29.90	19.97	19.82	51.62	74.12	92.00
Fisheries	750.00	102.00	82.00	75.98	95.00	70.24	68.67	160.00	148.96	174.36
Sectt. & Eco. Services	15.00	4.50	4.50	2.57	3.00	3.00	2.72	4.00	3.00	4.81
<b>Grand Total</b>	<b>2500.00</b>	<b>300.00</b>	<b>240.00</b>	<b>238.90</b>	<b>300.00</b>	<b>275.00</b>	<b>273.13</b>	<b>500.00</b>	<b>575.00</b>	<b>669.08</b>

The Department has incurred the following expenditure during 10<sup>th</sup> Plan for implementation of various Schemes relating to Animal Husbandry and Dairying:

Tenth Plan Outlay is Rs. 2,500 crore.

Rs. in crore

Year	Allocation	Expenditure
2002-03	300.00	238.90
2003-04	300.00	271.76
2004-05	575.00	375.52 till Jan., 2005
<b>Total</b>	<b>1,175.00</b>	<b>886.18</b>
2005-06	669.08	

1.19 Asked how the Department will utilize Rs. 1,613.82 crore in the remaining two years of the 10<sup>th</sup> Plan, the Department stated in a written reply:-

“The Department has been taking steps to improve the implementation of the schemes and also has initiated various measures to enhance the

quantum as well as pace of Plan expenditure. It is also to be pointed out that in respect of certain major schemes introduced as new schemes in the Tenth Plan, significant expenditure could not be effected in the first two years, since certain preliminary steps were required to be completed. Substantial expenditure will be effected on these schemes from 2004-05 onwards. The Department has made an expenditure of Rs 458.20 crore till February 2005 which is 92% of BE 2004-05 (Rs 500.00 crore) and 80% of RE 2004-05 (Rs 575.00 crore). The total expenditure in the first three years of the 10<sup>th</sup> Plan is expected to be over Rs 1060.00 crore leaving a balance of around Rs 1440.00 crore out of the 10<sup>th</sup> Plan outlay of Rs 2500.00 crore. The Department has also introduced new schemes. Further, the Department is getting the evaluations conducted in respect of various schemes implemented during the Ninth Plan and Tenth Plan period. Various measures are also being taken to improve coordination with the State Governments in the implementation of the schemes. It is, therefore, expected that all these steps will lead to full utilization of the balance amount of Rs.1440.00 crore in the remaining two years of Tenth Plan.”

During the oral evidence of the Department on 2 April, 2005 the Secretary, further, informed that :-

“The Committee had very rightly pointed as to how the Department is going to utilize this allocation fully. I am very happy to report to you that there has been a considerable progress on both these grounds. The Planning Commission in the middle of the year allocated additional allocation and, for the first time, our revised estimates is much higher than the original estimates. Revised estimates are always less than the budget estimates. For 2004-2005, we have a revised estimates of Rs. 575 crore. We are indeed grateful to the hon. Committee for the recommendations made to the Planning Commission as a result of which we got additional allocation. I am also happy to report to you that expenditure this year is around Rs. 565 crore. This is at least 10 per cent more than the total of the last two years put together. Therefore, with respect, I submit and I assure



the hon. Committee that we will be fully utilizing allocation for the Tenth Plan. Perhaps, we may exceed the allocation of Rs. 2,500 crore, particularly, if we are again fortunate enough to get the endorsement of the hon. Committee.”

Regarding the implementation of new Schemes introduced in 10<sup>th</sup> Plan, the Secretary explained as under :-

“Approval of each scheme takes a lot of time. It also depends on the speed with which we can act. Any scheme, which we have to implement, has to be first approved in principle by the Planning Commission. It is not an easy step, as they may raise a lot of questions. Then we have to go to EFC, which is a Committee of Secretaries under Secretary (Expenditure). After that we have to go to the CCEA. We constantly follow up at each of these stages. Complete approval of certain schemes may takes about ten months to one year. We have taken a lot of initiatives in respect of most of the schemes and some are still remaining. There are certain schemes which have been included in next year’s plan, that is, 2005-06 Plan. It is our constant effort to complete all the requirements, at least, by September, if not earlier. Certain schemes have been incorporated which were not initially included in the Tenth Plan. Take for example, livestock census. We have kept Rs. 20 crore for this piggery development. We will try to increase this money in the course of the year. We will not divert it to any other programme.”

#### **Annual Plan proposals 2004-05**

1.20 The Department has formulated the Annual Plan proposals 2005-06 at Rs. 1,150.00 crore as against the BE of Rs. 500 crore during 2004-05 and RE 2004-05 of Rs. 600.00 crore.

(Rs. in crore)

<b>Sector</b>	<b>Central Sector</b>	<b>Centrally Sponsored</b>	<b>Total</b>
Animal Husbandry*	69.38	379.01	448.39
Dairy Development	44.50	80.00	124.50
Fisheries	455.26	121.85	577.11
<b>Total</b>	<b>569.26</b>	<b>580.86</b>	<b>1150.00</b>

The Committee asked the Department to justify the Demand of Rs. 1,150.00 crore for 2005-06 merely spend Rs. 886.18 crore during the first three years of the Tenth Plan.

The Department in its reply stated as under :-

“As mentioned above, the expenditure in the first three years of the 10<sup>th</sup> Plan is expected to be Rs 1,060.00 crore. The Department formulated Annual Plan proposals 2005-06 of Rs.1,150.00 crore for the implementation of 23 Plan schemes. The enhanced allocation was sought in accordance with the overall allocation of Rs.2,500.00 crore for the Tenth Plan, performance of the Department in the implementation of Plan schemes in the previous years and new schemes proposed. Two new component schemes, viz. Rural Backyard Poultry Development”, “Integrated Development of Small Ruminants” under the macro management scheme, ‘Livestock & Poultry Improvement Programme’ were proposed. The component scheme, “Assistance to States for Piggery Development” under the macro management scheme, ‘Livestock & Poultry Improvement Programme’ was also proposed to be revived. Also, a new central sector scheme “Setting up of National Fisheries Development Board” was proposed with an allocation of Rs 400.00 crore to take up fisheries development schemes in a more purposeful and coordinated manner. The Department has sought enhanced allocation for 2005-06 also to provide special thrust to major schemes like National Project for Cattle and Buffalo Breeding and Strengthening Infrastructure for Clean Milk Production. The enhanced allocation will also be utilized to fund the new centrally sponsored scheme “Livestock Insurance”, proposed

in accordance with the National Common Minimum Programme, by the Department in 2004-05. The Department has, hence, formulated the Annual Plan proposals 2005-06 at Rs. 1150.00 crore for effective implementation of the existing and aforesaid new schemes.”

1.21 The year-wise allocation during 10<sup>th</sup> Plan is as below:-

Rs. in crore

10<sup>th</sup> Plan outlay – 2500 crore

Year						
2002-03		2003-04		2004-05		2005-06
BE	Act. Exp.	BE	Act. Exp.	BE	RE	BE
300.00	238.00	300	273.13	500	575	669.08

The Committee observe that the Department has incurred an expenditure of about Rs. 346.17 crore till 31 October 2004 and the expenditure reported till January 2005, is Rs. 375.52 crore. The expenditure incurred by the Department in two months was just Rs. 28.35 crore. In view of this the Committee enquired how the Department will be able to utilize the remaining allocation of Rs. 199.48 crore within the remaining two months of the financial year 2004-2005 and how much expenditure is expected to be incurred. The Department replied as under :-

“The Department is making all possible efforts to fully utilize the allocation for 2004-05. The Department has made an expenditure of Rs 458.20 crore till February, 2005. The new scheme of Dairy Venture Capital Fund has also been initiated w.e.f. 14<sup>th</sup> December, 2004. The Department is likely to incur an expenditure of around Rs 550.00 crore till the close of current financial year, which is 96% of the RE of Rs 575.00 crore for 2004-05.”

### Non Plan Allocation during 10<sup>th</sup> Plan

1.22 The Department was provided with Non-Plan Allocation of Rs. 34.99 crore for 2002-03 against which an expenditure of Rs. 39.85 crore was made. The Non-Plan allocation for the year 2003-04 was fixed at Rs. 35.05 crore against which the Department made an expenditure of Rs. 52.24 crore. The Non-Plan allocation for 2004-2005 was fixed at Rs. 36.42 crore against which the Department made an expenditure of Rs. 40.50 crore till 31 January, 2005. The Non-Plan allocation for 2005-06 has been fixed at Rs. 41.61 crore.

1.23 Regarding the reasons for constant increase in Non-Plan expenditure, the Department stated as under:-

“The increase in gross Non-Plan expenditure during 2002-03, 2003-04 and in the current year of the Department was mainly due to deficit allowed to DMS in non-plan as under:

2002-03	Rs. 8.00 crore
2003-04	Rs. 20.00 crore
2004-05	Rs. 7.00 crore

It is mentioned here that the provision for establishment expenditure of the DMS is initially provided by the Government of India and subsequently the same is received back as revenue receipt from sale of milk, ghee etc. However, income of DMS was below the figures indicated in the budget estimates and deficit between expenditures and receipts as indicated above was allowed by the Ministry of Finance to DMS. It may be, however, noted that because of various measures adopted by DMS, the deficit has come down during 2004-05.”

### **Approach for 10<sup>th</sup> Plan**

1.24 The National Agriculture Policy announced by the Government in the year 2000 aims to attain a growth rate in excess of 4 per cent per annum in the agriculture sector. Since the growth rate in crop production has stagnated to around 2 per cent, higher growth rate of 6-8 per cent in animal husbandry sector can only make the growth rate of 4% feasible for the whole agriculture sector. The agriculture policy also lays stress on the importance of food and nutritional security through diversification of agriculture in animal husbandry and fisheries sector. The Approach Paper to the Tenth Five Year Plan has also identified animal husbandry including dairying and poultry as an important component of agricultural diversification. The commitment of the Government in doubling of food production by the year 2007 also calls for rapid increase in the production of livestock, fish and fishery products. Keeping these in view, the emphasis of the Department will be on rapid genetic upgradation of cattle and buffaloes, provision of health cover including creation of disease free zones, provision of nutritious feed and fodder, integrated approach to marine and inland fisheries, development of deep sea fishing, etc.

### **Thrust Areas**

The emphasis during the 10<sup>th</sup> Five Year Plan is on the following areas :-

1. Rapid genetic upgradation of cattle and buffaloes and improvement in the delivery mechanism of breeding inputs and services to farmers.
2. Extension of dairy development activities in non-Operational Flood, hilly and backward areas, including clean milk production.
3. Promotion of fodder crops and fodder trees to improve animal nutrition.

4. Provision of adequate animal health services with special emphasis on creation of disease free zones and control of foot and mouth disease.
  5. Improvement of small ruminants and pack animals
  6. Development of backyard poultry in rural areas
  7. Provision of credit facility to farmers for viable activities
  8. Development of reliable database and management information system
  9. Adoption of integrated approach to marine and inland fisheries, designed to promote sustainable aquaculture practices
  10. Strengthening of infrastructure for production of fish seed, berthing and landing facilities for fishing vessels
  11. Mechanization of fishing boats
  12. Development of the deep sea fishing industry to take advantage of the vast potential of country's exclusive economic zone.
- 1.25 Development of backyard poultry, breed improvement, fodder development, promotion of extension programme, clean milk production, development of inland fishing insurance for fishermen and formulation of integrated dairy development scheme have also been identified as the thrust area in a meeting taken by Agriculture Minister in December 2002. Steps were proposed to be taken to incorporate these in the implementation of schemes during the 10<sup>th</sup> Plan.

**Share of Department of AH&D in the Central Plan Outlay of Government of India  
Contribution of livestock and Fisheries Sector to GDP**

1.26 The Livestock and Fisheries sectors play an important role in the national economy and in the socio-economic development of the country, besides, providing

employment opportunities and income to small and marginal farmers and agricultural labourers, and cheap and nutritious food to the masses. According to estimates of the Central Statistics Organisation (CSO) the value of output from livestock and fisheries sectors together was about Rs. 1,96,181 crore at current prices during 2003-04 (Rs. 1,64,509 crore for livestock sector and Rs. 31, 672 crore for fisheries) which is about 29.9 per cent of the value of the output of Rs. 6,22,065 crore from total Agriculture and allied sector. The contribution of these sectors in the total GDP during 2003-04 was 6.29%.

#### **Share of allocation of Department of AH&D**

1.27 During 9<sup>th</sup> Plan, the total Central Plan outlay of Government of India was Rs.4,89,361 crore for the Ninth Plan. This includes Internal and Extra Budgetary Resources (IEBR) of Rs.2,85,379 crore of various Central Ministries and Departments and Budgetary Resources of Rs.2,03,982 crore, earmarked by GOI to various Central Ministries and Departments. The Department of AH&D has no IEBR and had been earmarked allocation of Rs.2,345.64 crore, out of the Budgetary Resources for the Ninth Plan. This accounts for about 0.48 per cent of the total Central Plan outlay of GOI. However, it accounts for about 1.1 per cent of the Net Budgetary Resources, earmarked by GOI to various Central Ministries for the Ninth Plan.

The Central Plan outlay for the Tenth Plan has been fixed at Rs.8,93,183 crore which consists of Rs.4,87,448 crore from I.E.B.R. and Rs.4,05,735 crore from budgetary resources. The Plan outlay of the Department has been fixed at Rs.2,500 crore which is wholly to be met from the domestic budgetary resources. The scheme of livestock census has also been taken as a new scheme after its transfer from the Department of Agriculture and Cooperation and adjustments were made in the budgetary allocation to accommodate

the scheme. The share of the Department to the total Central Plan outlay is 0.28 per cent and is 0.49 per cent to the total central budgetary resources.

The share of Department of Animal Husbandry and Dairying has been declining during 9<sup>th</sup> Plan from 0.35 per cent in 1997-98 to 0.23 per cent in 2001-02 of the total Central Plan of the Union Governments. It, however, declined from 0.88 per cent to 0.50 per cent of the Budgetary Resources earmarked for the GOI during this period. The share of Department of AH&D during Tenth Plan has been further reduced to 0.27 per cent of the total Central Plan of GOI and 0.49% of the Budgetary Resources. It has further come down to 0.20 % of the total central plan outlay and 0.41% of the total budgetary resources during 2003-04. However, as a result of improved budgetary allocation of Rs.500.00 crore for BE 2004-05, the share of the Department has come up to 0.30 per cent of the total Central Plan Outlay and 0.57 per cent

The year-wise details of the allocation of the Department of AH&D along with total Central Plan outlay and Budgetary Support earmarked by GOI and IEBR of Central Ministries, during the Ninth Plan and Tenth Plan are given below :



(Rs. In crore)

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.	<b>Ninth Plan</b>	<b>489361</b>	<b>285379</b>	<b>203982</b>	<b>2345.64</b>	<b>0.48</b>	<b>1.1</b>
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.	<b>Tenth Plan</b>	<b>893183</b>	<b>487448</b>	<b>405735</b>	<b>2500.00</b>	<b>0.28</b>	<b>0.49</b>
8.	2002-03	144038	77167	66871	300.00	0.21	0.45
9.	2003-04	147893	75741	72152	300	0.20	0.41
10.	2004-05	163720	75834	87886	500	0.30	0.56
11.	2005-06	211253	100868	110385	669.08	.32	.61

## CHAPTER – II

### Sector-wise Analysis

#### ANIMAL HUSBANDRY

1.28 The Department of Animal Husbandry, Dairying and Fisheries has been operating 18 Central Livestock Organisations and allied Institutions for production and distribution of superior germ plasms to the State Governments for cross breeding and genetic upgradation of the stocks. Besides, the Department has been implementing 12 Central Sector and Centrally Sponsored Schemes for the development of requisite infrastructure and supplementing the efforts of the State Governments for achieving the accelerated growth of animal husbandry sector.

Following are the budgetary allocations and expenditure on Animal Husbandry :-

(Rs. in crore)

Year	BE	RE	Actuals
2002-03	156.48	122.48	125.36
2003-04	172.10	181.79	181.93
2004-05	284.38	348.91	296.14 (up to 28.02.05)

#### Cattle and Buffalo Development

1.29 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 on enhancement of productivity through genetic improvement of non-descript 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.

The National Project for Cattle and Buffalo Breeding, which was launched in 2000-2001 and continued in 1<sup>st</sup> Phase during the 10<sup>th</sup> Plan, aims at thorough re-organisation and re-orientation of the cattle and buffalo breeding operation in the country with the following thrust areas :- expansion of area under organised breeding programme, Delivery of breeding inputs at farmer's doorsteps, Quality Control of inputs and services, Improvement of indigenous breeds, Institutional restructuring for production of breeding inputs of high quality and Development of Synergy of agencies involved in cattle and buffalo development.

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 breeding. 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 are being integrated with NPCBB for wider coverage.

The following schemes are in operation:

#### **A. Central Plan Schemes**

##### **Central Cattle Development Organisation**

1.30 The Central Cattle Development Organisation has the following three components:-

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

## **B. The Centrally Sponsored Scheme**

### **1.31 National Project for Cattle and Buffalo Breeding**

#### **Evaluation of some Schemes under Cattle Development Organisation**

##### **(i) Central Cattle Breeding Farms (CCBFs)**

1.32 Seven Cattle Breeding Farms located in different agro climatic regions maintain herds of some important indigenous and exotic cattle breeds as well as buffaloes. The Farms produce bull calves and supply to the State Cattle and Buffalo Breeding agencies for artificial breeding programme.

Following are the details of financial outlays and expenditure during 10<sup>th</sup> Plan :

(Rs. in crore)

<b>Year</b>	<b>Plan</b>	<b>Non-Plan</b>
2002-03	7.00	6.68
2003-04	6.00	6.47
2004-05	8.60	6.50
2004-05	7.40	6.25
2005-06	11.16	6.00

The Committee desired to know the details of the current status of the developmental works which are being carried out in Central Cattle Breeding Farms and also the Expenditure incurred so far. The Department in its reply stated as under :-

“The BE for the year 2003-04 was Rs. 7.00 crores which was revised to Rs. 6.00 crores at RE stage. The BE for 2004-05 was Rs. 8.60 crores, which has been scaled down to Rs. 7.40 crores at RE stage. A sum of Rs. 69,00,121 has been sanctioned for carrying out the following major activities in the various farms:

- Maintenance and repair of cattle sheds and other non- residential buildings
- Construction of drains/MS grating over open surface drains
- Drilling of bore wells
- Laying of UG cables
- Repair of streetlights and re-wiring/ electric fittings in various sheds.
- Replacement of ceiling fans in the residential quarters
- Repair of existing sewer lines
- Purchase of mower for forage harvesting, bush cutter, electronic franking machine, tractors, dozer machine, computers etc.
- Installation of DG set and
- Maintenance and repair of residential buildings.”

The Committee further note that while allocations were scaled down at RE stage of 2004-05, allocations have been raised to Rs. 11.16 crore at BE stage of 2005-06. The Department explained the reasons for the same as under :

“In order to monitor the progress of the farms, the Department has constituted a Farm Technical Advisory Committee for each farm. The suggestions of the Committee are discussed in the Central Management Committee for Central Cattle Breeding Farms (CCBFs) and Central Frozen Semen Production and Training Institute (CFSPTI). The Central Committee recommended for the setting up of a quarantine shed in each farm for quarantining/ observing the fresh animals to be introduced in the farm. There was a proposal for purchase of animals to replenish the existing stock in the farms, therefore funds were provided at the BE stage of 2004-05. As the farms did not have the facility to quarantine the newly-purchased animals, no purchase could be made and the funds were to be scaled down at RE stage. The Central Management Committee have recommended

several developmental activities like construction of quarantine sheds at each farm, purchase of agricultural equipments and machinery, milking machines, repair/construction of sheds, drainages, installation of tube-wells/submersible pumps, silo pits, fencing, etc. to be taken up during the year 2005-06; therefore an outlay of Rs. 11.16 Crores (BE) has been proposed. The increase in outlay is mainly due to proposed major works (278.37 lakhs), equipments and machinery (Rs.82.25 lakhs) against the RE of Rs.50.60 lakhs and Rs.18.30 lakhs during 2004-05 respectively.”

### **Primary Output**

1.33 During 2003-04 a total of 307 bull calves were produced and 157 bulls of high genetic merit were supplied to the State cattle and buffalo breeding agencies for artificial breeding programmes. Elite cows at Cattle Breeding Farms are proposed to be used for embryo transfer technology in collaboration with Central Frozen Semen Production and Training Institute.

### **THE PHYSICAL TARGETS AND ACHIEVEMENTS :**

Sl. No.	Item	Unit	2002-03		2003-04		2004-05	
			Target	Ach.	Target	Ach.	Target	Ach. (31.12.04)
1.	Bull Calf Production	No.	350	372	275	307	317	250
2.	Supply of Bulls	No.	280	146	205	157	500	160

The Committee enquired how the Department expected high supply of bull calves as against the low target of production and also the reasons for variation of figures in the production and supply of bulls. The Department explained:-

“The production target for the year 2004-05 has been fixed at 317 bull calves, keeping in view the availability of breedable female stock in the farms. There were 346 unsold bulls/bull calves available with the farms as on 31.03.2004. As these animals were also to be sold during the current financial year, the supply target was fixed at 500 bull calves for 2004-05. During the year, 294 bull calves were produced till February 2005.”

### **Livestock Health**

1.34 With the improvement in the quality of livestock through launching of extensive cross-breeding programmes, the susceptibility of the stock to various diseases including exotic diseases has increased. In order to reduce morbidity and mortality, efforts are being made by the State/Union Territory Governments to provide better health care through polyclinics/veterinary hospitals/dispensaries/first-aid dispensaries. A network of 26,717 Polyclinics/Hospitals/Dispensaries and 28,195 Veterinary Aid Centres (including Stockmen Centres/mobile dispensaries ) which are supported by about 250 disease diagnostic laboratories, are functioning in the States and Union territories for quick and reliable diagnosis of diseases. Further, for control of major livestock and poultry diseases by way of prophylactic vaccination, the required quantity of vaccines are produced in the country at 26 veterinary vaccine production units. Of these, 19 are in the public sector and 7 are in private sector. Import of vaccines by private agencies is also permitted as and when required.

#### **A. Central Plan Scheme**

##### **Directorate of Animal Health**

1.35 The following Schemes are in operation in the 10<sup>th</sup> Plan :  
This Scheme has got four components namely:-

- (i) Directorate of Animal Health Services (Headquarters Cell);

- (ii) National Veterinary Biological Products Quality Control Centres;
- (iii) Central/Regional Disease Diagnostic Laboratories;
- (iv) Animal Quarantine and Certification Services

## **B. Centrally Sponsored Scheme**

1.36 The following schemes are in operation in 10<sup>th</sup> Plan

<b>Sl. No.</b>	<b>Central Sponsored Schemes</b>	<b>10<sup>th</sup> Plan allocations in crore</b>
1.	Assistance to States for control of Animal Disease (ASCAD)	Rs. 255.00
2.	National Project on Rinderpest Eradication	Rs. 40.00
3.	Professional Efficiency Development	Rs. 30.00
4.	Foot and Mouth Disease Control Programme	Rs. 200.00

### **Assistance to States for Control of Animal Disease (ASCAD)**

1.37 Till the end of 9<sup>th</sup> Plan, there was an independent scheme called Assistance to States for Control of Livestock Diseases having three components namely (i) Systematic Control of Livestock Diseases of National Importance (ii) Foot and Mouth Disease Control Programme and (iii) Animal Disease Surveillance with an objective to control livestock disease mainly of zoonotic importance. With some modifications these three components are included in Assistance to States for Control of Animal Disease (ASCAD) which is a component of 10<sup>th</sup> Plan Centrally Sponsored Macro Management Scheme “Livestock Health and Disease Control”. Its aim is to undertake immunization of livestock and poultry against economically important disease, strengthening of State veterinary biological production centres, strengthening of disease diagnostic laboratories and in-service training to veterinarians and Para-veterinarians for upgradation of their technical knowledge.



Following are the details of allocation and Expenditure on Animal Health during 10<sup>th</sup> Plan :-

(Rs. in crore)

10<sup>th</sup> Plan outlay is Rs. 575 crore

Year	BE	RE	Actual
2002-03	64.00		37.54
2003-04	80.00	78.25	78.75
2004-05	102.50		
2005-06	-	-	-

1.38 When the Committee asked for the detailed steps taken by the Department to prevent the ingress of disease from outside the country, the Department replied that :

“To prevent the ingress of diseases from outside the country, the Department has established four quarantine stations, one each at Delhi, Mumbai, Chennai and Kolkatta. All livestock and livestock products imported into the country are regulated through the Livestock importation Act and the animals/consignment are screened to ensure preventing the ingress of the disease through such imports. Imports are not allowed from the countries reporting Trans-boundary Animal Diseases exotic to the country.”

The Committee also enquired if the Department is aware of imports including clandestine imports of livestock and livestock products not conforming to WTO regulations and hitting adversely indigenous industry and if so, the remedial action being taken in this behalf. The Department explained as under :-

“All such imports are dealt with very strictly and the help of customs authorities, Border Security Force and other agencies at the Airports/ seaports /land borders are taken. The consignments are examined by the quarantine officer and tested for

the presence of any exotic disease before release. In case of positive findings the same is destroyed at the cost of the importer.”

### **National Veterinary Biological Products Quality Control Centre**

1.39 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.

Efforts are underway to establish a National Veterinary Biological Products Quality Control Centre for regulating manufacture, sale and distribution of veterinary drugs and formulations and monitoring the quality of vaccines and biologicals which are produced by the Veterinary Production Units in the country. The Centre is being constructed at Baghpat, UP. Construction work is under progress.

Budget provision for this Scheme is as follows :-

(Rs. in crore)

<b>Year</b>	<b>BE</b>	<b>RE</b>
2003-2004	6.40	3.00
2004-2005	7.30	7.30
2005-2006	11.00	----

1.40 On query regarding the cost and time frame given for completion of the construction of the Institute, the Department informed as under :-

“The estimated cost of the construction of the Institute is about 21.5 crore of which Rs. 2.03 crore have been spent during the year 2001-02. It is anticipated that the construction will be completed by the end of the financial year 2005-06.”

When the Committee enquired about the Tenth Plan budget allocations for the Institute and the expenditure incurred so far, the Department replied that the approved 10<sup>th</sup> plan outlay is Rs. 21.10 crore of which an expenditure of Rs. 10.70 Crore has been incurred so far.

### **Foot and Mouth Disease Control Programme**

1.41 Till the end of 9<sup>th</sup> Plan, there was a component called FMD Control Programme under the Centrally Sponsored Scheme “Assistance to States for Control of Livestock Disease” with the objective to protect the exotic, crossbred and high yielding indigenous cattle belonging to weaker sections of the society by vaccination against Foot and Mouth Disease. The cost of vaccine was shared by the Centre, the States and the beneficiaries in the ratio of 25:25:50. In order to give thrust for complete control of Foot and Mouth Disease in specific areas, a location specific programme was taken up (100% Central assistance) during Tenth Plan as a component of Centrally Sponsored Macro Management Scheme “Livestock Health and Disease Control” in the areas/tracks of most important breeds of cattle and buffaloes, which need special attention for conservation of germ-plasm for production and productivity.

Following are the budgetary allocations for this Scheme

Rs. in crore

Total outlay Rs. 200.00 crore

Year	BE	RE	Actuals
2002-03	30.00	---	---
2003-04	40.00	30.43	30.64
2004-05	50.00	50.00	47.04
2005-06	35.00	---	---

1.42 The Committee note that during the year 2003-04, about 270 lakh vaccination have been carried out in the first round and during 2004-05 about 550 lakh vaccinations are expected to be carried out in second and third round. About 300 lakh vaccinations are expected to be carried out during 2005-06. The actual expenditure incurred during 2003-04 was Rs. 30.64 lakh and the Department carried out 270 lakh vaccinations in the identified regions of the country.

When the Committee asked for an explanation on how the target of Rs. 550lakh vaccinations can be achieved in 2004-05 by spending Rs. 50.00 crore when during 2003-04, 270 lakh vaccinations were carried out at the cost of Rs. 30.64 crore. The Committee also asked whether the vaccine has become cheaper, the Department in their explanation stated as under:-

“The target of 550 lakh vaccinations will be achieved during 2004-05. Main expenditure is on the purchase of vaccine and the States are given funds for the purchase of syringes, needles and cold chain maintenance. In the initial year more funds were required for the development of infrastructure facilities. The cost of vaccine remains the same.”

When the Committee also pointed out the fact that in spite of 'Foot and Mouth Disease' adversely affecting animals throughout the country, this disease control programme is being implemented only in 54 specified districts, the Department replied that :

“Foot and Mouth Disease Control Programme has been taken up within the budgetary provision in the identified selected districts of the country, where the most important indigenous breeds of cattle like Haryana, Sahiwal, Tharparkar, Ongole, Gir; and buffaloes, viz. Murrah, Nili, Ravi, Surti, Mehsana, etc. are bred. These breeds need special attention for their conservation and improvement. The animals of these breeds are substantially contributing to the country's milk production and draught animal power having tremendous production potential.”

1.43 In Action Taken Reply to the recommendation made by the Committee in their 3<sup>rd</sup> Report on Demands for Grants (2004-05), the Department stated that the targets are likely to be higher in the remaining years of 10<sup>th</sup> Plan as more and more states have started opting for FMD vaccination programme.

The Committee desired to know as to why targets and allocations have been again reduced at BE level of 2005-06 in comparison to 2004-05 for such an important Scheme despite positive response from the States, the Department replied that

“ There are two schemes for the control of Foot and Mouth Disease. Under FMD-CP, the targets are fixed, i.e all the susceptible animals in the 54 identified districts will be covered whereas under the scheme Assistance to States for Control of Animal Diseases (ASCAD), more and more States have taken up this programme.

Under FMD-CP, in the first two years, three rounds of vaccinations are required to be undertaken and in the second year we had to vaccinate the animals twice, therefore the requirement of funds was more. In the subsequent years, the animals have to be vaccinated once, hence the reduced outlay.”

Regarding implementation of programme in 54 specified districts, the Department during their oral evidence stated as :-

“It is because we wanted to bring about a sort of herd immunity and it is related to our export etc. for which we should have disease free zones. Generally the principle is that if you are able to immunize 80 per cent of the herd we get immunity. So, we will gradually try to expand this area. But my submission is that the States spend on FMD a large proportion of the funds, which we give for animal disease control.”

### **Feed and Fodder Development**

1.44 Seven Regional Stations for Forage Production and Demonstration were established during IVth and Vth Five Year Plans for strengthening of fodder seed production in the States under different agro-climatic conditions of the country. The Central Seed Production Farm, Hessarghatta was established during VIth Five year Plan at Hessarghatta, Bangalore North and Central Minikit Programme was initiated to achieve quick transfer of technology on all aspects of fodder production. For augmenting the fodder seed and fodder production in the States, a Centrally Sponsored Scheme ‘Assistance to States for Feed and Fodder Development’ was initiated during the 7<sup>th</sup> Five year Plan period which was discontinued during the 10<sup>th</sup> Plan. However, two components of this Scheme : establishment of fodder bank and enrichment of

straw/cellulosic waste were revived up to March'2005 to facilitate the States to combat the current drought situation in the country. A new revised Scheme on fodder development has been proposed to the Planning Commission.

The nutritive value of feed and fodder has a significant bearing on productivity of the livestock. Due to competing pressures on land, the green revolution and diversified use of agriculture residues, the gap between the demand and supply of fodder is increasing. Besides, due to frequent drought in several states, the need to develop fodder with drought proofing as an objective is in sharp focus.

When the Committee asked the Department about the actions being taken up to meet the increasing gap between the demand and supply of fodder due to natural calamities, the Department in its reply stated that :

“Even under normal conditions, an overall shortage of fodder is felt in the country. Factors such as increase in cattle population, rapid urbanization and low yield of dry fodder from high yielding varieties of grain crops etc. have contributed to the deficit. The deficit aggravates further during natural calamities such as drought, flood etc. The Department is assisting the States in augmenting fodder production. Seeds of high yielding varieties of fodder crops are provided to the States through Central Fodder Stations and Fodder Seed Production Farms. Besides, assistance under Centrally Sponsored Scheme has also been provided to the States for various fodder development activities. During drought and other natural calamities, transport of fodder from surplus areas to States experiencing chronic deficit is also taken up on a fairly large scale.”

1.45 When the Committee further pointed out persistent droughts or drought like conditions which creates severe dearth of animal feed and fodder leading to large scale of

animals and asked if the Department has drawn any concrete programme to meet such a contingency across the country, the Department replied :

“The Department provides assistance to the States for establishment of fodder banks and enrichment of straw/cellulosic wastes to make available fodder to the deficit places in the country during natural calamities and also to increase the nutritive value of fodder. A new Centrally Sponsored Scheme for fodder development has been proposed for implementation during the remaining period of the Tenth Plan. Under this scheme, fodder block making unit has been proposed to be established by the States, private entrepreneurs and dairy cooperatives for compacting the dry fodder to reduce its volume that will facilitate easy transportation. Three other components, viz. production of fodder seeds by providing subsidy to the farmers, grassland development including grass reserves and biotechnology research on improvement of fodder varieties have also been proposed under the aforesaid new scheme.”

The Committee noted the physical targets and achievements for fodder seed production in Regional Stations for Forage Production and Demonstration which is placed below:

(Qtls.)

Year	Target	Achievement
2002-03	2,830	1,789
2003-04	2,800	1,308
2004-05	2,825 (part of the Year)	1,372
2005-06	2,825	----



1.46 When the Committee pointed out that the Department could not even meet fifty per cent of the self stipulated targets during the past few years, the Department in the reply explained :-

“The fodder seed production by these Stations during 2004-05 (till February 2005) is 2113 quintals. The target of seed production is fixed on the basis of the cultivable land available in the stations/farms and the productivity of the fodder varieties. The target of the fodder seed production could not be achieved due to drought and adverse weather conditions during the last few years, though there has been improvement in 2004-05.”

During the oral evidence the Committee expressed their great concern for the shortage of fodder in the country resulting in the death of many animals. They wanted to know the assistance given to the various States this year also, the reasons for targets not achieved, the Department stated that :-

“This is very important from the fodder shortage point of view. In fact, the productivity of our cattle is much less than the world average. There are many reasons, but one of the reasons is inadequate fodder both dry and green. The statistics will show that there is a tremendous shortage of fodder. What is happening is that pastureland etc. is gradually decreasing. There is no incentive for the farmers to take up for fodder production. You had also asked as to how much we have spent on fodder production. This year we have spent about Rs. 12 crore which may not be much but it is much more than what was initially provided. We have got some additional allocation etc. for this and we have got approved with the help of the Planning Commission two schemes for fodder development. One is to give incentive to the farmers to take up fodder production. Why should a farmer take up fodder cultivation if he is not assured of

any return, particularly when there is no procurement? So, the scheme is designed in such a way that there is an incentive available to them in the form of assured purchase of seed produced by them etc. Another programme we are sanctioning is to provide subsidy for production of feed blocks. It is a fact that there is a tremendous shortage of fodder in the country. It is also a fact that a lot of fodder is destroyed, particularly in the Northern States as there may not be any immediate demand for that. Just to clear the field after harvesting they destroy it. Now, to prevent this we feel that one of the things is to produce compressed fodder or what is called feed blocks which can be enriched with urea etc. This will ensure that the fodder is not destroyed. When there is a drought, we have seen that huge quantities of fodder are transported from Punjab, Haryana, UP etc. to other States. Now one truck can carry only three or four tonnes of fodder but if you complete blocks it can carry about ten tones. Accounting is also important. Unfortunately, malpractices take place in transportation of fodder because there is no proper accounting. So, this something where we provide subsidy of 25 per cent for setting up plants for production of feed blocks. Our effort will be to get more funds for this and to take up a programme by which the overall availability of fodder increases.”

1.47 The Committee also note that under this scheme on Central Fodder Organisations, seven Regional Stations for forage production and demonstration have been established in different agro-climatic zones to cater to various requirements of the farmer. These regional stations are engaged in the production and propagation of breeder, foundation

and certified seed of high yielding varieties of fodder crops and pasture grass/legumes. Many demonstration sites are used for the training of farmers from the nearby villages.

When the Committee pointed out that under this scheme training was given only to the farmers of the nearby villages of the Regional stations and sought explanation as to why no mention is made of farmers of the far-flung villages, the Department explained that :-

“Fodder Stations impart the training to the officers of the State Department of Animal Husbandry engaged in fodder development programme and to the farmers as well. The States further organize the training programme for the farmers in their respective regions. Each Fodder Station has a jurisdiction comprising 3-4 States.”

The Committee also enquired why no Regional Station has been set up in the whole North Eastern States. The Department in their reply stated as under:-

“Regional Station for Forage Production and Demonstration (RSFP&D) Kalyani (West Bengal) takes care of all the States of North Eastern Region. Fodder Development activities in these States are being done by conducting training programmes, farmers’ fairs, fodder demonstrations etc. through RSFPD, Kalyani.”

Under this Feed and Fodder Development scheme, the seed produced at Regional Stations is used for Central Minikit Testing Programme, and also supplied to state Department, Dairy Co-operatives and Farmers, etc. Further the Central Minikit Testing Programme is also being initiated which is intended to popularize high yielding fodder varieties on a large scale by distributing free fodder seed minikits to farmers.

With regard to the distribution of free fodder seed minikits to farmers particularly to popularize high yielding fodder varieties, when the Committee enquired about the present status and the outcome of the scheme and its long-term benefit to farmers and the country as a whole, the Department explained that :-

“The newly evolved high yielding fodder varieties are being popularised amongst the farmers of the country through Central Fodder Minikit Testing Programme. The States show good response to the programme and place huge demand for supply of fodder minikits. Consequently, demand for the fodder seed minikits is indicating adoption of new varieties by the farmers. This programme functions as a bridge between the research organizations, which provide breeder seeds, and the farmers who adopt the newly evolved fodder varieties. Hence, supply of fodder seed minikits provide long term benefit to the farmers and the country as a whole in respect of fodder development activities.”

#### **Assistance to States for Integrated Piggery Development**

1.48 The Pig rearing has special significance for the North Eastern States where pig meat is the staple food and almost every household rears pigs for its daily requirements. According to the Department, the Planning Commission have discontinued this Scheme due to huge unspent amount during 9<sup>th</sup> Plan. The Committee in their 42<sup>nd</sup> Report on Demands for Grants (2003-04) of the Department had recommended for revival of this Scheme.

It has been stated in the Annual Report document 2003-04 that the Department implemented a scheme of Assistance to States for Integrated Piggery Development upto Ninth Plan. However, as the Scheme was of immense importance for North Eastern

regions, it was decided to initiate a new scheme again on Piggery Development in North Eastern regions. The Committee, has, however recommended that piggery development has special importance for other regions as well, besides North Eastern region. An allocation of Rs. 20.00 crore has been made for the year 2005-06.

On a query on whether the Scheme has got approval of the Planning Commission, the Department replied that :-

“Planning Commission vide their letter No. M-12043/3/2003-PC dated 09.02.2005 communicated that Assistance to states for Piggery Development can be taken up during 10<sup>th</sup> Plan as part of a restructured Centrally Sponsored macro management scheme, “National Project for Improvement of Poultry and Small animals” which will cover poultry/duck farms, piggery development, feed and fodder development and conservation of threatened breeds. An outlay of Rs 96.50 crore has been provided for this macro scheme in the Annual Plan 2005-2006.”

The Committee also asked when the Scheme would be implemented, the Department informed that it is likely to be approved during the 2<sup>nd</sup> quarter of 2005-06.

### **Poultry Development**

1.49 Poultry Development has taken a quantum leap in the last three decades emerging from a near backyard practice to a venture of industrial promotion. India is on the world map as one of the leading egg producer, broiler production has also sky rocketed at an annual growth rate of about 15 per cent and stands at about 1000 million broiler at present.

After the initial boost given by the Central Poultry Breeding Farm to promote poultry farming on commercial lines in the country, the poultry sector has flourished and now about 70 per cent of the production management and marketing is under a highly organised sector. The rest 30 per cent of the unorganised sector whose contribution needs to be strengthened is now being focussed upon by promoting backyard poultry.

1.50 Apart from taking important policy decisions and providing infrastructure support, the Department is now planning to diversify its activities by stepping up production of Turkey, Quail, Guineas fowl etc.

Following Schemes are in operation :

- A. Central Sector Scheme  
Central Poultry Development Organisation
- B. Centrally Sponsored Scheme  
Assistance to States for Poultry/Duck Farm
- C. **Rural Backyard Poultry Development (New)**

1.51 This new Scheme is aimed at improvement of employment and income generation of poor rural families particularly the women who are outside the commercial poultry sector. The existing Central Poultry Development Organization and State Poultry Farms will function as nucleus breeding farms which will supply 'one day old chick' and 'mother units' for rearing up to about six weeks and supply of twenty to fifty birds to beneficiary families. The mother units will provide the beneficiaries all assistance relating to inputs about the health care and marketing. Attempts are being made to strengthen the contribution of the unorganized sector by promoting backyard poultry. Proposed outlay for the Scheme during 2005-06 is Rs. 25.00 crore.

Asked whether the Scheme has got approval from the Planning Commission and other appraisal agencies, the Department replied :-

“The Scheme on ‘Development of Rural Backyard Poultry’ was prepared and submitted to the Planning Commission for ‘in principle’ approval. The Planning Commission asked for certain clarifications and the same have been duly replied. Meanwhile, the Planning Commission vide their letter No. M-12043/3/2003-PC dated 09.02.2005 communicated that the re-structured Macro Management Scheme – National Project for Improvement of Poultry and Small Animals (CSS) will include Assistance to State Poultry and Poultry /Duck Farms, Piggery Development, Feed & Fodder Development and Conservation of Threatened Livestock breed. Rural Backyard Poultry will also be a component under this scheme.”

When the Committee asked for the efforts that are being undertaken by the Department for an early implementation of the scheme, the Department in its reply stated that :-

“Budget allocation of Rs. 96.50 crores has already been made for 2005-06 for this Scheme. Out of that Rs. 23.00 crores is earmarked for Rural Backyard Poultry Development(New). The scheme will be implemented as soon as the same is approved.”

### **Poultry Duck Farms**

1.52 This Scheme, “Assistance to State Poultry Farms” is implemented for strengthening rural poultry at the State level to improve the socio-economic development of the poorest of the poor in rural areas. The 10<sup>th</sup> Plan allocation is Rs. 25.00 crore. The scheme is implemented in all the States/Union territories in the country. The BE for

2004-05 is Rs. 8.67 crore which stands enhanced to Rs. 9.73 crore. The expenditure reported till January 2005, however, is Rs. 6.15 crore only.

The Committee asked if the entire amount allocated for the purpose will be utilized during 2004-05, the Department replied :-

“The funds allocated under this Scheme have been fully utilized. Against the revised budget allocation of Rs. 972.55 lakh the total expenditure made so far is Rs 975.05 lakhs.”

On being enquired about the number of farms that are being assisted at present, the Department replied that during the year 2004-05, the number of farms assisted was eighteen in nine States.

When the Committee enquired if any proposal for assisting the farms in Union territories have been received and if not, what steps were initiated by the Department to promote rural poultry in Union territories also, the Department stated as under :-

“No proposal for assisting the farms in UTs was received during this year. During the Southern Regional Poultry Conference held at Thiruvananthapuram on 23 and 24 February 2005, the UTs were requested to attend the Conference with proposals under the scheme, if any, for consideration. However, no such proposals were received. Further efforts will be made to promote rural poultry in UTs through this scheme.”

The Committee further asked for the steps being initiated in this regard so as to benefit the poorest of the poor. The Department replied that :-

“The Scheme focusses on strengthening infrastructure to produce good germplasm suitable for rural areas with improved egg laying capacity and FCR.



Under the Scheme, provision for feed analysis, preparation of low cost feed rations and poultry training are undertaken. The day old chicks/ grown up birds are supplied to tribals, SCs/ STs/ women and un-employed youth.”

1.53 The Committee were informed that in order to prevent the ingress of the Avian influenza commonly known as bird flu in the country and restore consumer confidence in the wake of the outbreak of the disease in South and South East Asian countries during January 2004. Government have taken safety measures including ban on import of poultry and poultry products completely from the infected countries.

When the Committee enquired if there is any impact on the livelihood of small and marginal farmers due to ban of poultry and poultry products and, if so, the concrete steps initiated by the Department to overcome this problem, the Department in its reply stated as under :-

“(a) Many representations were received with a request to lift the ban on import of Grand Parent stock of poultry so as to ensure the regular supply of day-old chicks. Accordingly the Department has reviewed the situation and lifted the ban on import of Grand Parent from those countries, which are free from Avian Influenza disease.

(b) A meeting with the leading bankers involved in rural financing of poultry projects was held. Issues relating to rescheduling/ restructuring of loans of poultry farmers by way of rehabilitation measures were pursued with the banks.

(c) Meeting with the representatives of Poultry Industry was held and various issues, including creating awareness amongst consumers about the safety of Indian eggs and chickens were flagged. Panel discussions on TV (Kisan Channel

& Doordarshan) along with Ministry of Health Officials were organized. Further, press notes were released through Press Information Bureau to dispel any misconceptions about bird-flu. Advertisement in leading national and regional newspapers was given to promote the safety of Indian eggs & Chicken.”

On a query whether the disease still exists in the Asian Countries, the Department replied that it still exists in some Asian countries.

### **Central Sheep Breeding Farm, Hissar**

1.54 The Central Sheep Breeding Farm, Hissar was established in collaboration with the Government of Australia under the Colombo Plan during 1969-70.

Its main objective is to produce around 1,000 exotic and crossbred rams annually at the farm and supply to various State Governments/organisations for implementing sheep development programme launched in the respective States and to provide training facilities and extension work in sheep management and pasture development for officials/farmers from the various States.

Out of the total 6,477 acres of land provided to Central Sheep Breeding Farm, Hissar, the Government of Haryana had taken back 4,028 acres of land in May 1997. According to the Department, the farm might now find it difficult to achieve the targets on this account. During 1999-2000, only 686 rams could be supplied to States. Farm stability at existing location was yet to be finalized with State Government of Haryana for extension of lease period and revision of lease rent hence developmental activities were being held up.

1.55 The Department has informed that the Government of India has requested the Chairman, Haryana Livestock Development Board and also the Secretary, Government of

Haryana to extend the lease periods of the Farm up to 31 July 2012 at the paid rate of Rs. 1,000/- per acre per annum.

Queried further, the Department informed that they have not received a reply from the Government of Haryana so far. To solve out this issue, the Secretary (AH&D) discussed the matter with the Chairman of Haryana Livestock Development Board and Director of Animal Husbandry, Haryana and they assured that the issue of extension of lease period and lease rent will be taken up with the Government of Haryana.

1.56 Following are the year-wise targets and achievements during 10<sup>th</sup> Plan

Year	Target	Achievement
2002-03	750	1023
2003-04	1000	510
2004-05	1000	NIL
2005-06	NIL	---

The Committee note that the long pending issue of lease rent with regard to the Central Sheep Breeding Farm at Hissar has not yet been resolved. The Government in its action taken reply on Third Report on Demands for Grants (2004-05) have stated that it is trying vigorously to resolve the issue of long pending lease rent with the Government of Haryana.

The Committee asked if the long pending issue of lease rent has now been resolved and if not what concrete steps are being taken up by the Department to solve the issue at the earliest. The Department in its reply stated :-

“The matter had been taken up by the Department at the level of Chief Secretary, Government of Haryana by Secretary of the Department and at the level of Chief Minister, Government of Haryana by Union Agriculture Minister. However, the

issue of finalizing lease agreement and lease rent with respect to Central Sheep Breeding Farm at Hissar is yet to be resolved.”

1.57 Further the Department during the oral evidence on Demands for Grants (2005-2006) informed that:-

“As regards Central Sheep Breeding Farm, there is the problem of lease rent. Our only hope is that the new Government has taken over and we are requesting our Minister to take up the matter with the Chief Minister. But the work of the farm is going on. In the meanwhile, the performance of the unit has improved a lot this year. We have been constantly monitoring it. But the issue of the land continues but I hope that will be sorted out amicably.”

The Committee also enquired if the Department propose to take up the matter afresh with the new Government in Haryana. The Department replied that since a new Government has been installed in the State recently, it is proposed to take up the matter once again with the Chief Minister of the State.

### DAIRY DEVELOPMENT

#### INTEGRATED DAIRY DEVELOPMENT PROJECTS IN NON-OPERATION FLOOD, HILLY AND BACKWARD AREAS

1.58 The following table depicts the budget allocations for the Centrally Sponsored schemes and Central Sector Schemes for Dairy Development:

Name of the Scheme	10th Plan (2002-07)	BE 2002-03	Exp. 2002-03	BE 2003-04	RE 2003-04	Exp. 2003-04**	BE 04-05		2004-05 RE	2004-2005 Exp.	2005-06 BE
2	3	4	5	4	5	6	7		8	9	10
<b>Dairy Development</b>		361.00	37.02	34.99	29.90	19.97	19.82	51.62	74.12	63.75	92.00
<b>Centrally Sponsored Schemes</b>		205.00	20.52	16.32	19.88	12.47	16.43	28.42	-	-	70.00
I. Integrated Dairy Development Project		175.00	20.50	16.32	18.88	12.47	16.43	20.00	25.00	25.70	70.00
II. Strengthening infra. For quality & clean milk (New)		30.00	0.02	0.00	1.00	0.00	0.00	8.42	27.42	24.64	70.00
<b>Central Sector Schemes</b>		156.00	16.50	18.67	10.02	7.50	3.39	23.20	-	-	22.00
I. Assistance to Cooperatives		130.00	15.00	16.65	9.00	6.50	2.76	15.00	11.00	9.82	10.00
II. Delhi Milk Scheme		1.00	1.00	2.02	1.00	1.00	0.64	1.00	3.50	3.49	00.00
III. Dairy/Poultry Venture Capital Fund(new)		25.00	0.50	0.00	0.02	0.00	0.00	7.20	7.20	0.00	12.00

1.59 An Integrated Dairy Development Programme in Non-Operation Flood, Hilly and Backward areas was launched during the 8<sup>th</sup> Five Year Plan as a Central Sector Scheme to be implemented by the concerned State Government. It was continued during the 9<sup>th</sup> Plan period and is also to be continued during the 10<sup>th</sup> Plan as a Centrally-Sponsored Scheme with an outlay of Rs. 175.00 crore

The main objectives of the Scheme are development of milch cattle, increase the milk production, procurement, processing and marketing of milk in a cost effective manner, ensure remunerative prices to the milk producers, to generate additional

employment opportunities and to improve social, nutritional and economic status of residents of comparatively more disadvantaged areas.

1.60 The Scheme seeks promotion of dairy activities in the economically disadvantaged hilly and backward areas and other areas hitherto uncovered, and generation of employment opportunities and income to poor farmers in rural areas. It is a 100 per cent Centrally sponsored Scheme and covers non-operation flood areas, hilly and backward regions of the country.

When the Committee asked about the significant impact the IDDP has been able to make in dairy development in the Hilly and backward areas and also request the Department to furnish the State-wise details for the last 5 years, the Department in its reply stated as under :-

“The prime objective of IDDP is to develop dairying in the areas, which have very low potential for milk production and had not received any assistance under any Central Sector or Centrally Sponsored Scheme and had therefore no or very little infrastructure in terms of dairying. The areas being hilly and backward have very poor general infrastructure like roads and connectivity. Because of difficult terrain and the fact that villages in these areas are located at long distances between one and another, milk procurement activities in the areas were difficult and also required high transportation cost. Because of these reasons, the dairying activities in these areas are not financially viable and therefore these were left out of the Operation Flood Programme, which had taken only high potential areas to ensure financial viability of dairying operations.”

1.61 The Department further stated :-

“The implementation of IDDP in these areas has resulted in rearing cattle for milk production and earning a livelihood from the dairying activities. The IDDP has thus helped in improving the socio-economic and nutritional status of tribals of these areas.

The project is helping in transfer of income from urban areas to these backward rural areas in the form of price of milk procured and paid to the poor farmers. As on 31.12.2004 cumulative milk procurement in the IDDP areas was about 6.4 lakh litres per day. Thus, there is a transfer of above Rs.300 crore per annum to the rural economy especially in the North Eastern Region.”

#### **Assistance to Cooperatives**

1.62 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.

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-operatives 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 co-operatives, located

in different parts of the country and will provide a further fillip to milk production in the country.

1.63 Following are the budgetary allocations for this Scheme :-

(Rs. in crore)

Tenth Plan outlay – Rs. 130.00 crore

Year	BE	RE	Actuals
2002-03	15.00	----	16.69
2003-04	9.00	----	2.71
2004-05	15.00	11.00	5.93
2005-06	10.00	----	9.82

1.64 The Committee desired to know the actions that have been initiated by the Department to make the venture of dairy components profitable. The Department explained that :-

“The scheme “Assistance to Cooperatives” is being implemented to rehabilitate the sick milk unions by providing the financial assistance to clear their outstanding dues to milk producers, other district milk unions, federations and employees etc. This will help them in becoming commercially viable and to earn profits, resulting in payment of remunerative price to the milk producers.”

The Committee also enquired about the number of dairy co-operatives that were given assistance during 9<sup>th</sup> and 10<sup>th</sup> Plan period. The Department in its reply stated that:-

“District Milk Unions have been approved so far, for providing assistance under the scheme ‘Assistance to Cooperatives’ during 9<sup>th</sup> and 10<sup>th</sup> Plan period (till 14<sup>th</sup> March 2005).”

The Committee pointed out that since the outlay for 10<sup>th</sup> Plan is 130 crore and the Department could utilize Rs. 25.29 crore during the first three years of 10<sup>th</sup> Plan (upto January 2005), the Committee asked how the huge unspent amount of Rs. 104.71 crore



will be utilized by the Department in the remaining two years of the plan, the Department in their reply stated that :-

“Over 40 unions have been identified for assistance under the scheme. Approval of a union under the scheme will depend on whether there is a reasonable chance of its successful rehabilitation and whether the State Government is willing to provide their matching share. Even after a scheme is approved, subsequent releases are made based on release of State Government share and progress of implementation of rehabilitation measures. Progress of implementation of many unions is reviewed in meetings held in the Department by the Secretary and appropriate instructions are given for achieving progress. It is expected that the pace of expenditure will increase in the remaining two years of Tenth Plan. It is also pointed out that if there is any shortfall in the utilization of the outlay earmarked for the scheme, the same can be diverted for other schemes and the effort of the Department will be to fully utilize the total outlay for tenth plan.”

1.65 The Committee also enquired if the Department is aware of the extreme hardships being faced by milk producers/cooperatives for want of reasonable prices. The Committee further pointed to the fact that milk is being sold cheaper than the mineral water in many parts of the country. The Department in reply stated as under :

“The price of milk depends on local situations in a particular area and also on the demand and supply. The price of inputs for milk production like feed and fodder also are nature dependent just as other agriculture produce. The Department of ADF is strengthening the sick Dairy Cooperatives by providing them financial assistance, so that these, on becoming viable, are able to provide remunerative prices to the milk producers. Another scheme of the Department, viz. ‘Strengthening Infrastructure for Quality and Clean Milk Production’ provides

financial assistance for bulk milk coolers in the milk procurement system so that the losses to farmers and the milk unions due to souring and curdling of milk could be minimized. Milk may be cheaper than mineral water in some parts of the country particularly during winter season when there is flush of milk. Efforts are being made by implementing various schemes of dairy development in the country so that loss making dairy cooperatives become profitable and provide remunerative prices to the milk producers.”

1.66 The Committee in their 3<sup>rd</sup> Report on Demands for Grants (2004-05) felt that Dairy Co-operatives play an important role in boosting the milk production in the country and they should be given a chance to rehabilitate themselves. They suggested the Department for changing the funding pattern for making it more attractive to the fund starved States.

Considering the financial conditions of most of the states and the huge unspent balances with the Department under the Scheme, the Committee desired to know whether the Department proposes to change the funding pattern to salvage the conditions of dairy cooperatives. The Department in their explanation stated :-

“The Department has entrusted the evaluation of the scheme to MANAGE, an organisation under the administrative control of Department of Agriculture & Cooperation. Any revision in the scheme will be considered after the findings of the evaluation study becomes available.”

### **Delhi Milk Scheme**

1.67 The Delhi Milk Scheme is a Central Sector Scheme functioning since 1 November 1959. Its main objective is to supply wholesome milk and milk products to the citizens of Delhi at a reasonable price and also to ensure remunerative and sturdy market for the milk products in and around the capital. The installed capacity of DMS is

for processing of 5.00 lakh litres of toned milk per day. However, since no major investment has been made so far on upgrading the plant and machinery, the DMS is able to process and pack 3.50 lakh litres of variety of milk per day at present. Efforts are being made to increase the processing capacity of different types of milk upto 6.00 lakh litres per day by undertaking modifications and up-gradation of plant and machinery by the end of the financial year 2005-06.

### **Financial Requirements**

(Rs. in lakh)

	<b>Plan</b>	<b>Non-Plan</b>
BE 2004-05	100.00	19026.00
RE 2004-05	350.00	19370.00
BE 2005-06	0.00	22000.00

1.68 The Committee enquired about the efforts being made to increase and enhance the processing capacity of different types of milk under DMS. The Department in its reply stated that :-

“The plant and machinery of DMS is quite old and, therefore, DMS is able to handle only 3.50 lakh litres per day at present. Efforts are being made to increase the processing and packaging capacity of different types of milk upto 6.00 lakh litres per day by undertaking modification and upgradation of plant and machinery by the end of the financial year 2006-07 subject to availability of funds. The entire cost for upgradation and modernization of plant to bring it to a semi-automatic level will be about Rs.23.00 crore. Out of this, about Rs.5.00 crore have been earmarked for DMS in the current financial year (including plan and non-plan funds). Remaining Rs.18.00 crore are required during the next two

years, i.e. 2005-07. The Committee noted that the Department is examining various options including recommendation of the Management Committee of the DMS to upgrade the plant and machinery of DMS with a total outlay of Rs. 23.00 crore.”

When the Committee enquired about the modification of the Plant and machinery of DMS being undertaken, the Department stated that the DMS is undertaking modification and upgradation of plant and machinery to increase the processing capacity of different types of milk in DMS with the amount made available to them.

Asked to furnish the details of expenditure made on upgradation of the plant and machinery and the time schedule for completion of the exercise, the Department replied :

“An amount of Rs.2.75 crore (Plan fund) and 0.80 crore non-plan have been spent on upgradation of the plant and machinery in the current financial year (till 14 March, 2005). The entire amount of Rs.5.00 crore (Plan Rs.3.50 crore and non-plan Rs.1.50 crore) will be spent before 31 March, 2005. The work including installation is expected to be completed within a period of about four months.”

1.69 As regards the modifications/alterations undertaken in the current financial year, the Department stated:

“(a) For enhancing processing capacity 2 Nos. of pasteurizers along with separator of capacity 20,000 litres per hour are being installed by replacing the existing machines which are almost 20 years old.

(b) For improving the packaging capacity 6 numbers of new packaging machines of mechanical types are being installed.

(c) The above two measures will improve the processing and packing capacity of the plant to 4 LLPD. To support the above capacity enhancement modifications are being made in the existing refrigeration system and other service equipment.

(d) Spare-parts are being purchased for various machines and operating system are being modified to reduce handling losses, reduce operating costs and improve efficiency.”

#### **Dairy/Poultry Venture Capital Fund**

1.70 To bring about structural change in the unorganized sector, measures like milk processing at village level, marketing of pasteurized milk in a cost-effective manner, quality up-gradation and up-gradation of traditional technology, to handle commercial scale, using modern equipment and management skills and to encourage new species of birds and low input technology for poultry farming among rural farmers, a new scheme- the Venture Capital Fund for Dairy and Poultry sector is being introduced. The assistance under the Scheme shall be provided to the rural beneficiaries under a schematic proposal through Bankable Projects. There is an outlay of Rs. 25.00 crore made during the 10<sup>th</sup> Five year Plan with the Budget provision of Rs. 7.2 crore in the year 2004-05. The Scheme will be implemented through NABARD.

When the Committee enquired about the current status regarding this Venture Capital Fund Scheme, wherein a schematic proposal through bankable projects is to be provided to the rural beneficiaries and how far will this be beneficial to the rural farmers, the Department stated as under :-

“The administrative approval of the Scheme has been issued on 14 December 2004 after the scheme was approved by Expenditure Finance Committee on 04.10.2004 and the competent authority. The scheme will be implemented through NABARD. The operational guidelines of the scheme have also been issued in consultation with NABARD. A Joint Monitoring Committee (JMC) has also been constituted to monitor and

review the implementation of the scheme throughout the country and three meetings of JMC have taken place so far.

The intervention through the scheme will result in generation of self-employment and in providing infrastructure to unorganized sector for making improvement in quality resulting in food safety.”

1.71 The Committee also enquired if the Scheme has since been approved by the Planning Commission. The Department replied that the Scheme has been approved by Planning Commission and the competent authority thereafter.

### **Strengthening Infrastructure for Quality and Clean Milk Products**

1.72 This Centrally-sponsored plan scheme was approved in 2003 with an outlay of Rs. 30.00 crore for the 10<sup>th</sup> plan period.

The objective of this Scheme is to improve the quality of milk produced in the country. Under the scheme there is a provision for training of the farmers on good milking practices. The scheme is being implemented on 100% grants-in-aid basis to the State Governments/Union Territories specially for components namely, training of farmer members, detergent, utensils, strengthening of existing laboratory facilities whereas 75% financial assistance is provided for setting up of milk chilling facilities at village levels.

With regard to this Scheme, when the Committee asked about the target and achievement till date, the Department replied that:

“A sum of Rs.8.42 crore was provided in B.E. 2004-05, which has been enhanced to Rs.27.42 crore at R.E. stage under the scheme Strengthening Infrastructure for Quality and Clean Milk Production. 37 projects covering 13 States have been

approved in the current financial year (till 14 March 2005) with a Central share of Rs.36.58 crore and an amount of Rs.18.82 crore has been released.”

## **FISHERIES**

1.73 The Fisheries Sector provides employment to over 11.00 million people engaged fully, partially or in subsidiary activities pertaining to the Sector, with an equally impressive segment of the population engaged in ancillary activities associated with fisheries and aquaculture. Potential of fish production from marine and inland resources has been estimated at 3.9 million tonnes and 4.5 million tonnes respectively. A present, total fish production is about 6.40 million tonnes comprising of 3.45 million tones from Inland and 2.95 from Marine Fisheries. Having almost reached a plateau in production from the coastal waters, the scope for increasing fish production from marine sources now lies in the deep sea. In the inland sector, however, there is considerable scope for increasing production and productivity by sustainable exploitation of the resources. The potential for fishery development in East and North Eastern States is immense and fish is an important constituent of diet of the majority of populace of the States in this region. Development of fisheries can go a long way to tackle the problem of food as well as unemployment in the regions that are predominately rural populace and possess adequate water bodies.

1.74 There has been steady growth in the export of fish and fish products. Efforts are being made to boost the export potential through diversification of products for export. The country has now also started export of frozen squid, cuttle fish and a variety of other fin-fishes. During 2002-03, the country exported 5.21 lakh tonne of marine products valued at Rs. 6,793.05 crore as compared to 4.58 lakh tonne of marine products, valued Rs. 5,815 crore in 2001-02. The export of fish and fish products declined to Rs. 5,739.33 crore in 2003-04 mainly due to decline in the export of frozen fish only as compared to the previous years.

The country has a long coastline of 8,118 km. And an equally large area under estuaries backwaters, lagoons, etc. highly amenable for developing 'capture' as well as 'culture' fisheries. After declaration of the Exclusive Economic Zone (EEZ) in 1997, the marine area available to India is estimated at 2.02 million sq. km. comprising 0.86 million sq. km on the west coast, 0.56 million sq. km on the east coast and 0.60 sq. km



around the Andaman and Nicobar Islands in addition to the free access to the international waters.

1.75 The inland fishery resources include 1.96 lakh kms stretch of rivers and canals, 31.50 lakh hectare reservoirs, 24.14 lakh hectare ponds and tanks, 0.98 lakh hectare of beels, derelict water bodies and 12.40 lakh ha brackish water areas.

The following Schemes are in operation during the 10<sup>th</sup> Plan

Sl.No.	Schemes
1.	Establishment of Fishing Harbours
2.	Development of Freshwater Aquaculture
3.	Development of Marine Fisheries
4.	National Welfare of Fishermen
5.	Fishery Survey of India
6.	Deep Sea Fishery
7.	Central Institute of Fisheries Nautical
8.	Central Fish Coast Engg. Inst.
9.	Integrated Fisheries Project
10.	Training and Extension
11.	Inland Fisheries Statistics
12.	Inland Capture Fisheries
13.	Development of Fisheries in Hilly Region
14.	Assistance to Coast Guard
15.	Inland Fish marketing
16.	Integrated Coastal Aquaculture
17.	Acquisition/Maintenance of Dredg. Equipment
18.	World Bank Project on Shrimp Culture
19.	Utilisation of Inland Saline Soil
20.	Devel. Of Watered Areas into Aqua Estate
	<b>New Schemes</b>
21.	Strengthening of Database and Inf. Networking
22.	National Fisheries Development Board

1.76 The Committee note that having almost reached the Plateau in production from coastal waters, the scope for increasing fish production from the marine sources now lies in the deep sea. A comprehensive marine policy was launched in November 2004 to facilitate sustainable deep sea fishing. The development of fisheries can go a long way to tackle the problem of food as well as unemployment.

When the Committee enquired about the main objectives of the new Marine Policy and the steps that are being taken by the Department to achieve the objectives, the Department stated as under :-

“The main objectives of the Marine Fishing Policy are:

- (1) To augment marine fish production of the country up to the sustainable level in a responsible manner so as to boost export of sea food from the country and also to increase per capita fish protein intake of the masses,
- (2) To ensure socio-economic security of the artisanal fishermen whose livelihood solely depends on this vocation.
- (3) To ensure sustainable development of marine fisheries with due concern for ecological integrity and bio-diversity.”

To achieve these objectives, the Department formulated and put in place the Centrally Sponsored Scheme on “**Development of Marine Fisheries, Infrastructure and Post Harvest Operations**” during the X Plan. The Scheme has the following components:

**Development of marine fisheries:**

- Introduction of intermediate crafts of improved design
- Resource specific deep sea fishing vessels
- Safety of fishermen at sea
- Motorization of traditional craft
- Fishermen Development Rebate on HSD Oil

**Development of infrastructure and post harvest operations:**

- Establishment of fishing harbours and fish landing centres
- Infrastructure for post-harvest operations
- Maintenance of dredging equipment

1.77 The Committee also note that the value of export of fish and fish production declined to Rs. 5,739.33 crore in 2003-04 from Rs. 6,793.00 crore in 2002-03 due to decline in the export of the frozen fish.

When the Committee asked the reasons for the decrease in the export of frozen fish during 2003-04, the Department explained that:

“Export of fish and their products come under the purview of Marine Products Export development Agency (MPEDA), Ministry of Commerce. However, there has been decline in the quantity of fish and fish products from 467.30 thousand tonnes in 2002-03 to 412.01 thousand tonnes in 2003-04. The export of frozen finfish and shrimp showed a steep decline during this period. The quantity of frozen finfish and shrimp declined from 331.13 thousand tonnes in 2002-03 to 267.79 thousand tonnes in 2003-04. In this group export of frozen shrimps declined from 196.32 thousand tonnes to 138.02 thousand tonnes. In general, no culture fish is exported. The capture fish from sea of particular varieties are only

exported (pomfrets, seer fish, ribbon fish, etc.). It is understood from MPEDA that some of the main reasons for the fall in export are stringent SPS conditions imposed by EU, anti-dumping duty imposed by US and problems of muddy and moldy smell of shrimps produced in certain parts of the eastern coast.”

### **Fisheries (East and North-Eastern States)**

1.78 The Committee note that the potential for fishery development in East and North Eastern States is immense and fish is an important constituent of diet of majority populace of the States in this region. Development of fisheries can go a long way to tackle the problem of food as well as unemployment in the regions that are predominantly rural populace and possess adequate water bodies.

The Committee desired to know that since the scope for fishery development in the East and North Eastern States is immense, how does the Government/Department intend to fully utilize this potential. The Department in its reply stated as under:-

“In order to develop inland fisheries and aquaculture across the country including East and North-Eastern States, macro scheme entitled, ‘Development of Inland Fisheries and Aquaculture’ has been launched in the X Plan. The components of the Scheme include:

- i. Development of freshwater aquaculture,
- ii. Development of coldwater fisheries and aquaculture in hilly regions,
- iii. Development of waterlogged areas into aquaculture estates,
- iv. Utilization of inland saline/alkaline soils for aquaculture,
- v. Inland Capture Fisheries (Programme for augmenting productivity of reservoirs)  
and
- vi. Development of Brackishwater Aquaculture

Under the freshwater aquaculture programme some of the major activities are: construction of new ponds, reclamation/renovation of ponds and tanks, first year inputs (fish seed, fish feed, fertilizers, manures, etc.), integrated fish farming, running water fish culture, establishment of fish seed hatcheries and fish feed mills, etc. Assistance is also given to progressive fish farmers for purchase of aerators to further enhance the productivity of fish. Subsidy for the above-mentioned activities is given at the higher rates to fish farmers of Scheduled Tribes/Scheduled Castes. Subsidy is also provided for freshwater prawn seed hatchery, laboratory, soil and water testing kits, integrated units for ornamental fish, transportation of seed in hilly areas.

During the current financial year, Central assistance of Rs. 356.40 lakh has been provided to North-Eastern States and Rs. 552.36 lakh to Eastern States (Bihar, Jharkhand, West Bengal and Orissa) for development of inland fisheries and aquaculture.”

1.79 The Committee observed that Fisheries Sector occupies a very important place in the socio-economic development of the country. It has been recognized as a powerful income and employment generator as it stimulates growth of a number of subsidiary industries and is a source of cheap and nutritious food besides being a foreign exchange earner. Most importantly, it is the source of livelihood for a large section of economically backward population of the country. The main challenges facing fisheries development in the country include development of sustainable technologies for fin and shell fish culture, yield optimization, infrastructure for harvest and post-harvest operations and landing and berthing facilities for fishing vessels.

Asked about the main challenges being faced by the fishing sector in the country, the Department stated as under :-

“The economic status of the fishing communities is not sound. Further, there is a limited scope for coastal fisheries due to large number of traditional crafts operating in the territorial waters. There is a scope and potential in the deep-sea fisheries. Further, there is an imperative need to strengthen the infrastructure to facilitate landing and berthing and post harvest operations to provide fish in prime and hygienic conditions to both consumers and processing industry.”

The Committee also asked for the steps that are being initiated to meet those challenges and enhance production, the Department replied that :

“In order to strengthen infrastructure facilities, scheme on Development of Marine Fisheries, Infrastructure and Post Harvest operation has been put in place in the 10<sup>th</sup> Plan. Under this scheme, assistance is provided to the states/ UTs / Port Trusts for construction of fishing harbour and fish landing centres. Further, assistance is also provided to various implementing agencies for setting up of post harvest facilities such as setting up of ice plant, cold storage, purchase of refrigerated vehicles, marketing outlets, etc.”

1.80 The Committee further asked how the Fisheries Sector helps in uplifting and changing the socio-economic development of the country, especially of the poor fishermen, the Department replied that :

“Fishery is a State subject and they are responsible for overall development of the sector. However, the central government supplements their efforts by extending financial assistance under various schemes and programmes. The focus of both inland and marine macro schemes is to enhance fish production and productivity in the sector and thereby to raise the socio economic status of the fishing

communities. Further, the Department implements welfare scheme for the benefit of fishers. Under this scheme financial assistance is extended for construction of housing and other amenities.”

### **Fisheries in Himalayan region**

1.81 The fish variety in Himalayan region is known for its taste and high quality. The Committee in their earlier reports had emphasized the need for tapping the vast fish potential of the Himalayan region which is full of rivers, rills and rivulets, lakes and ponds.

When the Committee enquired whether the Department has done any study in recent years to harness the potential of Himalayan region for development of fisheries, the Department stated that it has not conducted any study in this regard in recent years.

The Committee further enquired about the efforts or steps that are being taken for the development of fisheries in the Himalayan Region. The Department in its reply stated that:

“Considering the potential of cold water fisheries and capture fishery resources, two pilot projects were undertaken in the terminal year of the IX Plan (2001-02) with 100% Central assistance. These projects were (i) Development of cold water fisheries and aquaculture in the States of Himachal Pradesh, J&K, Sikkim and Uttaranchal; and (ii) Development of reservoirs fisheries in the States of Bihar, Karnataka, Madhya Pradesh and Uttar Pradesh. Considering the potential of above fishery resources, both have been taken as components of the macro scheme on development of inland fisheries and aquaculture in operation during the X Five Year Plan.”

### **Fisheries in Marshy/water logged areas**

1.82 The Committee pointed out that there are vast areas of marshy/water logged land in the gangetic plains, particularly in Western UP and Bihar suitable for fresh water and saline fish.

When the Committee asked whether the Department has done any preliminary survey of such areas and evolved an action plan for tapping their fishing potential and to furnish the details, the Department replied as under :-

“The Department has not conducted any survey to harness potential of fisheries in waterlogged areas as such. However, considering the potential of the above fishery resource a pilot project was launched in the States of Uttar Pradesh and Bihar during 2001-02. Similarly, another pilot project on productive utilization of saline soils was also taken up in the States of Haryana and Uttar Pradesh in 2001-2002. The Department has continued the above programmes as components under a macro scheme on Development of Inland Fisheries and Aquaculture during the Tenth Five Year Plan.”

### **Fisheries (Information Technology)**

1.83 The Committee note that under the Scheme, “Strengthening of Database and Information Networking for Fisheries Sector” the component of Information Technology, a provision has been made for procurement of equipment by State Governments/UTs/CIFR/DAH&D Headquarters/Fishery Survey of India, Mumbai. Funds have been released to the 19 States for procurement of IT equipment.

When the Committee asked about the positive impact this Scheme would have in the long run and to explain the current status therein and also on how far this would serve the need of the poor and uneducated fishermen, the Department replied as under :-



“The funds of Rs. 57.40 lakh and Rs. 230.00 lakh have been released as first instalment during 2003-04 and 2004-05 to altogether 22 States, UT of Andaman & Nicobar Island and to Central Inland Fisheries Research Institute (CIFRI), Barrackpore, for procurement of IT equipments. The objective of the development of IT in States is to strengthen the database of fish production and other related parameters to generate estimates of fish production periodically. It has no direct impact on the need of fishermen but a sound database will help the planners and policy makers in formulating the policy framework for the development of fisheries and benefit of fishers.”

1.84 The Committee further asked whether all the 19 States have utilized the funds allocated to them for procurement of IT equipment, the Department replied that :

“The State of Himachal Pradesh, Madhya Pradesh, Orissa, Assam and Tripura have utilized the fund released for the purpose of procurement of IT equipments till date. Others are in the process of procuring the equipments.”

#### **Integrated Fisheries Project (IFP), Cochin and Fishery Survey of India (FSI)**

1.85 The Integrated Fisheries Project, the unique institute under Ministry of Agriculture, Department of Animal Husbandry and Dairying as one of its Central Scheme is engaged in the development of technologies for harvesting and post – harvesting of marine fish resources. It has a well established fishery complex consisting of a fishing fleet, a modern mechanical workshop and Slipway to slip vessels up to a displacement weight of 250 tonnes, an Ice-cum-freezing Plant, a well equipped Processing Unit for processing and marketing of diversified value added fish products, a research and Development laboratory to carry out quality analysis of raw fish, finished products handled by the Project and testing and developing suitable packages for different value added products and Life Raft Servicing Station. The Project is also engaged in imparting

institutional training in disciplines like Fish Processing Technology, Marine Refrigeration and Apprenticeship Training in Fish Quality Control, Marine Engineering and Navigation.

1.86 The physical achievements and the target in respect of various Project are furnished as under :-

Activities	2002-2003		2003-04		2004-2005 (upto 31.10.2004)		2005-2006
	Target	Achieve-ment	Target	Achieve-ment	Target	Achieve-ment	Target
Days out at sea	200	-	200	-	-	-	-
Fish production (tonne)	35	-	35	-	-	-	-
Fish processing (tonne)	160.460	72.598	160.500	57.647	160.500	45.100	100.00
<b>Fish Products developed</b>	106.460	48.790	109.960	40.256	109.960	30.120	60.500
<b>Fish Marketing</b>							
(a) Quantity (tonne)	106.960	53.061	106.960	52.245	106.960	21.987	60.00
(b) Value (Rs. in lakhs)	52.44	36.35	52.44	39.36	52.44	17.70	30.00
<b>Workshop – job orders taken</b>							
(a) Number of job orders							120
(b) Revenue realized (lakhs)							1.50
Slipway-Vessels slipped							
(a) number	8	7	8	11	5	4	-
(b) Tonnage	800	497	800	901	350	223	-
<b>Liferafts servicing station</b>							
(a) Liferafts serviced (Nos.)	80	48	80	35	80	6	50
Revenue Realised (lakhs)	8.00	6.40	8.00	5.10	8.00	1.08	5.00
<b>Training Conducted</b>							
Number	213	335	209	1134	379	298	379
(b)Revenue Realised (Lakhs)	2.52	3.26	2.52	5.44	2.78	1.96	2.78

### Fishery Survey of India (FSI)

1.87 Fishery Survey of India is the nodal agency for survey and assessment of marine fishery resources of the Indian Exclusive Economic Zone, with Headquarters at Mumbai. The Institute has altogether 13 survey vessels. During the year 2004-05, two new monofilament longliners are being acquired and two demersal trawlers would be

decommissioned. Thirteen vessels are deployed from seven operational bases, namely Porbandar, Mumbai, Mormugao and Kochi along the west coast; Chennai and Visakhapatnam along the east coast; and Port Blair in the Union territory of Andaman and Nicobar Islands. Besides, resources surveys, the FSI's work includes monitoring of fishery resources for the purpose of regulation and management, assessment of suitability of different types of craft and gear for deep sea and oceanic fishing, providing in vessel training to CIFNET/Polytechnic trainees, dissemination of information on fishery resources through various media to the fishing community, industry other end users, etc. The Institute is recognized by the Universities of Mumbai, Andhra, Chennai, Cochin and Goa as a research center for M.Sc. and Ph.D. degrees.

The survey fleet of the Institute undertakes bottom trawl survey, Midwater/columnar resources survey and longline survey for demersal, columnar and oceanic tunas and allied resources and also for oceanic sharks. Besides, several experimental projects for the development of eco-friendly fishing methods are also undertaken. Scientists participate regularly in survey cruises and collect data on fishery resources and related biological and environmental parameters.

The target and achievements in terms of survey effort during 2003-2004 and 2004-2005 for different types of surveys are furnished below (details of experimental projects are not included)

Types of survey (and effort parameter)	2003-2004		2004-2005		2005-2006
	Target	Achievement	Target	Achievement (up to Oct. 2004)	Targets
Bottom Trawl survey (fishing hours)	8640	4137	6318	2609	5310
Mid water trawl survey	810	319	780	308	540
Oceanic longlining survey (hooks operated)	228000	120494	341250	59895	457500

1.88 When the Committee asked for the reasons behind the shortfall in achievements vis-a-vis the targets, the Department in reply stated as under :-

“The Integrated Fisheries Project was established under tripartite agreement signed between Government of Norway and India and UN for carrying out a programme of project development to furtherance of economic and social welfare of people of India. On termination of agreement with Government of Norway in 1972, the project was renamed as Integrated Fisheries Project with the objective of popularization of fishing methods, craft and gear, processing and development of products of fish landed by Project’s vessels, repair and maintenance of fishing craft, etc. Since most of the activities became obsolete due to repetition of same over the years as private industries adopted most of the methods popularized by Project and also made developments by applying advanced technology. The raw material (fish) landed by the vessels from FSI & CIFNET are not sufficient to cater the requirement of processing plant. Due to poor landings and variation in the price, the quantity procured was limited and the fish processing and product development was also limited to the availability of raw material. The Project has

processed 88.2 tonnes of fish during 2004-05 (till February) as against 57.6 tonnes during whole of 2002-03. The quantity marketed during 2004-05 (till February) is 86.7 tonnes as against 52.2 tonnes during 2003-04.

As regards the training of people concerned , the Department stated

“The training section of IFP is functioning well and the performance is also good.

As against a target of training 400 people during the current year, already 731 have been trained till February 2005. To increase the processing activities and product development, more quantity of fish have to be procured from the open market for procuring fish by making the payment on the spot. Also, additional work force may have to be employed on contract basis and the processing facilities upgraded.”

#### **Procurement of Vessels**

1.89 The Committee also note that the Fishery Survey of India (FSI) had made a plan to purchase two monofilament long lines vessels and construction and delivery of the vessel was targeted up to 12 August 2004.

On a query whether the two vessels have since been acquired by the Department and if so, whether they are now operational, the Department replied that :

“A contract was signed between Government of India and M/s Fujian Shipbuilding Corporation, China on 22.3.03 for construction of 2 Monofilament Longliners for Fishery Survey of India, Mumbai. The vessels named as Matsya Drushti and Matsya Vrushti have arrived at Mumbai on 21<sup>st</sup> February 2005. Both the vessels were commissioned by the Hon’ble Minister of Agriculture on 13.03.2005 and will conduct tuna surveys using monofilament longline in the

Indian Exclusive Economic Zone. The vessel Matsya Drushti will be operated from Chennai base of Fishery Survey of India for the survey of Bay of Bengal and Andaman & Nicobar sea while the vessel Matsya Vrushti will be operated from Mumbai base of Fishery Survey of India for the survey of Arabian Sea including Lakshadweep Group of Islands.”

### **The Central Institute of Coastal Engineering for Fishery, CICEF (Bangalore)**

1.90 The Central Institute of Coastal Engineering for Fishery (CICEF), located at Bangalore, is a subordinate office under the Ministry of Agriculture, Deptt. of Animal Husbandry and Dairying, Government of India dealing with the development of fishery harbours and brackish water shrimp farms in the country. The purpose of the Institute is to assist the Government of India in conducting the necessary pre-investment studies to identify priority sites for development of fishery harbours and to prepare Techno-Economic Feasibility Reports covering construction plans for these harbours and their support facilities in the Maritime States/Union territories under the Centrally sponsored/Central Sector Schemes.

### **Physical Target 2003-04**

1. Detailed investigations and preparation of Techno-Economic Feasibility Report (TEFR) for construction of fishing harbours at 2 sites viz. Bhadeli-Jagalala in Gujarat and Uanam in the Union territory of Pondicherry
2. Finalisation of comprehensive Master Plan document for the development of fishery harbours and fish landing centres along the coast of the country during Tenth Five Year Plan Period and beyond.

3. The Institute would also be required to associate with this Ministry in monitoring the progress of construction of ongoing projects, evaluation of completed ones, etc. as and when necessary.

1.91 One of the physical targets of the Institute is to finalise a comprehensive Master Plan document for the development of fishery harbours and fish landing centres along the coast of the country during the 10<sup>th</sup> Plan period and beyond.

When the Committee enquired about the current Status of the plan and the ongoing projects, the Department stated as under :-

“The Institute had jointly reconnoitered fishery harbour and fish landing centre sites identified and proposed by the respective maritime states/U.Ts. Based on the joint inspection of the sites, the Institute has submitted a comprehensive Master Plan report on the development of fishery harbours and fish landing centres to the respective State Governments/U.Ts. and to the Department of Animal Husbandry & Dairying, Ministry of Agriculture, Government of India for taking necessary action at their end. In total, this Institute has recommended 57 fishery harbour sites and 107 fish landing centre sites in all the coastal states/U.Ts. During the period 2002-03 to 2004-05, the Institute has conducted engineering and economic investigation at six sites and economic investigation at four sites for the development of fishery harbours and prepared and submitted techno-economic feasibility reports for 13 sites. The Institute also scrutinized various technical proposals received from State Government/Ministry of Agriculture. The TEFRs in respect of eight sites are under various stages of preparation.

1.92 On a query on how far the CICEF has succeeded in attaining the enshrined objectives and also if the Department has done any appraisal of the functioning of Institute in recent years, the Department stated as under :-

“As explained in the above paras, this Institute has fully achieved its objectives during the 10<sup>th</sup> Plan Period. The Department has not done any appraisal of the functioning of Institute in recent years. However, the Department has been periodically reviewing the achievements of the Institute with reference to the targets assigned.”

### **National Scheme of Welfare of Fishermen**

1.93 National Scheme of Welfare of Fishermen is being implemented in various States/Union Territories. The Scheme consists of three components – housing, group accident insurance for active fishermen and saving-cum-relief. Assistance is provided to the State Governments for construction of housing, tube-wells and community halls for fishermen/fisherwomen in fishers’ villages. The fishermen/fisherwomen who are registered as active fishermen/fisherwomen with State/UT Governments are insured for Rs. 50,000 against death or permanent disability and Rs. 25,000 for partial accident.

This Centrally sponsored National Scheme of Welfare of Fishermen has the following three components in operation during the 10<sup>th</sup> Five Year plan :-

- (i) Development of Model Fishermen Villages
- (ii) Group Accident Insurance for Active Fishermen
- (iii) Saving-cum-Relief

1.94 On a query with regard to the current status regarding construction and development of Model Fishermen Villages and also the status with respect to Accident



Insurance Scheme for active fishermen and the achievements made so far, the Department stated in reply as under :-

“The National Scheme of Welfare of Fishermen broadly covering the above three components is in operation during the X Five year Plan. Total outlay approved for the scheme in X Plan is Rs. 120 crore. During IX Plan Central assistance of Rs. 89.77 crore has been released to various States/UTs to implement the Scheme. During the entire Plan Period (1997-2002), over 36,800 houses were sanctioned and 10 lakh fishers were covered under insurance cover annually. During the entire Plan Period over 12.5 lakh fishers were covered under saving-cum relief component. During X Plan, Central assistance of Rs. 56.90 crore has been released so far (2003-05/14.03.2005). During this period, over 29,000 houses have been sanctioned for the benefit of fishers. About 32 lakh fishers were covered under group accident insurance component and 9.36 lakh fishers under SCR. Out of this, about 12,000 houses were sanctioned in 2004-05. Further 14.66 lakh fishers were covered under group accident insurance and 2.73 lakh fishers under saving cum relief in 2004-05 (till 14.03.2005).”

#### **Electronic Identification Tag on Livestock**

1.95 The 'Economic Times' dated 17 February 2005 had cited that the software services company, '**Patne**' with the UK based “Four Express” which is a supplier of livestock information services and products to the agriculture Industry has developed an electronic device which enables farmers to tag animals with an electronic identification tag. This electronic tag would capture data of animals in the farm and track their movement using a hand-held device. Information can both be uploaded and downloaded from the tag. Information carried in the tag includes the percentage of the animal, birth,

sex and breed along with history of its movement, health and treatment record. The electronic tags of the slaughtered animals are not rescued to ensure unique identification of the animals. The LCD screen and the keyboard on the hand-held device help the user to see and edit the animal data. It can also be viewed in a computer server through an in-built modem.

1.96 This electronic tag helps in knowing the origin of the meat and the animal providing it can be reassuring to meat eaters worried about falling prey to dreaded diseases such as 'Foot and Mouth and Mad Cow disease'. This solution has been deployed by farm express in several locations. Two large sheep and pig breeder in France, are said to be using the solution while many South American countries are said to have shown significant interest in deploying it.

The above-mentioned electronic tags seem to be a solution in capturing information and important data of the animal such as birth, sex and breed, history of movement, health and treatment record which would help in identifying if the animal possesses any diseases and thereby either preventing its import or reassuring meat eaters worried about falling pray to dreaded animal diseases.

1.97 When the Committee asked the Department if it has taken note of the aforesaid news item and whether the Department proposes to make a significant beginning in this direction, the Department stated that:-

“The Department is aware of the News Item about the use of electronic tags for animal identification and data based management system. Rajasthan Electronics and Instruments Limited (REIL) is also in the process of developing a similar product and the company is exploring the possibility of using it on dairy animals

in the country. Once the technology is perfected, it would be tried in Central Cattle Breeding Farms in the first instance.”

### **Tsunami**

1.98 The Committee during its oral evidence were informed that 56,000 boats were lost and 20, 000 boats got damaged. The Committee wanted to know about the efforts initiated by the Department to help restore the affected farmers. The Secretary, Department of Animal Husbandry and dairying furnished the information as under :-

“Around Rs. 1100 crore have been kept for rehabilitation of fishermen (including loan component). It is limited for purpose of providing boats, motors and nets and to see that the means of livelihood are restored. But there is a huge programme that the Government of India has taken up for housing. There are two components of this. One is temporary housing and the other is long term housing. As regards long term housing, the location is an extremely important issue because unfortunately many people lost their lives as they used to live very close to the coast. So, that is a big programme of the Government of India. Fortunately, the funds have been kept for that and the international assistance is also going to be available. The government of India has set up a separate cell in the Planning Commission which is monitoring all this. It is ensuring the availability of funds. The only place where temporary housing is getting slightly delayed is Andamans. But for Andamans also will be ensured that well before the monsoon, the temporary houses will be constructed. But the permanent housing is going to be a long term affairs. Of course, independent of Tsunami relief our Department is having a programme of pending housing for fishermen Rs. 40,000

is given as assistance for the construction of houses for the fisherman etc. I do not think housing will be a problem for the Tsunami affected people. The only problem is location. The State Governments may have to acquire land. For instance Tamil Nadu is acquiring land in places like Nagapattanam where they were staying very close to the coast. Under the relief, funds have been made available for acquisition of land itself and construction is a separate activity.”

## PART – II

### RECOMMENDATIONS/OBSERVATIONS

#### Recommendation No. 1

##### Plan allocation for the Department of Animal Husbandry, Dairying and Fisheries

The Committee note that the Department has been allocated Rs. 669.08 crore (Plan) for the year 2005-06. The Plan budgetary allocation for the year 2004-05 was Rs. 500.00 crore at BE stage which was enhanced to Rs. 575 crore at RE stage of 2004-05. The expenditure during 2004-2005, as reported up to February 2005 was Rs. 458.2 crore which has certainly increased in comparison to previous years of the 10<sup>th</sup> Plan. Surprisingly, the total expenditure during the first three years of the 10<sup>th</sup> Plan was Rs. 968.86 crore constituting barely 38.75% of the total 10<sup>th</sup> Plan outlay of Rs. 2,500.00 crore. The representative of the Department stated that the expenditure in the first three years of 10<sup>th</sup> Plan is expected to be over Rs. 1,068.00 crore leaving a balance amount of Rs. 1,440.00 crore, but assured its utilisation in the remaining two years of the 10<sup>th</sup> Plan. Having regard to the pace of expenditure during the preceding three years, the Committee are surprised as to how the Department would utilize such a huge amount of Rs. 1440.00 crore in the remaining two years. The Committee are fully aware of the significant role and potential of a sector like Animal Husbandry, Dairying and Fisheries in generating gainful employment in the rural sector, particularly among the landless, small and marginal farmers and the other disadvantaged social groups. The Committee feel that despite this, it is not only the Government which accorded low priority in allocation of funds, the Department also made a poor performance by under-utilisation of the allocated

funds. The utilization of Rs. 1,440 crore during the remainder two years of the 10<sup>th</sup> Plan as against the reported expenditure of Rs. 1,068 crore during the first 3 years appears to be a formidable task given the past performance of the Department. The Committee, would, therefore, like to be apprised of the new measures/strategies proposed by the Department to ensure full and effective utilization of allocations in the remainder two years of the Tenth Plan.

## Recommendation No. 2

### Implementation of new schemes during 10<sup>th</sup> Plan

The Committee note that the Department proposes to implement 23 schemes during 2005-06 including the new Centrally Sponsored Scheme of Livestock Insurance. Three other new schemes proposed to be implemented are Rural Backyard Poultry Development, Integrated Development of Small Ruminants and Setting up of National Fisheries Development Board. The Centrally Sponsored Component Scheme, “Assistance to States for Piggery Development” under the macro-management scheme, “Livestock and Poultry improvement Programme” is also yet to be revived.

The Department has informed in respect of certain major schemes introduced as new schemes in the 10<sup>th</sup> Plan that significant expenditure could not be effected in the first two years since certain preliminary steps were required to be completed. The Committee are dismayed to note that even after three years of commencement of the 10<sup>th</sup> Plan, these new schemes are yet to be modified/finalized or get the clearance of the appraisal agencies. The Committee are perturbed to note that out of the allocation of Rs. 2,500 crore for implementation of various schemes during 10<sup>th</sup> Plan, the Department could utilize only Rs. 968.86 crore leaving Rs. 1,531.14 crore to be utilised during the remaining two years of 10<sup>th</sup> Plan. The Committee note that these schemes announced in one financial year and launched in subsequent financial year with fanfare are yet to take off. The Committee find little relevance of the schemes which are yet to get the clearance of appraisal agencies and need further modification even after three years of their introduction. Obviously, there is lack of seriousness and direction in the conception and formulation of the schemes. The entire procedure, therefore, needs to be thoroughly

reviewed and streamlined so that implementation of the Schemes is not delayed by the appraisal agencies.



### Recommendation No. 3

#### Infrastructural development in Central Cattle Breeding Farm

Seven Cattle Breeding Farms located in different agro climatic regions of the country maintain herds of some important indigenous and exotic cattle breeds as well as buffaloes for distribution to the States for use in the Cattle and Buffalo Development Programme. The Plan allocation during 2004-05 had been increased to Rs. 8.60 crore against BE of Rs. 6.00 crore in 2003-04 towards infrastructural development necessary for production of high quality bulls in Central Cattle Breeding Farm. The Department in its Action Taken Reply to the recommendation made by the Committee in their 3<sup>rd</sup> Report on Demands for Grants 2004-2005 informed that all the developmental work in the Central Cattle Breeding Farms will be completed within the financial year 2004-2005 as desired by the Committee. The Committee, while examining the Demands for Grants 2005-2006, asked about the progress of developmental works which are being carried out in the farms and also the expenditure incurred, thereon, the Department could not furnish the desired information. The Committee further note that allocations scaled down at RE stage of 2004-2005 were again raised to Rs. 11.16 crore at BE stage of 2005-2006. The reasons put forth by the Department for enhancement of funds during 2005-2006 were some developmental works suggested by Central Management Committee in the farms like Construction of Quarantine Sheds at each farm, purchase of agricultural equipments and machinery, etc. The Committee are surprised to note that over the years while the funds are being used for enhancing developmental works in the farms, the Department was unable to give details of the works being carried out and also the actual expenditure incurred on it so far. Obviously, the Department has not been able to utilize the funds

allocated. Apparently, the Management Committee and the Advisory Committee constituted by the Department have been functioning in a lackadaisical manner. The Committee would like the Department to assess the performance of the farms and initiate sincere efforts for their improvement. They also desire that the money allocated for the purpose should be fully utilized and definite time frame may be fixed for completion of the developmental works in the farms so that poor animals in the farms do not suffer. The Committee would also like to be apprised of the efforts made to make available good breeds of indigenous cows and buffaloes during the last three years State-wise and year-wise.

Recommendation No. 4

National Veterinary Biological Products Quality Control

The Indian Veterinary Research Institute has been assisting in the task of maintaining the quality of vaccines and biologicals. But for effective monitoring of the quality, it is essential to establish a separate Institute. The Committee are happy to note that a Centre is being constructed in Chaudhary Charan Singh Institute of Veterinary Health at Baghpat and the works on various activities are being carried out by the Department. The approved 10<sup>th</sup> Plan outlay for this project is Rs. 21.10 crore of which an amount of Rs. 10.70 crore has been incurred so far. The allocation for the year 2005-06 is Rs. 11.00 crore. The Committee would like the Department to keep a strict watch over the pace of expenditure so as to adhere to its self-stipulated time schedule for completion of the Centre by the end of the financial year 2005-2006.

### Recommendation No. 5

#### Feed and Fodder Development

The Centrally-Sponsored scheme, “Assistance to States for Feed and Fodder Development” was initiated during the 7<sup>th</sup> Five Year Plan and discontinued during the 10<sup>th</sup> Plan. However, two components of this scheme, establishment of fodder bank and enrichment of straw/cellulosic waste were revived upto March 2005 to facilitate the States to combat the current drought situation in the country. The Committee also note that a new revised scheme on Fodder Development has been proposed with the aim to increase qualitative green and dry fodder, fodder seeds, conservation of fodder, fodder block making and popularizing high yielding varieties of fodder crops, ultimately increasing the fodder production.

The Committee note that due to competing pressures on land, the green revolution and diversified use of agriculture residues, the gap between the demand and supply of fodder is increasing. Besides, due to frequent drought in several States, the need to develop fodder with drought proofing as an objective is in sharp focus. Even under normal conditions, tremendous shortage of fodder is felt in many parts of the country. The deficit aggravates further during natural calamities such as drought, floods, etc. The Committee, therefore, strongly feel that for augmenting the fodder seed and fodder production in the drought prone areas, a Regional or Sub-Regional Station be set up specially for these specific areas to facilitate production and easy availability of fodder in consultation with the ICAR.

The Committee further note that the two components of the Scheme which were revived to facilitate the States to combat the current drought situation in the country has

come to an end in March 2005 and as of now the new scheme has only been proposed to the Planning Commission. The Committee observe that with the gap arising between the conclusion of the existing Scheme and the implementation of the new proposed Scheme, the shortage of fodder will aggravate furthermore. The Committee, therefore, desire and recommend that the new revised scheme on 'Fodder Development' should be implemented at the earliest not only to combat chronic 'Fodder Shortage' in certain parts of the country but also to tackle the problem of plenty elsewhere by setting up of adequate number of Fodder Banks. The Department also needs to evolve a mechanism for timely and suitable transportation of fodder from areas of plenty to areas of scarcity in consultation with the Railways.

Recommendation No. 6

Sheep Breeding Farm, Hissar

The Sheep Breeding Farm at Hissar, Haryana had been established with the objective to produce around 1,000 exotic and crossbred rams annually for supply to various State Governments/Organisations for implementing Sheep Development Programme launched in the respective States. The Committee are constrained to note that out of the Tenth Plan allocation of Rs. 25.00 crore, the Department could merely spend Rs. 3.05 crore during the first three years which is a meagre 12.2%. Also out of the Tenth Plan target of production and supply of 5,000 rams to various States, the Department could supply only 1,533 rams in the first two years, i.e. 2002-2003 and 2003-2004. However, the achievement during 2004-2005 was nil and also no target has been fixed for 2005-06 reportedly due to paucity of land in the farm. The Committee also note that the issue of finalizing lease agreement and lease rent with the Haryana Government is yet to be resolved. The Department in reply to a question informed the Committee that the matter will once again be taken up with the State Government.

The Committee would, therefore, like the Department to take up the matter expeditiously with the State of Haryana de novo in order to accelerate the implementation of the National Sheep Development Programme. The Committee would also like to be apprised of the response of the Government of Haryana.

Recommendation No. 7Assistance to Co-operatives

The scheme 'Assistance to Co-operatives' is a Centrally Sponsored Scheme which was approved in January 2000 for providing assistance in the form of grants for rehabilitation of loss-making dairy co-operatives/district level unions, as well as to the State Level Federations which are set up in different parts of the country under the Operation Flood Programme. The Scheme envisages rehabilitation assistance on 50:50 sharing basis between the Government of India and the concerned State Governments.

The Committee are distressed to note that a number of these unions/federations have accumulated losses for a variety of reasons, causing severe hardships to the milk producers and their daily economy, resulting in, among other things, delayed and irregular payments to the poor farmer members of these co-operatives. In response to a query, the Committee were informed that excessive and low manpower productivity, lower scale of operation of some milk unions with high per litre cost on procurement, transport, processing and distribution with lower sales realization and other factors as some of the reasons for the unsatisfactory performance of these unions/federations.

The 10<sup>th</sup> Plan outlay for this Scheme was Rs. 130.00 crore. Surprisingly, the Committee observe that the Department could utilize only Rs. 25.29 crore during the first three years of the 10<sup>th</sup> Plan leaving a huge unspent balance of Rs. 104.71 crore. The Department had stated that the pace of expenditure will increase once the progress of implementation of many unions is revived following issue of appropriate instructions to them. The Department further pointed out that in case of any shortfall in the utilization of the outlay earmarked, the same can be diverted to other schemes and the effort of the

Department will be to fully utilize the total outlay for the 10<sup>th</sup> Plan. The Committee strongly desire that the Department should make all out and integrated efforts to fully utilize the entire outlay earmarked for the 10<sup>th</sup> Plan.

The Committee also recommend that the funding pattern of the Scheme from the present sharing and rehabilitation of assistance on 50:50 sharing basis may be changed to 75:25 to ensure better participation of the States. The Committee hope that such a change in funding pattern will help mitigate the plight of the milk producers/their unions/cooperatives across the country particularly when in some parts of the country milk is being sold at rates much cheaper than the mineral water.

#### Recommendation No. 8

##### Delhi Milk Scheme

The Department in its reply to the recommendation made by the Committee in 3<sup>rd</sup> Report on Demands for Grants (2004-05) stated that the Management Committee of



DMS has taken measures to contain the losses of DMS. The DMS is able to process and pack 3.50 lakh litre of variety of milk per day. The Department is making efforts to increase the processing capacity of different type of milk up to 6.00 lakh litre per day by undertaking modifications and upgradations of the plant and machinery. It has been stated by the Department that the entire cost for upgradation and modification of the plan to bring it to a semi-automatic level will be Rs. 23.00 crore out of which Rs. 5.00 crore have already been earmarked for DMS in the current financial year. The Committee also note that National Capital Territory (NCT) was also requested to take over DMS and to run it. However, the Government of NCT was not in favour of the proposal of taking over DMS unless the Government of India decides to accept all up-to-date liabilities of DMS and grant adequate funds for modernization of plant machinery. In the circumstances, the Committee feel that the remaining amount of Rs. 18.00 crore required for the upgradation of plant should be released in the next two years so that the fate of DMS is fully equipped with upgraded and modern plant and machinery to meet the growing milk requirement of the Capital.

### Recommendation No. 9

#### Integrated Fisheries Project (IFP), Cochin

The Integrated Fisheries Project is engaged in the development of technologies for harvesting and post-harvesting of marine fish resources. It has a well established fishery complex. It has also well equipped processing unit for processing and marketing of diversified value added fish products and a Research and Development laboratory. The Project has the objective to popularize fishing methods, crafts and gear, processing and development of products of fish landed by projects vessels, repair and maintenance of fishing craft, etc. It also aims to contribute towards fisheries education of the country by way of providing training and also to strengthen value added product processing activities, strengthening the domestic market, stabilizing the price and ensuring returns to primary producers. For the purpose, the project is also engaged in imparting institutional training in different disciplines relating to fisheries.

The Committee are constrained to note the low utilization of plan funds by the Department. During the first three years of the 10<sup>th</sup> Plan, the Department could utilize only Rs. 1.54 crore out of the total allocated amount of Rs. 5.60 crore for the entire 10<sup>th</sup> Plan period. The Committee were informed that some of the reasons for the shortfall are insufficient raw material (fish) landed by the vessels from FSI and CIFNET to cater to the requirement of processing plant. It was also mentioned that due to poor landings and variation in the price, the quality procured was limited and the fish processing and product development was also limited to the availability of the raw material. The Committee do not accept the reasons for the shortfall since IFP, Cochin is an extension of the Department. The Committee, therefore, expect the Department to ensure that the

measures instituted for galvanizing different schemes and projects are monitored scrupulously so that such shortfall does not recur and the envisaged targets are achieved by the close of the Tenth Plan.

### Recommendation No. 10

#### Development of Fisheries

The Committee note that having almost reached plateau in production from coastal waters, the scope for increasing fish production now lies in the deep sea which brings to the foremost the safety of the fishermen at sea. Since there is a large scope and potential in the deep-sea fishing, the Committee feel that there is an imperative need to strengthen the infrastructure to facilitate landing and berthing and post harvest operations which would also benefit the consumers and processing industry as well. The Committee also note that out of the total 10<sup>th</sup> Plan outlay of Rs. 750.00 crore for Fisheries Sector, the Department have incurred an expenditure of only Rs. 260.17 crore during first three years of 10<sup>th</sup> Plan. The Committee would like to be apprised of the new measures initiated to speed up the tardy pace of expenditure. The Committee also note that since fishery is a State subject and the State Governments, are responsible for overall development of the sector, the Union Government should supplement their efforts by extending and enhancing financial assistance to the States who are starved of funds. The Committee, therefore, desire the Department to ensure that the funds allocated are fully utilized by the close of the Tenth Plan on infrastructure development for increasing production and productivity of fish thereby raising the socio-economic conditions of the fishing community.

Recommendation No. 11Export of Marine Fisheries

The Committee note the importance of the fisheries sector which occupies a very important place in the socio-economic development of the country by providing employment to over 11 million people mostly belonging to backward/weaker sections, engaged partially or in subsidiary activities associated with the fisheries and aquaculture sector.

The Committee are pleased to note that there has been steady growth in the export of fish and fish products and that efforts are being made to boost the export potential through diversification of products for exports. The Department in reply to a question raised by the Committee stated that the main reasons for the fall in export of frozen fish are stringent SPS conditions imposed by EU, anti-dumping duty imposed by the US and problems of muddy and moldy smell of shrimps in certain parts of the eastern coast. The Committee, therefore, hardly need to underline the need for launching new and sustained measures so as to maintain at least the steady growth in the export of fish and fish products. The Committee also desire the Department to ensure effective utilization of funds allocated during the terminal years of the Tenth Plan so that the intended objectives are achieved.

Recommendation No. 12Safety of Fishermen at Sea

Having regard to the hazardous nature of sea fishing which often results in loss of life, fishing boats and implements, injury and permanent impairment of fishermen and even in their capture as prisoners by foreign countries for unwittingly straying in their Exclusive Economic zone, the Committee enquired as to what measures were taken by the Government for the safety of fisherman. The Committee also noted the result of the recent studies which have pointed out that calamities occur due to ill equipped vessels and non-availability of an early warning system on board. The scheme, "Safety of Fisherman at Sea" is being taken up to address this issue by equipping the small mechanized craft by providing a package of position finding and communication equipment. This component envisages installing one Global Positioning System (GPS) and a wireless set on the small-mechanised fishing vessels. The unit cost of these equipments together works out to about Rs. 1.50 lakh, 20% of which (but not exceeding Rs. 30,000) is provided as backended subsidy through the National Co-operative Development Corporation (NCDC) to benefit 1,666 boats in the 10<sup>th</sup> Plan. In response to a query, the representative of the Department confessed that the Government has not achieved the target of vessel monitoring system but assured of definite progress in the matter.

The Committee strongly urge the Department to give utmost priority to the safety of fishermen specially in the deep-sea fishing by taking necessary measures at the earliest by providing them with advance mechanized boats, updated modern communication systems and fishing gears and other necessary modern equipments. The Committee,

further desire the Department to ensure that the overall outlay approved for the scheme during the Tenth Plan is fully utilized by the terminal years of the plan.

Recommendation No. 13

Strengthening of Database and Information Networking for Fisheries Sector

The Committee are surprised to note that due to delay in creation of posts under the scheme, “Strengthening of Data base and Information Networking for fisheries sector”, it is not possible to submit economically viable and technically feasible proposal seeking financial assistance for IT and other components. The Department, in reply to a question by the Committee, stated that all the States/Union Territories have not been able to create the posts as the matter is stated to be pending in concerned state Finance Departments. The Committee feel that the Department should take up the matter with the responsible State Departments at the highest level so that the database and information system for fisheries sector is put in place either by enjoining additional duties/re-deployment of existing staff or by creating additional posts.



Recommendation No. 14Development of Inland Fisheries.

The Committee have been constantly emphasizing the need for tapping the vast fish potential of the inland fisheries including the Himalayan region which is full of rivers, rills and rivulets, lakes and ponds. There are other vast areas of marshy/waterlogged land in the Gangetic plains particularly in western UP and Bihar suitable for fresh water and saline fish. Further, there are other inland water bodies of different varieties and sizes spread across the country in ponds, lakes, rills and rivulets. The Committee are surprised to note that the Department has not done any study or preliminary survey of such areas to harness the fishing potential in recent years as seen from their reply. Further, a large area over three lakh hectare is submerged under irrigation dams/reservoirs, which by the admission of the Department can increase fish production by 12 to 15 times.

The Committee, therefore, desire that concrete and time-bound action plan must be taken up for development and tapping of fisheries in the vast Himalayan region, inland waters and the water in irrigation dams. The Committee also feel, should the need arise, the budget allocation for the Scheme can also be increased in the coming years of the 10<sup>th</sup> Plan.

### Recommendation No. 15

#### Setting up of Fisheries Development Board

It hardly needs reiteration that the Fisheries Sector is such a vital sector of our economy which has enormous potential of generating income and improve the economic status of the people by providing gainful employment to over 11.00 million people engaged fully, partially or in subsidiary activities pertaining to the Sector, with an equally impressive segment of the population engaged in ancillary activities associated with fisheries and aquaculture. The Committee also note that Fisheries were brought under the Department of Animal Husbandry and Dairying in the hope that such an important sector of activity would receive due attention commensurate with its vast potential.

The Committee are happy to note that India is now the 3<sup>rd</sup> largest producer of fish in the world and second largest producer of fresh water fish in the world. The fish production during 2003-2004 is estimated to be 63.99 lakh tonnes. The country exported 5.21 lakh tonnes of marine products valued at Rs. 6,793.05 crore in 2002-2003 compared to 4.58 lakh tonnes of marine products, valued at Rs. 5,815 crore in 2001-2002. However, the Committee are also aware of the decline in fish and fish products for 2003-04 mainly due to the decline in the export of frozen fish as compared to the previous years.

Undoubtedly, the Fisheries sector deserves much greater investment for its further growth and expansion. Most importantly, fisheries sector being one of the most important source of livelihood for a very large section of the economically backward population of the country, greater and concerted efforts are required for augmenting production and productivity. The Committee are well aware of the fact that India has not

been able to develop modern fishing technology to utilize its huge potential of fishery resources. The harvesting of such highly potential resource is being done mostly by non-motorised traditional crafts due to shortage/non-availability of mechanized boats, modern communication system and fishing gears, nets and other necessary modern equipments, with the result that hardly one-third of this potential is being exploited. The Committee also feel that allocation with regard to fisheries sector may be enhanced so that shortage of funds does not become a hindrance in the proper functioning and updating of all infrastructural facilities and for maintenance and upkeep of the same.

The Committee get an unmistakable impressions that a vast sector like fisheries, having great potential for further growth is not being accorded the focused and undivided attention that it ought to get. The Committee, therefore, recommends strongly that Government must set up expeditiously an apex board to exclusively look after the various problems and aspects associated with the fisheries sector for its accelerated growth.

### Recommendation No. 16

#### Acquisition of new vessel for Fisheries Survey of India

Fisheries Survey of India is the nodal agency for survey and assessment of marine fisheries resources of the India Exclusive Economic Zone with headquarters at Mumbai. At present, the Institute has 13 vessels for the Survey of Fisheries. The thirteen vessels are deployed from seven operational bases at Porbandar, Mumbai, Mormugao, Kochi, Chennai Vishakhapatnam and Port Blair for fisheries resources, survey and monitoring. In reply to a question, the Committee were informed that 6-8 ships are more than 20-years old and need to be replaced. The Committee have been recommending in the past in their earlier reports for formation and implementation of perspective plan of purchase of new vessels to replace the ineffective old survey vessels. The Committee note that pursuant to their recommendation, the Department has replaced two old vessels and have acquired two new vessels, namely Matsya Drushti and Matsya Vrushti on 21 February 2005 which will conduct tuna surveys in the Exclusive Economic Zone. The Committee, further, feel that repair of old vessel is causing heavy recurring expenditure and thus desire that the Department should formulate a plan to purchase a few more fishing survey vessels with modern technologies to carry out the survey work to achieve the targets of FSI.

The Committee are distressed to note that, despite endowed with a vast coast line and exclusive economic zone in the wide stretch of the Indian ocean, our marine wealth therein is being exploited by unscrupulous foreign vessels. It is, therefore, incumbent upon the Government to take immediate measures to ensure that foreign vessels/fishermen are barred and prevented from fishing in our exclusive economic zone with

the active involvement and cooperation of the Indian Coast Guard. More sophisticated survey ships, if necessary, be acquired for the purpose. Simultaneously, suitable and expeditious measures need to be taken to equip our fishermen with necessary fishing facilities/equipments for deep fishing.

Recommendation No. 17

Rehabilitation of Tsunami-affected farmers/fishermen

The Committee note that the Tsunami waves played havoc in the Southern Coastal Areas and in the Andaman and Nicobar Islands. The devastating waves rendered several agricultural land incultivable and wiped out the lives of so many people and their place of settlement besides the loss of a great number of livestock severely affecting the poor farmers in particular. The Committee also take note of the loss of 56,000 boats and the damage of around 20,000 boats in the Tsunami tragedy which has affected around 37 fishing harbours in the country.

In response to a query, the Committee were informed in the course of evidence that Rs. 11.00 crore are kept for rehabilitation which would be limited for the purpose of providing boats to fishermen for restoration of their means of livelihood. The Committee also note the programme of the Government with regard to housing which would be of a short and also a long-term housing policy. The Committee are happy to note that the Government of India has set up a separate cell in the Planning Commission to monitor the proper implementation of this schemes and also to ensure the availability of funds. The Secretary assured the Committee that in the Andamans, where the housing is getting delayed, temporary houses will be constructed well before the Monsoon season, 'though the permanent housing is going to be a long affair'.

The Committee hope that the package approved for the rehabilitation of fishermen which is 100% assistance for replacement/repair of traditional crafts/nets and also both subsidy and loans from the banks in the case of motorized/mechanized boats is implemented scrupulously and speedily so as to provide much needed succour to the

affected fishermen. The Committee also take note of the oral reply from the Department that housing will not be a problem for the Tsunami-affected people but that the problem would be the location and acquisition of land. The Committee strongly desire that the Department should make concerted efforts to popularize the availability of 100% assistance for replacement/repair of traditional crafts and also the loans and subsidy available from the banks so that the affected people take advantage of the opportunity and restart their normal activity at the earliest. The Committee would also like to be apprised of the long term action plan drawn and put in place for construction of permanent houses for fishermen state-wise.

**MINUTES OF THE SIXTEENTH SITTING OF THE STANDING COMMITTEE ON AGRICULTURE HELD ON SATURDAY, THE 2 APRIL, 2005 AT 1100 HRS. IN COMMITTEE ROOM 'E', BASEMENT, PARLIAMENT HOUSE ANNEXE, NEW DELHI**

The Committee sat from 1100 hrs. to 1300hrs.

**PRESENT**

Prof. Ram Gopal Yadav – Chairman

**MEMBERS**

**LOK SABHA**

2. Shri Hiten Barman
3. Shri G.L.Bhargava
4. Shri Nihal Chand Chauhan
5. Shri Shivraj Singh Chauhan
6. Shri Khagen Das
7. Smt. Rupatai D. Patil Nilangekar
8. Shri A. Ravichandran
9. Shri K.J.S.P. Reddy

**RAJYA SABHA**

10. Smt. Mohsina Kidwai
11. Shri Harish Rawat
12. Shri Pyarelal Khandelwal
13. Shri Sk. Khabir Uddin Ahmed
14. Shri Bashistha Narain Singh

**SECRETARIAT**

- |    |                     |   |                    |
|----|---------------------|---|--------------------|
| 1. | Shri N.K. Sapra     | - | Joint Secretary    |
| 2. | Shri Devender Singh | - | Director           |
| 3. | Shri K.D. Muley     | - | Under Secretary    |
| 4. | Smt. Ratna Bhagwani | - | Assistant Director |

**WITNESSES**

- |    |                         |  |
|----|-------------------------|--|
| 1. | Shri P.M.A. Hakeem      | Secretary, (Animal Husbandry and Dairying) |
| 2. | Shri S.K. Bandyopadhyay | Animal Husbandry Commissioner              |
| 3. | Shri P.P. Mathur        | AS&FA                                      |
| 4. | Mrs. Neerja Rajkumar    | JS(DD&P)                                   |
| 5. | Ms. Nita Chowdhury      | JS(AH)                                     |
| 6. | Shri A. Bhattacharya    | JS (Fisheries)                             |



At the outset, the Chairman welcomed the Members of the Committee and representatives of the Department of Animal Husbandry and Dairying and, thereafter, requested the Secretary to introduce himself and his colleagues.

2. After the introduction, the Secretary apprised the Committee regarding a slight change in the name of the Department which has now become 'Animal Husbandry, Dairying and Fisheries Department' instead of 'Animal Husbandry and Dairying'. He gave a brief account of the activities of the Department and informed that India has the highest cattle and buffalo population in the world and is the biggest producer of milk in the world. Over the last eight years, the productivity of cattle as well as the total milk production has increased by 25 per cent though the total population of animals has slightly declined during this period. He further stated that between the livestock census of 1997 and 2003, the cross bred cattle has increased by 23 per cent while the percentage of indigenous cattle has come down by 10 per cent. The Secretary also mentioned how, for the first time, the Revised Estimates registered an upsurge over the original estimates which are usually always lesser than the Budget Estimates. He expressed happiness over the fact that pursuant to the recommendation of the Committee, the Government enhanced the allocation to Rs. 575 crore. He assured the Committee that the funds will be fully utilized during the 10<sup>th</sup> Plan. He further mentioned about the devastation caused by the Tsunami waves and also the comprehensive rehabilitation programme in which the Department is actively involved.

3. The Members of the Committee then sought clarifications on several on-going and new schemes/activities of the Department, like Central Cattle Breeding Farms, Foot and Mouth Disease, Feed and Fodder Development, Central Sheep Breeding Farm, Fisheries, Assistance to States for Poultry Farms, Development of Fisheries, Survey Vessels, Milk Co-operatives, etc. The representatives of the Department replied to the queries one by one.

4. **A copy of the verbatim proceedings has been kept for record.**

The witnesses then withdrew.

The Committee then adjourned with a vote of Thanks to the Chair.

