



**STANDING COMMITTEE ON AGRICULTURE
(2004)**

FOURTEENTH LOK SABHA

**MINISTRY OF AGRICULTURE
(Department of Animal Husbandry and Dairying)**

**DEMANDS FOR GRANTS
(2004-2005)**

**{Action Taken by the Government on the Recommendations/
Observations contained in the Third Report of the
Standing Committee on Agriculture (2004)}**

SEVENTH REPORT



LOK SABHA SECRETARIAT

February, 2005/Phalguna, 1925 (Saka)

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STANDING COMMITTEE ON AGRICULTURE
(2004)
(FOURTEENTH LOK SABHA)

MINISTRY OF AGRICULTURE
(Department of Animal Husbandry and Dairying)

DEMANDS FOR GRANTS (2004-2005)

(Action taken by the Government on the Recommendations/Observations contained in
the Third Report of the Standing Committee On Agriculture (2004))

Presented to Lok Sabha on 2.3.2005

Laid in Rajya Sabha on 3.3.2005



LOK SABHA SECRETARIAT
NEW DELHI

February, 2005/Phalguna, 1925 (Saka)

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(2004).

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
6. Shri Nihal Chand Chauhan
7. Shri Shivraj Singh Chouhan
8. Shri Lalchand Kol
9. Shri Khagen Das
10. Shri Dharmendra
11. Shri Sharanjit Singh Dhillon
12. Shri Raghunath Jha
13. Smt. Rupatai D. Patil Nilangekar
14. Shri Prakash V. Patil
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17. Shri Y.S. Vivekananda Reddy
18. Shri Harihar Swain
19. Shri M.P. Veerendra Kumar
20. Shri Mahboob Zahedi
21. # Smt. Anuradha Choudhary

RAJYA SABHA

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

INTRODUCTION

I, the Chairman of the Standing Committee on Agriculture (2004-2005) having been authorised by the Committee to submit the Report on their behalf, present this Seventh Report on Action Taken by Government on the recommendations/observations contained in the Third Report of the Standing Committee on Agriculture (2004-2005) on Demands for Grants (2004-2005) of the Ministry of Agriculture (Department of Animal Husbandry and Dairying).

2. The Third Report of the Standing Committee on Agriculture (2004-2005) on Demands for Grants (2004-2005) of the Ministry of Agriculture, (Department of Animal Husbandry and Dairying) was presented to Lok Sabha on 17.8.2004 and laid in Rajya Sabha on the same day. The Department of Animal Husbandry and Dairying was requested to furnish action taken replies of the Government to recommendations contained in the Third Report. The replies of the Government to all the recommendations contained in the Report were received.

3. The Committee considered the action taken replies furnished by the Government, approved the draft comments and adopted the Seventh Report at their sitting held on 25th January, 2005. Minutes of the sittings are placed in Appendix-I.

4. An analysis of the Action Taken by the Government on the recommendations/observations contained in the Third Report (14th Lok Sabha) of the Committee is given in Appendix-II.

NEW DELHI
February, 2005
 Phalguna, 1925(Saka)

PROF. RAM GOPAL YADAV
 Chairman
 Standing Committee on Agriculture.

CHAPTER I

REPORT

This Report of the Committee on Agriculture deals with the action taken by the Government on recommendations contained in the Third Report (Thirteenth Lok Sabha) of the Standing Committee on Agriculture (2004-2005) on Demands for Grants (2004-2005) of the Ministry of Agriculture (Department of Animal Husbandry and Dairying) which was presented to the Lok Sabha and laid in Rajya Sabha on 17.8.2004.

1.2 Action taken replies have been received from the Government in respect of all the 21 recommendations contained in the Report. These have been categorized as follows :-

- (i) Recommendations/Observations that have been accepted by the Government (Chapter II of the Report)

Recommendations Sl. Nos. 1,2,3,4,5,6,7,8,9,10,12,13,16 and 18
(Total-14)

- (ii) Recommendations/Observations which the Committee do not desire to pursue in view of the Government's replies (Chapter III of the Report)

Recommendations Sl. No. 11, 20 and 21 (Total - 3)

- (iii) Recommendations/Observations in respect of which reply of the Government have not been accepted by the Committee (Chapter IV of the Report to be commented upon in Chapter I of the Report)

Recommendation Sl. No. 17 and 19 (Total-2)

- (iv) Recommendations/Observations in respect of which final replies of the Government are still awaited (Chapter V of the Report)

Recommendation Sl. No. 14 and 15 (Total-2)

1.3 The Committee will now deal with the action taken by the Government on some other recommendations.

RECOMMENDATION SERIAL NO.1

Plan allocation for the Department of Animal Husbandry and Dairying

1.4 The Committee note that the Department of Animal Husbandry and Dairying has been provided Rs.2,500 crore for the Tenth Plan. Keeping in view the avowed commitment of the Government to double the food production by the year 2007, there is a stronger need to increase the production of livestock, fish and fishery products. Needless to say, this calls for sustained and concerted efforts on the part of the Department for rapid genetic upgradation of cattle and buffaloes considering the enormous potential contribution of this sector to the food basket in the form of milk, eggs, meat and fish and the obvious capacity to meet the animal protein requirement of ever growing human population.

The Committee note that the Tenth Plan outlay of Rs.2500 crore for the Department of Animal Husbandry and Dairying constitutes a meagre 0.28 per cent compared to 0.48 per cent of the total plan as in Ninth Five Year Plan period. The value output from Livestock and Fisheries Sector was 28.8 per cent of the total Agriculture and Allied Sectors whereas the contribution of these Sectors in the total GDP during 2002-03 was 6.5 per cent.

To achieve the goals of the Tenth Plan, the Committee recommend that the Planning Commission should make higher allocation to the Department of Animal Husbandry and Dairying for implementation of various schemes and programmes which are spread across the country and are capable of regenerating the economy specially the rural economy. The Committee also expect the Department to utilise 100 per cent of Plan funds during the remaining years of 10th Plan demonstrating their sincerity and

commitment which will certainly go a long way in uplifting the rural economy and bring about a new economic resurgence and extend its benefits to the rural populace with spread of prosperity.

Reply of the Government

1.5 The Plan allocation of the Department of Animal Husbandry and Dairying has been enhanced from Rs.500.00 crore to Rs.600.00 crore for the year 2004-05 by the Planning Commission. The Department is taking all possible steps for full utilization of the Plan Outlay. Out of the total outlay of Rs.2,500.00 crore for the Tenth Plan, about Rs.512.00 crore has been spent in the first two years of the Tenth Plan. Current year's outlay of Rs.600.00 crore is expected to be almost fully utilized. All efforts will be made to utilize balance amount of about Rs.1400.00 crores in the remaining two years of Tenth Plan.

Comments of the Committee

1.6 **The Committee are happy to note that the plan allocation of the Department of Animal Husbandry and Dairying has been enhanced from Rs. 500.00 crore to Rs. 600.00 crore for the year 2004-2005. The Committee, however, intend to watch the performance of the Department earnestly with a view to ensure that the enhanced allocation of Rs. 600.00 crore is gainfully utilized during the year 2004-05, thus paving the way for proper utilization of the balance of about Rs. 1,400 crore of the allocated funds during the last two years of the Tenth Plan.**

RECOMMENDATION SERIAL NO.4

Assistance to State Poultry Duck Farms

1.7 The Committee note that earlier the Scheme of “Assistance to State Poultry Farm” was implemented in the North Eastern States including Sikkim and eight other States as pilot project scheme during 9th Plan. On the recommendation of the Committee in their 20th Report on Demands for Grants (1999-2000) of the Department, the Scheme is now being implemented in all the States / UTs from the year 2002-03. The Committee find that during 2002-03, the Department spent as much as Rs.10.67 crore against the Budget Estimates of Rs.5.00 crore by re-appropriating the allocations for other schemes as more proposals than expected were received from the State Governments during 2002-03, Furthermore, the Committee observe with satisfaction that as against the target of assisting 8 farms during 2002-03, the Department assisted 15 farms in the North Eastern States and during 2003-04, the Department also assisted 15 farms partially.

The Committee feel that in order to achieve the target of fully assisting 15 farms during 2003-04 and also to achieve the target fixed for 2004-05, more funds are required. The funds earmarked for 2003-04 and 2004-05 appear far from adequate to achieve the target fixed.

Taking note of the fact that the scheme aims at socio-economic development of the poorest of the poor in rural areas specially women, the Committee, feel, that suitable higher allocation may be made at RE stage of the year 2004-05 as well as BE for coming years of 10th Plan period for the Scheme.

Reply of the Government

1.8 The Department is making concerted efforts for making necessary provisions for the scheme as suggested by the Committee. Slight additional allocation for the scheme has been sought for RE 2004-05 and the Department will make efforts to ensure higher allocation for BE for coming years of Tenth Plan period.

Comments of the Committee

1.9 **The Committee would like to be apprised of the response received by the Department from the Planning Commission for enhancement of funds.**

RECOMMENDATION SERIAL NO.7

Alternative site for Central Sheep Breeding Farm, Hissar

1.10 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 with the Government of Haryana. The Committee note that the Department is not able to achieve the targets laid down due to shortage of land. The Committee in their 20th Report on Demands for Grants (1999-2000) of the Department recommended that the Central Sheep Breeding Farm should be immediately shifted to another suitable place so that the farm could carry on its activities so as to realize the intended objectives. The Committee were earlier informed in the 3rd Action Taken Report on Demands for Grants (1999-2000) that in case the Government of Haryana did not accept the terms and conditions of lease rent, the farm may be closed down. Since the availability of alternative suitable location was doubtful, it was decided to locate a suitable place preferably in the hilly region of the country comprising the States of Jammu and Kashmir, Himachal Pradesh and Uttaranchal

for breeding sheep for fine work. However, due to the prevailing drought situation, the shifting of the farm could not materialize. The Committee, therefore, again recommend that the Government should review the situation and take steps to shift the farm to another suitable place within 6 months of the presentation of the Report to the Parliament to achieve the objectives of the Scheme.

Reply of the Government

1.11 The Department is trying vigorously to resolve the issue of long pending lease rent with the Government of Haryana. This issue has also been taken up at the level of Chief Secretary, Government of Haryana. Consultation with the hilly States of Uttaranchal, Himachal and Jammu & Kashmir was also initiated for finding a way for transferring the exotic sheep at Central Sheep Breeding Farm, Hissar to these hilly States. However, due to the lukewarm response of the hilly States, the Expert Committee, constituted to assess the need of rams/bucks for the States, has suggested that the breeding programme of the farm be synchronized with the programmes in the States of Rajasthan, Karnataka or other States interested in Rambouillet X Nali or Corriedale X Sonadi crosses. The Department is also trying to achieve the target during the current financial year by following up the matter strongly with major sheep rearing States.

Comments of the Committee

1.12 The Committee are distressed to note that the Central Sheep Breeding Farm at Hissar is yet to be made fully operational due to certain bottlenecks in finalizing the lease rent with the Government of Haryana. The Committee also note that the efforts made by the Department to explore suitable land elsewhere has also not borne fruit due to various reasons. Considering the suggestions of the Expert

Committee constituted by the Department to assess the need of rams/bucks in the country for synchronization of the breeding programmes with certain other programmes of the States, the Committee feel that the target for sheep breeding can certainly be achieved if vigorous, sustained and coordinated steps are made. The Committee would, therefore, like the Department to take up the matter again with the State of Haryana at highest level. Since considerable time has elapsed and the matter cannot brook further delay, the Committee expect the Government to decide the fate of Central Sheep Breeding Farm at Hissar within six months of presentation of this report.

RECOMMENDATION SERIAL NO.8

Assistance to States for Integrated Piggery Development

1.13 The Department of Animal Husbandry and Dairying implemented the Piggery Development upto the Ninth Plan. The Scheme aims at strengthening Government Pig Breeding Farms for development of piggery by providing 100 per cent grants-in-aid. However, the Department of Animal Husbandry and Dairying informed the Committee during examination of Demands for Grants (2003-04) that due to huge unspent amount during the 9th Plan, the Planning Commission recommended the discontinuation of the scheme. In reply to the recommendation of the Parliamentary Standing Committee on Agriculture in their 42nd Report on Demands for Grants (2003-04) for revival of the scheme, the Committee were informed that evaluation of Integrated Piggery Development Scheme is yet to be received from National Agricultural Bank of Rural Development (NABARD). The Committee note that the Draft Report has already been discussed in depth by the Department with NABARD and the concerned States on 12th

July, 2004. The Committee would like to point out that in North Eastern Region, pig meat is the staple food and every household rears pigs for its dairy requirements. They, therefore, recommend that the Department should make tangible efforts to get the final report from NABARD and start this very important scheme during the current financial year at least in the high demand areas including the North Eastern States.

Reply of the Government

1.14 The Department has received the final evaluation report on Integrated Piggery Development Scheme from NABARD on 16th August, 2004. A copy of the report has also been submitted to the Planning Commission on 31st August, 2004 with a request to accord in-principle approval for the proposed scheme on Piggery Development. Realizing the importance of this scheme in North-Eastern region, the Department is making all efforts to initiate a new scheme on piggery development

Comments of the Committee

1.15 **The Committee desire that the matter should be vigorously pursued by the Department and the Committee apprised of the time schedule for implementation of the proposed Integrated Piggery Development Scheme.**

RECOMMENDATION NO. 9

Conservation of Threatened Breed

1.16 The Committee note that the Department has started a new scheme for the conservation of threatened breed, i.e. those breeds whose population has come below 10,000. It has been observed that during the year 2002-03 the Budget allocated by the Department for the scheme was Rs. 50 lakh against an expenditure of Rs. 2.96 crore. The reason for the excess expenditure was that the Department had many proposals from

different States for the above scheme. According to the Department, since utilisation certificates were not received from the States/UTs, the allocations was scaled down to Rs. 50 lakh for the period 2003-04. The Committee note that the Department has sanctioned Rs. 6 crore during 2004-05 for conservation of the threatened breeds. The Committee would specifically like to draw the attention of the Ministry to the vanishing species of 'Chakarnagari' goat, and 'Bhadwari' buffalo in the Yamuna -Chambal basin so as to save them from extinction. The Committee, therefore, recommed that the Department should consider the proposals of all the interested States having the breeding tract of the threatened breeds. The Committee desire and ensure that the funds allocated during 2004-05 are utilised fruitfully to realise the intended objectives by making special efforts.

Reply of the Government

1.17 Out of an allocation of Rs.600.00 lakh for the year 2004-05, an amount of Rs.170.70 lakh has been released till 30th September, 2004. Also, proposals worth Rs.414.74 lakh are in various stages of examination and processing. More proposals are being invited. The Department, though, has not received any proposal for conservation of Chakarnagari goat. It is, however, likely that Chakarnagari is synonym of one of the existing breeds, as the name does not figure in the book on Animal Genetic Resources of India – Sheep & Goat, published by National Bureau of Animal Resources.

In so far as Bhadwari buffaloes are concerned, it is clarified that the breeds of buffaloes are not being covered under this scheme.

Comments of the Committee

1.18 The Committee deplore the casual manner in which the Department has furnished their Action Taken Reply with regard to preservation of 'Chakarnagari' goat and Bhadwari' buffaloes, the twin vanishing species of animals in the Genetic plane. It is all the more distressing that the Department did not even consider it appropriate enough to take up the matter with the ICAR responsible for compiling and updating the Animal Genetic Resources of India. The Committee would specifically like the Department to have a detailed survey done in this behalf in consultation with the ICAR and take suitable measures for the preservation of these threatened species.

RECOMMENDATION SERIAL NO.13

Integrated Dairy Development Project in Non Operation Flood, Backward and Hilly Areas

1.19 As the name of the scheme suggests the project is being implemented in backward, hilly and tribal areas which were left out of Operation Flood Programme because they were not considered suitable for development of dairying. In order to bring the states and regions left out within the beneficial fold of the scheme, the Government launched Integrated Dairying Development Project (IDDP). Under the IDDP scheme, those areas are covered which have very low or no infrastructure for Animal Husbandry and Dairying.

The main objectives of the IDDP are to increase milk production, to procure, process and market milk in a cost effective manner and to ensure remunerative prices to milk producers, generate additional employment opportunities, improve social economic and nutritional status of residents living in these areas. For the implementation of this

project, the Government allocated Rs.175 crore, out of which only just Rs.16.32 crore was spent in the first year 2002-03 and Rs.16.43 crore in the year 2003-04 which comes to a total of Rs.32.75 crore. The Committee are unhappy to note the dismal performance of the scheme and apprehend that at the given pace of expenditure the funds may have to be surrendered. The Committee feel that the scheme has not been sufficiently popularized among the State Governments.

The Committee, therefore, desire that steps should be made to persuade the State Governments to come up with more proposals in the coming years with a view to improving the socio-economic and nutritional status of the people. The Committee expect the Department to give specific attention to North-Eastern States, hilly regions and the remote areas, for the balanced and harmonious development and growth of all regions of the country.

Reply of the Government

1.20 The Department has been making concerted efforts to monitor the projects sanctioned to various States and persuade the State Governments to come up with more proposals under this Centrally Sponsored Scheme. In the meetings held by the Technical Management Committees set up under the scheme in the States, the State Governments are impressed upon the importance of implementation of the scheme and the benefits that would accrue in terms of improvement in socio-economic and nutritional status of the backward areas of the country. The Department has been paying specific attention to North Eastern States, hilly regions and remote areas as suggested by the Committee and has sanctioned 16 projects for the North Eastern States, including Sikkim. Also, projects

for hilly areas like Jammu & Kashmir, Himachal Pradesh, Uttaranchal and tribal areas of Madhya Pradesh and Chattisgarh have been approved under the scheme.

Comments of the Committee

1.21 The Committee note that pursuant to their recommendation, the Department has sanctioned certain projects for the remote, backward and hilly regions of the country. The Committee expect that the implementation of these projects would be strictly monitored so that the benefits of the projects reach the targeted population and the Department make all out integrated efforts including sanction of additional projects for these areas with a view to bringing about balanced and harmonious development of the country. The Committee also note that the Department has been conspicuously silent about the extremely tardy pace of expenditure under the scheme fuelling their apprehension whether the total allocation of Rs. 175 crore will be utilized during the remaining years of the 10th Plan.

RECOMMENDATION SERIAL NO.17

Strengthening of Database and Information Networking for Fisheries Sector

1.22 The Committee note that the scheme Strengthening of Database and Information Networking for Fisheries Sector was launched in December 2003 at an estimated cost of Rs.24.50 crore. The Department has informed that the earlier Central Sector Scheme on Development of Inland Fisheries Statistics was initially prepared with a total outlay of Rs.45.00 crore. The Committee note that the earlier Scheme on Development of Inland Fisheries Statistics had only one component on Catch Assessment Survey of Inland

Fisheries which was in operation in 19 States while the new scheme consists of Catch Assessment of the earlier scheme along with the six new components on information networking, Geographical Information System using satellite data, training Census on important attributes on inland and marine fisheries and strengthening of Catch Assessment Surveys for estimation of marine fish production.

The Committee are surprised to note that when the earlier scheme had only one component, it was formulated with an outlay of Rs.45.00 crore for 10th Plan and on the other hand when the Scheme was restructured with additional components in consultation with the Planning Commission and Standing Committee on Finance outlay for its was lowered down to Rs.24.5 crore for the Tenth Plan.

The Committee further note that an allocation of Rs.15.00 crore has been made as BE for 2004-05. The Department proposes to spend the money for procurement of computers under the component of IT and procurement of satellite images and gas equipment by GIS besides conduct of fisheries census. The Committee visualize that all these activities can be completed within the time frame of the financial year 2004-05. They expect that the amount earmarked for the current financial year should be fully utilized leaving no scope for under-utilization of funds. The Committee also desire that budget allocation for this scheme should also be increased in the coming years of 10th Plan period so that the targets set for the revised scheme comprising 7 components covering the inland as well as marine fisheries are achieved.

Reply of the Government

1.23 The Department, till the Ninth Plan, was implementing a Central Sector Scheme on Development of Inland Fisheries Statistics, which was modified as Centrally

Sponsored Scheme on Strengthening of Database and Information Networking for the Fisheries Sector involving total financial implication of Rs.45.00 crore for the entire Tenth Plan period. But later on, it was revised in consultation with the Planning Commission and finally approved by the Standing Finance Committee in December, 2003 at an outlay of Rs.24.50 crore for the Tenth Plan. However, the Planning Commission approved continuation of the earlier scheme on Development of Inland Fisheries Statistics till the new scheme is approved by the competent authority for implementation during the Tenth Plan.

To persuade the States / other implementing agencies to implement the scheme in a time bound manner four video conferences have been organized during the current financial year so far. In order to monitor and to sort out technical issues related to the scheme, a Technical Monitoring Committee (TMC) has been constituted. TMC has decided that modifications in the methodology are needed taking into account its technical as well as financial feasibility. Moreover, the representatives from different State Governments stated that due to delay in creation of post under the scheme, it is not possible to submit economically viable and technically feasible proposal seeking financial assistance for IT and other components during this financial year. The Budget provision for the year 2004-05 has been proposed to be revised from Rs.15.00 crore to Rs.6.20 crore. However, the Department expects to fully utilize the overall outlay approved for the scheme during Tenth Plan by the terminal year of the Plan (2006-07).

Comments of the Committee

1.24 The Committee are unhappy to note that Budget provision made for 2004-05 for procurement of computers and satellite images and gas equipment has been

proposed to be drastically reduced from Rs. 15.00 crore to Rs. 6.26 crore. Apparently, such a drastic reduction will adversely affect the programme of Database and Information Networking for the Fisheries Sector. The Committee hope that the Department will streamline its planning and the methodology of projecting requirement of funds and fulfil its assurance to fully utilize the overall plan outlay for the scheme by the terminal year of the 10th Plan.

RECOMMENDATION SERIAL NO.19

Setting up of a Separate Ministry of Animal Husbandry and Dairying and Fisheries

1.25 The Committee, during the examination of Demands for Grants (2004-05), noted the declining trend of allocation of utilisation of funds year after year and huge unspent amount surrendered by the Department. It hardly needs reiteration that Animal Husbandry is such a vital sector of our economy which has enormous potential of generating income and to improve the economic status of the people by providing gainful employment especially to small and marginal farmers and the weaker sections including poor women.

The Committee have been repeatedly recommending in their earlier Reports for creation of an Independent Ministry of Animal Husbandry and Dairying. The Committee find that most of the States have a separate Ministry for Animal Husbandry/Fisheries. The Committee have been informed (47th Action Taken Report on Demands for Grants (2003-04) that the Department has again considered this proposal but has not found it appropriate to moves this proposal again at this stage.

Having regard to the fact the animal husbandry has vast potential to bring a new economic resurgence by generating countless job opportunities, the Committee reiterate

that the Government should consider to create a separate Ministry of Animal Husbandry, Dairying and Fisheries for the development of this extremely important sector of our economy.

Reply of the Government

1.26 The Department fully agrees with the view of the Committee that animal husbandry has vast potential to improve the economic status of people by generating considerable job opportunities. However, the animal husbandry and agriculture sectors are complementary to each other and require constant coordination between Department of Animal Husbandry and Dairying, Department of Agriculture and Cooperation and DARE, which are all part of Agriculture Ministry. Therefore, it may not be feasible to create a separate Ministry for Animal Husbandry / Fisheries. The issue of upgradation of the Department to a full fledged Ministry was also considered at the level of Hon'ble Agriculture Minister in the light of recommendation of the Committee, but adequate justification was not found for the upgradation.

Comments of the Committee

1.27 **The Committee note that the proposal for a separate Ministry of Animal Husbandry has not been well received by the Department of Animal Husbandry and Dairying. The reasons are understandable. The Committee, however, feel that in order to make the proposal feasible the subjects like Dairy, milk processing, waste utilization and organic-farming should be transferred to a new Ministry which may be called Ministry of Animal Husbandry, Fisheries and Organic Farming. This will send the right signal about the importance of organic farming, particularly in the context of the WTO regime.**

CHAPTER II

RECOMMENDATION SERIAL NO.1

Plan allocation for the Department of Animal Husbandry and Dairying

2.1 The Committee note that the Department of Animal Husbandry and Dairying has been provided Rs.2500 crore for the Tenth Plan. Keeping in view the avowed commitment of the Government to double the food production by the year 2007, there is a stronger need to increase the production of livestock, fish and fishery products. Needless to say, this calls for sustained and concerted efforts on the part of the Department for rapid genetic upgradation of cattle and buffaloes considering the enormous potential contribution of this sector to the food basket in the form of milk, eggs, meat and fish and the obvious capacity to meet the animal protein requirement of ever growing human population.

The Committee note that the Tenth Plan outlay of Rs.2500 crore for the Department of Animal Husbandry and Dairying constitutes a meagre 0.28 per cent compared to 0.48 per cent of the total plan as in Ninth Five Year Plan period. The value output from Livestock and Fisheries Sector was 28.8 per cent of the total Agriculture and Allied Sectors whereas the contribution of these Sectors in the total GDP during 2002-03 was 6.5 per cent.

To achieve the goals of the Tenth Plan, the Committee recommend that the Planning Commission should make higher allocation to the Department of Animal Husbandry and Dairying for implementation of various schemes and programmes which are spread across the country and are capable of regenerating the economy specially the rural economy. The Committee also expect the Department to 100 per cent utilization of

Plan funds during the remaining years of 10th Plan demonstrating their sincerity and commitment which will certainly go a long way in uplifting the rural economy and bring about a new economic resurgence and extend its benefits to the rural populace spread of prosperity.

REPLY OF THE GOVERNMENT:

2.2 The Plan allocation of the Department of Animal Husbandry and Dairying has been enhanced from Rs.500.00 crore to Rs.600.00 crore for the year 2004-05 by the Planning Commission. The Department is taking all possible steps for full utilization of the Plan Outlay. Out of the total outlay of Rs.2500.00 crore for the Tenth Plan, about Rs.512.00 crore has been spent in the first two years of the Tenth Plan. Current year's outlay of Rs.600.00 crore is expected to be almost fully utilized. All efforts will be made to utilize balance amount of about Rs.1400.00 crores in the remaining two years of Tenth Plan.

2.3 For comments of the Committee please refer to Para No. 1.6 of Chapter I of the report.

RECOMMENDATION SERIAL NO.2

Production and Supply of Bulls by Central Cattle Breeding Farm

2.4 It has been stated in the Performance Budget (2004-05) that Cattle and Buffalo bulls produced at the Central Cattle Breeding Farms are supplied to the State Cattle and Buffalo Breeding agencies for their artificial breeding programmes. Out of the total bulls produced, only selected bull calves are supplied to State Breeding Agencies. The Committee observe that the Department targeted to supply 765 bulls during 2001-2004 but it could supply only 423 bulls to the States.

The Committee recommend that the target for bull calves production should be increased so that sufficient number of bull calves of high genetic merit can be distributed to the States as per target fixed. The Committee further note that plan allocations during 2004-05 has been increased to Rs.8.60 crore against BE of Rs.6.00 crore during 2003-04. The Department in reply to a question raised by the Committee informed that the enhanced allocation for Central Cattle Breeding Farm is primarily towards infrastructural development necessary for production of high quality bulls. The Committee hope that the enhanced allocation will help the Department required number of high quality-bulls.

The Committee also desire that the enhanced funds for the purpose should be fully utilised and all activities regarding infrastructure development for production of bulls should be completed within the timeframe of this year.

REPLY OF THE GOVERNMENT:

2.5 The Department runs seven cattle breeding farms at Alamadhi (Tamil Nadu), Andesh Nagar (Uttar Pradesh), Chiplima & Sunabeda (Orissa), Dhamrod (Gujarat), Hessarghatta (Karnataka) and Suratgarh (Rajasthan). These farms have been set up primarily with the objective of producing and distributing high quality bulls for breeding purposes. The details of the bull calves production targets and achievements by the cattle breeding farms are as below:

Year	Target	Achievement
2000-01	350	362
2001-02	350	370
2002-03	350	351
2003-04	275	307

The targets of bull-calf production are decided keeping in view the demand of the States in line with the implementation of National Project for Cattle and Buffalo Breeding and taking into account the ability of the State Governments participating in this programme to use the bull calves in their breeding programmes.

The Department expects to complete the developmental work within the financial year 2004-05, as desired by the Committee.

RECOMMENDATION SERIAL NO.3

Under Performance of Central Cattle Breeding Farms (CCBFs)

2.6 The Committee note that seven Central Cattle Breeding Farms (CCBFs) are located in different agro climatic regions for maintaining herds of some important indigenous and exotic cattle breeds, production and distribution of superior pedigreed bulls for breeding programme in various States. The Committee note that out of the total 10th Plan outlay of Rs.70 crore for the Central Cattle Development Organisations, the Department could utilise only Rs.15.89 crore in the first two years of 10th Plan which is 22 per cent of the total outlay. One of the reasons put forth by the Department for under-utilisation of funds was under performance of three farms namely CCBF, Suratgarh, Alamadhi and Chiplima.

The Committee had recommended in their 42nd Report on Demands for Grants (2003-04) that immediate steps should be taken by the Department to improve the working of CCBFs. In response to the recommendation of the Committee, the Department constituted a Management Committee and Advisory Committee towards formulation of appropriate technical programme, better investment Planning and higher

utilization of funds. The Expert Committee after examining the possibilities of revival of farms, declared these units fit for closure.

The Committee are pained to note that the Department has not succeeded in improving the performance of these three farms up to a satisfactory level. However, considering the laudable objectives for which these cattle breeding farms were set up and also considering the greater need for production and distribution of superior pedigreed bulls, the Committee feel strongly that all out efforts should be made to revive the functioning of these farms.

REPLY OF THE GOVERNMENT:

2.7 The Department shares the concern of the Committee regarding the under-performance of the cattle breeding farms and is making all possible efforts to improve the functioning of the farms. The Management Committee and Advisory Committee constituted by the Department are regularly meeting to assess the performance of the farms and take decisions for initiation of efforts for improvement. Apart from this, these farms are also being frequently visited by the technical officers of the Department for monitoring their performance.

RECOMMENDATION SERIAL NO.4

Assistance to State Poultry Duck Farms

2.8 The Committee note that earlier the Scheme of “Assistance to State Poultry Farm” was implemented in the North Eastern States including Sikkim and eight other States as pilot project scheme during 9th Plan. On the recommendation of the Committee in their 20th Report on Demands for Grants (1999-2000) of the Department, the Scheme is now being implemented in all the States / UTs from the year 2002-03. The Committee find

that during 2002-03, the Department spent as much as Rs.10.67 crore against the Budget Estimates of Rs.5.00 crore by re-appropriating the allocations for other schemes as more proposals than expected were received from the State Governments during 2002-03, Furthermore, the Committee observe with satisfaction that as against the target of assisting 8 farms during 2002-03, the Department assisted 15 farms in the North Eastern States and during 2003-04, the Department also assisted 15 farms partially.

The Committee feel that in order to achieve the target of fully assisting 15 farms during 2003-04 and also to achieve the target fixed for 2004-05, more funds are required. The funds earmarked for 2003-04 and 2004-05 appear far from adequate to achieve the target fixed.

Taking note of the fact that the scheme aims at socio-economic development of the poorest of the poor in rural areas specially women, the Committee, feel, that suitable higher allocation may be made at RE stage of the year 2004-05 as well as BE for coming years of 10th Plan period for the Scheme.

REPLY OF THE GOVERNMENT:

2.9 The Department is making concerted efforts for making necessary provisions for the scheme as suggested by the Committee. Slight additional allocation for the scheme has been sought for RE 2004-05 and the Department will make efforts to ensure higher allocation for BE for coming years of Tenth Plan period.

For comments of the Committee please refer to Para No. 1.9 of Chapter I of the report.

RECOMMENDATION SERIAL NO.5

Foot and Mouth-Disease Control Programme

2.10 During the Ninth Plan, the Programme for Foot and Mouth Control envisaged vaccination of high yielding indigenous cross breed and exotic cattle owned by people of weaker sections by sharing the cost of vaccination by Government of India, State Governments/UTs and the Beneficiaries on a 25:25:50 basis. The Committee in their earlier Reports recommended for changing the funding pattern so as to make it 100 per cent centrally funded. However, the Committee find that the schemes now being implemented on 75:25 basis between the Centre and the States as a component of macro-management centrally sponsored scheme Assistance to States for Control of Animal Disease (ASCAD) in which immunization against economically important livestock disease, including FMD has been envisaged as the main activity. On the other hand, the Committee find that the Department has initiated a new programme in the second year of 10th Plan on Foot and Mouth Disease in order to give thrust to Foot and Mouth Disease Control Programme in specific areas by making it 100 per cent Centrally funded.

The Committee further note that no separate targets are fixed for these two programmes. Against the 9th Plan physical target of 130 million vaccinations, the Department could achieve only of 105 million vaccinations which is 87 per cent of the target. Now, the Department is implementing two programmes on Foot and Mouth Disease. The 10th Plan target is to carry out 140 million lakh doses. Since the programme is valuable for the protection of high yielding indigenous crossbred and exotic livestock, the Department should seek higher budgetary allocations instead of slashing down the 10th Plan targets for two programmes. The Committee, therefore,

recommend that physical target for 10th Plan be stepped up and that the Department should come up with higher budget estimate in the coming years of 10th Plan to control the Foot and Mouth Disease which poses serious danger to our livestock.

REPLY OF THE GOVERNMENT:

2.11 The Department has noted the concern of the Committee regarding the need to enhance the allocation of the scheme for effective control of this livestock disease and will make all possible efforts to step up the budgetary allocation and physical target of this scheme. Based on the Annual Action Plan (2004-05) submitted by the States, 40 million FMD vaccinations have been proposed. In the remaining years of the Tenth Plan, the targets are likely to be higher as more and more States have started opting for FMD vaccination programme.

RECOMMENDATION SERIAL NO.6

National Veterinary Biological Quality Control Centre

2.12 The Committee note that the National/Veterinary Biological Products Quality Control Centre Scheme was approved during the Sixth Five Year Plan. This National Centre, after its establishment, would approve the manufacturing methods of vaccine and inspect and control the final products including the imported products. This would also encourage export of vaccine and biologicals to the neighbouring countries and thus help earning foreign exchange. After a lapse of so many years, the Government have now acquired a tract of land in Baghpat District where the civil work had started during 2002-03. The Committee have been informed in the 42nd Report on Demands for Grants (2002-03) of the Department that Civil work on the Institute is in progress and the laboratory is likely to be completed by 2005-06 and testing of vaccine will start by 2006-

07. The Committee are disappointed to note that only Rs.653.47 have been spent so far on the scheme as against the project cost of Rs.21.10 crore. Apparently, the project seems to be a non-starter and the Committee wonder how the Department will utilize such a huge amount in setting the laboratory by 2006-07 given the pace of expenditure during first two years. The Committee, therefore, recommend that vigorous efforts should be made by the Department to get the Centre established at the earliest. The Committee also desire that a quarterly progress of the Institute be sent for the information of the Committee for its periodic review.

REPLY OF THE GOVERNMENT:

2.13 The actual amount spent so far on the scheme by the Department is Rs.653.47 lakhs. The Department has prepared a list of various activities connected with setting up of the Institute with target dates for each and is regularly monitoring the progress. Apart from the Testing Laboratory for which the construction work is already in progress, the plan for the animal house facilities has also been approved. The quarterly progress of the Institute shall be sent to the Committee regularly for review.

RECOMMENDATION SERIAL NO.7

Alternative site for Central Sheep Breeding Farm, Hissar

2.14 The Committee note that the long pending issue of lease rent the with regard to the Central Sheep Breeding Farm at Hissar has not yet been resolved with the Government of Haryana. The Committee note that the Department is not able to achieve the targets laid down due to shortage of land. The Committee in their 20th Report on Demands for Grants (1999-2000) of the Department recommended that the Central Sheep Breeding Farm should be immediately shifted to another suitable place so that the farm

could carry on its activities so as to realize the intended objectives. The Committee were earlier informed in the 3rd Action Taken Report on Demands for Grants (1999-2000) that in case the Government of Haryana did not accept the terms and conditions of lease rent, the farm may be closed down. Since the availability of alternative suitable location was doubtful, it was decided to locate a suitable place preferably in the hilly region of the country comprising the States of Jammu and Kashmir, Himachal Pradesh and Uttaranchal for breeding sheep for fine work. However, due to the prevailing drought situation, the shifting of the farm could not materialize. The Committee, therefore, again recommend that the Government should review the situation and take steps to shift the farm to another suitable place within 6 months of the presentation of the Report to the Parliament to achieve the objectives of the Scheme.

REPLY OF THE GOVERNMENT:

2.15 The Department is trying vigorously to resolve the issue of long pending lease rent with the Government of Haryana. This issue has also been taken up at the level of Chief Secretary, Government of Haryana. Consultation with the hilly States of Uttaranchal, Himachal and Jammu & Kashmir was also initiated for finding a way for transferring the exotic sheep at Central Sheep Breeding Farm, Hissar to these hilly States. However, due to the lukewarm response of the hilly States, the Expert Committee, constituted to assess the need of rams/bucks for the States, has suggested that the breeding programme of the farm be synchronized with the programmes in the States of Rajasthan, Karnataka or other States interested in Rambouillet X Nali or Corriedale X Sonadi crosses. The Department is also trying to achieve the target during the current financial year by following up the matter strongly with major sheep rearing States.

2.16 For comments of the Committee please refer to Para No. 1.12 of Chapter I of the report.

RECOMMENDATION SERIAL NO.8

Assistance to States for Integrated Piggery Development

2.17 The Department of Animal Husbandry and Dairying implemented the Piggery Development upto the Ninth Plan. The Scheme aims at strengthening Government Pig Breeding Farms for development of piggery by providing 100 per cent grants-in-aid. However, the Department of Animal Husbandry and Dairying informed the Committee during examination of Demands for Grants (2003-04) that due to huge unspent amount during the 9th Plan, the Planning Commission recommended the discontinuation of the scheme. In reply to the recommendation of the Parliamentary Standing Committee on Agriculture in their 42nd Report on Demands for Grants (2003-04) for revival of the scheme, the Committee were informed that evaluation of Integrated Piggery Development Scheme is yet to be received from National Agricultural Bank of Rural Development (NABARD). The Committee note that the Draft Report has already been discussed in depth by the Department with NABARD and the concerned States on 12th July, 2004. The Committee would like to point out that in North Eastern Region, pig meat is the staple food and every household rears pigs for its dairy requirements. They, therefore, recommend that the Department should make tangible efforts to get the final report from NABARD and start this very important scheme during the current financial year at least in the high demand areas including the North Eastern States.

REPLY OF THE GOVERNMENT

2.18 The Department has received the final evaluation report on Integrated Piggery Development Scheme from NABARD on 16th August, 2004. A copy of the report has also been submitted to the Planning Commission on 31st August, 2004 with a request to accord in-principle approval for the proposed scheme on Piggery Development. Realizing the importance of this scheme in North-Eastern region, the Department is making all efforts to initiate a new scheme on piggery development.

2.19 For comments of the Committee please refer to Para No. 1.15 of Chapter I of the report.

RECOMMENDATION SERIAL NO.9

Conservation of Threatened Breed

2.20 The Committee note that the Department has started a new scheme for the conservation of threatened breed, i.e. those breeds whose population has come below 10,000. It has been observed that during the year 2002-03 the budget allocated by the Department for the scheme was Rs.50 lakh against an expenditure of Rs.2.96 crore. The reason for the excess expenditure was that the Department had many proposals from different States for the above scheme. According to the Department, since utilization certificates were not received from the States /UTs, the allocation were scaled down to Rs.50 lakh for the period of 2003-04. The Committee note that the Department has sanctioned Rs.6 crore during 2004-05 for conservation of the threatened breeds. The Committee would specifically like to draw the attention of the Ministry to the vanishing species of 'Chakarnagari' goat 'Bhadwari' buffalo in the Yamuna-Chambal basin so as to save them from extinction. The Committee, therefore, recommend that the Department

should consider the proposals of all the interested States having the breeding tract of the threatened breeds. The Committee desire and ensure that the funds allocated during 2004-05 are utilized fruitfully to realize the intended objectives by making special efforts.

REPLY OF THE GOVERNMENT

2.21 Out of an allocation of Rs.600.00 lakh for the year 2004-05, an amount of Rs.170.70 lakh has been released till 30th September, 2004. Also, proposals worth Rs.414.74 lakh are in various stages of examination and processing. More proposals are being invited. The Department, though, has not received any proposal for conservation of Chakarnagari goat. It is, however, likely that Chakarnagari is synonym of one of the existing breeds, as the name does not figure in the book on Animal Genetic Resources of India – Sheep & Goat, published by National Bureau of Animal Resources.

In so far as Bhadwari buffaloes are concerned, it is clarified that the breeds of buffaloes are not being covered under this scheme.

2.22 For comments of the Committee please refer to Para No. 1.18 of Chapter I of the report.

RECOMMENDATION SERIAL NO.10

Livestock Census

2.23 The Committee note that the Livestock population of different species is worked out on the basis of livestock census which is conducted quinquennially. It has been observed that the Department of Animal Husbandry and Dairying gives 16 Census figures of livestock population for the years 1992 and 1997 only in the Annual Report document and the latest quinquennial census figure of 1997 to 2002 are not available. The Committee note that till 16th livestock census conducted in 1997, the scheme was

implemented by the Department of Agriculture and Cooperation and now, beginning from the 17th Census, the work has been transferred to the Department of Animal Husbandry and Dairying.

The Committee have been informed that most of the States/UTs have completed the 17th Livestock census work and some provisional results of 17th Livestock have been received from States/UTs. The Committee desire that the State Governments/UTs should be asked to complete the census work immediately so that final issue of the publication on 17th All India Livestock Census is brought out within the stipulated time.

REPLY OF THE GOVERNMENT

2.24 The 17th Livestock Census was conducted in the year 2003 with reference period 15th October, 2003 in all States, except Tamil Nadu, where it was conducted in August, 2004. The provisional report of the census has already been released barring the information for Tamil Nadu and some districts in Bihar and Uttar Pradesh. However, final report of the census is expected to be released within the stipulated time.

RECOMMENDATION SERIAL NO.12

Dairy Development

2.25 The Committee are happy to note that India is the largest producer of milk and milk products in the world. With the changing times, the production of Dairy products is also increasing in our country. Dairying sector has played an important role in providing employment and income to the people in the rural areas. However, the per capita availability of milk in India vis-à-vis that of the developed nations is, however, very low. The per capita availability of milk in India is 226 gms. per day whereas in of the developed nations it is 285 gms. per day. One of the reasons for low per-capita

availability of milk is that India's population is more compared to that of the developed nations.

The Committee recommend that a long term action plan should be drawn up and concerted efforts made to increase in the production of milk and milk products in our country leading to increase in the per capita availability of milk and milk products making them accessible and affordable to all sections of the society.

REPLY OF THE GOVERNMENT

2.26 The Indian Dairy Industry acquired substantial growth from Eighth Plan onwards. India's milk output during the year 2003-04 is estimated to be about 90 million tons. This has not only placed the industry first in the world, but also represents sustained growth in the availability of milk and milk products for the increasing population of the country. The per capita availability of milk has increased to a level of about 238 gm per day from 124 gm per day in 1950 but this is still low as compared to the world average of 285 gm per day.

The Department has been implementing many schemes from time to time to supplement the efforts of the State Governments and other agencies in increasing the milk production which will in turn result in higher per capita availability of milk in the country.

Operation Flood I, II and III was implemented in the country from 1971 to 1996 to increase the milk production. At present, the following major schemes are being implemented by the Department to increase the milk production:

- I. Integrated Dairy Development Projects in Non Operation Flood, Hilly and Backward Areas (IDDP)

- II. Strengthening of Infrastructure for Quality and Clean Milk Production
- III. Assistance to Cooperatives
- IV. National Project for Cattle and Buffalo Breeding
- V. Assistance to States for Fodder Development

RECOMMENDATION SERIAL NO.13

Integrated Dairy Development Project in Non Operation Flood, Backward and Hilly Areas

2.27 As the name of the scheme suggests the project is being implemented in backward, hilly and tribal areas which were left out of Operation Flood Programme because they were not considered suitable for development of dairying. In order to bring the states and regions left out within the beneficial fold of the scheme, the Government launched Integrated Dairying Development Project (IDDP). Under the IDDP scheme, those areas are covered which have very low or no infrastructure for Animal Husbandry and Dairying.

The main objectives of the IDDP are to increase milk production, to procure, process and market milk in a cost effective manner and to ensure remunerative prices to milk producers, generate additional employment opportunities, improve social economic and nutritional status of residents living in these areas. For the implementation of this project, the Government allocated Rs.175 crore, out of which only just Rs.16.32 crore was spent in the first year 2002-03 and Rs.16.43 crore in the year 2003-04 which comes to a total of Rs.32.75 crore. The Committee are unhappy to note the dismal performance of the scheme and apprehend that at the given pace of expenditure the funds may have to be surrendered. The Committee feel that the scheme has not been sufficiently popularized among the State Governments.

The Committee, therefore, desire that steps should be made to persuade the State Governments to come up with more proposals in the coming years with a view to improving the socio-economic and nutritional status of the people. The Committee expect the Department to give specific attention to North-Eastern States, hilly regions and the remote areas, for the balanced and harmonious development and growth of all regions of the country.

REPLY OF THE GOVERNMENT

2.28 The Department has been making concerted efforts to monitor the projects sanctioned to various States and persuade the State Governments to come up with more proposals under this Centrally Sponsored Scheme. In the meetings held by the Technical Management Committees set up under the scheme in the States, the State Governments are impressed upon the importance of implementation of the scheme and the benefits that would accrue in terms of improvement in socio-economic and nutritional status of the backward areas of the country. The Department has been paying specific attention to North Eastern States, hilly regions and remote areas as suggested by the Committee and has sanctioned 16 projects for the North Eastern States, including Sikkim. Also, projects for hilly areas like Jammu & Kashmir, Himachal Pradesh, Uttaranchal and tribal areas of Madhya Pradesh and Chattisgarh have been approved under the scheme.

2.29 For comments of the Committee please refer to Para No. 1.21 of Chapter I of the report.

RECOMMENDATION SERIAL NO.16***Synthetic Milk***

2.30 The Committee are shocked that Synthetic Milk is being supplied in many parts of the country by unscrupulous suppliers. The adulterated milk, it hardly needs to be emphasized, constitutes a grave danger to the lives of unsuspecting consumers particularly the young children.

The Committee, therefore, desire that the Department should take up the immediately with the Ministry of Health and other concerned enforcement agencies so that stringent measures are put in place and enforced rigorously without fail to prevent adulteration of the milk.

REPLY OF THE GOVERNMENT:

2.31 The Department, while sharing the concern of the Committee regarding the supply of synthetic milk and its effect on the consumers, has been taking up the issue with the Ministry of Health and Family Welfare at various levels as and when such reports of adulteration of milk come to its notice. The Minister for Health and Family Welfare has also been requested by the Department to advice all PFA authorities in the States to crack unscrupulous traders and thus prevent adulteration of milk and milk products.

RECOMMENDATION SERIAL NO.18***Aquaculture Authority Bill, 2000***

2.32 The Aquaculture Authority Bill, 2000 was introduced in the Rajya Sabha on 28 February, 2000 and referred to the Parliamentary Standing Committee on Agriculture on 6 March, 2000. The Committee presented a Report to Parliament on 4 December, 2000

suggesting some amendments in the provisions of the Bill. The Bill was supposed to be reintroduced in the House. During the evidence on Demands for Grants (2003-04), the Department assured the Committee about introduction of the Bill by the end of the Budget Session during 2003. However, even after a lapse of more than four years the Committee find that bill has not yet been reintroduced in the House. In reply to a question during evidence session on Demands for Grants (2004-05), the Committee have been informed that the Cabinet note along with the Bill was sent for the Cabinet[s approved in February, 2004 but, due to dissolution of 13th Lok Sabha, the Cabinet Secretariat returned the note stating that a fresh proposal may again be submitted after formation of Fourteenth Lok Sabha. The Department had now furnished the latest status of the Bill stating that the comments from the concerned Departments/Ministries have been obtained and the finalized note has been submitted to the Cabinet on 22 July, 2004. After its approval, the Bill will be reintroduced in Parliament, most probably by the end of the Budget Session.

The Committee hope that the Bill incorporating the recommendation as contained in their 11th Report will be introduced in current Session of Parliament so that Aquaculture Authority is established without further loss of time.

REPLY OF THE GOVERNMENT:

2.33 The Aquaculture Authority Bill, 2000, introduced in the Rajya Sabha on 28.02.2000 has been modified as suggested by Ministry of Law, Justice and Company Affairs. The Cabinet has approved the revised Bill. As per the direction of the Cabinet, the Department will withdraw the earlier Bill and introduce the revised Bill in the Rajya Sabha in the coming session of the Parliament.

CHAPTER III

RECOMMENDATION SERIAL NO.11

Target for Growth in Animal Population

3.1 According to the livestock census the population of animals in 1992 was 470.86 million whereas in 1997 it was 485.36 million. The Committee observe that the growth of population of various kinds of animals in the country has been rather tardy. The reason is that the Union Government has not set any specific target for the growth and the Department too seems to be without any direction or in a state of aimlessness.

Since the human population is increasing at a rapid pace, it is important that the population of various types of animals should also have commensurate increase as human beings are dependent directly or indirectly upon animals for their various needs. The Committee, therefore, recommend that a suitable action plan should be drawn up expeditiously the Department set the goal for itself for proper planning and realization of animal growth.

REPLY OF THE GOVERNMENT:

3.2 While realizing the importance of the livestock population for the human population, the Department also feels that it may not be advisable to have a programme for increasing all animal population. Instead, efforts may be concentrated on increasing the productivity of animals, thus, improving the quality of the livestock rather than increasing their numbers. Concerted efforts are being made by the Department to increase the population of cross-bred cattle and other high yielding varieties.

RECOMMENDATION SERIAL NO.20

Setting up of Indian Council of Veterinary Research

3.3 The Committee have been repeatedly recommending in their earlier Reports on Demands for Grants 1997-98, 1998-99, 2000-01, 2001-02 and 2003-04 for Setting up of an Indian Council of Veterinary Research on the lines of ICAR. The Department in their further Action Taken Reply on 47th Action Taken Report have informed that the Government is not willing to create a separate ICVR from Indian Council of Agricultural Research (ICAR).

The Committee are not convinced with the Government's reply and feel that the subject in Veterinary Research should more appropriately handled by the Department of Animal Husbandry and Dairying given the constraints of ICAR engaged in multidisciplinary research. The Committee are of the considered view that the setting of an independent national institute for conducting applied research in the field of veterinary and animal livestock. The Committee, therefore, feel strongly that an ICVR should be created as a separate unit under the Department of Animal Husbandry and Dairying so as to give impetus to research in the area of Animal Husbandry and Fisheries.

REPLY OF THE GOVERNMENT:

3.4 The Department has carefully considered the issue of setting up of Indian Council of Veterinary Research and feels that keeping in view the need for an integrated approach to farming encompassing agriculture, livestock and fisheries sector, the creation of a separate Council of Veterinary Research by separation from Indian Council of Agricultural Research may not be desirable. However, for an effective and satisfactory mechanism of coordination between the Department and Indian Council of Agriculture

Research (ICAR), steps have been initiated and a close liaison with ICAR is being maintained so as to get the benefits of the research / services of the latter, whenever required.

RECOMMENDATION SERIAL NO.21

Medical Aid to the Livestock during floods

3.5 The Committee are pained to note that recurring floods play havoc with the cattle population in certain parts of the country. With the advent of floods, animals fall prey to various diseases in the absence of any contingency plan to meet the grave emergent situation. The Committee also note that during devastating flood the Government's attention naturally zeroes on protection of human lives leaving the animals to the mercy of nature. The Committee, therefore, desire that special action plan should be chalked out by the Department to provide suitable medical attention / facilities to the livestock who fall prey to disease in the wake of floods. The Department should certainly draw contingency plans to play a proactive role in times of flood and, even drought, as part of calamity relief measures.

REPLY OF THE GOVERNMENT:

3.6 Realizing the need to protect the livestock population during the times of floods and droughts, the Department has been extending necessary help to State Governments by coordinating with State Governments and other agencies. During the natural calamities, the concerned States could also avail the benefit of Calamity Relief Fund (CRF), operational in the States, under Clause-11 of the CRF guidelines "medical care for cattle and poultry against epidemics". The Department also actively facilitates the procurement of vaccines or medicines by the States on receipt of latter's request by

contacting other States or suitable agencies from where the vaccines / medicines could be procured. For eg., after the recent floods, Bihar was helped to get essential vaccines from Jharkhand.

CHAPTER IV

RECOMMENDATION SERIAL NO.17

Strengthening of Database and Information Networking for Fisheries Sector

4.1 The Committee note that the scheme Strengthening of Database and Information Networking for Fisheries Sector was launched in December, 2003 at an estimated cost of Rs.24.50 crore. The Department has informed that the earlier Central Sector Scheme Development of Inland Fisheries Statistics was initially prepared with a total outlay of Rs.45.00 crore. The Committee note that the earlier Scheme on Development of Inland Fisheries Statistics had only one component on Catch Assessment Survey of Inland Fisheries which was in operation in 19 States while the new scheme consists of Catch Assessment of the earlier scheme alongwith the six new components on information networking, Geographical Information System using satellite data, training Census on important attributes on inland and marine fisheries and strengthening of Catch Assessment Surveys for estimation of marine fish production.

The Committee are surprised to note that when the earlier scheme had only one component, it was formulated with an outlay of Rs.45.00 crore for 10th Plan and on the other hand when the Scheme was restructured with additional components in consultation with the Planning Commission and Standing Committee on Finance outlay for its was lowered down to Rs.24.5 crore for the Tenth Plan.

The Committee further note that an allocation of Rs.15.00 crore has been made as BE for 2004-05. The Department proposes to spend the money for procurement of computers under the component of IT and procurement of satellite images and gas equipment by GIS besides conduct of fisheries census. The Committee visualize that all

these activities can be completed within the time frame of the financial year 2004-05. They expect that the amount earmarked for the current financial year should be fully utilized leaving no scope for under-utilization of funds. The Committee also desire that budget allocation for this scheme should also be increased in the coming years of 10th Plan period so that the targets set for the revised scheme comprising 7 components covering the inland as well as marine fisheries are achieved.

REPLY OF THE GOVERNMENT

4.2 The Department, till the Ninth Plan, was implementing a Central Sector Scheme on Development of Inland Fisheries Statistics, which was modified as Centrally Sponsored Scheme on Strengthening of Database and Information Networking for the Fisheries Sector involving total financial implication of Rs.45.00 crore for the entire Tenth Plan period. But later on, it was revised in consultation with the Planning Commission and finally approved by the Standing Finance Committee in December, 2003 at an outlay of Rs.24.50 crore for the Tenth Plan. However, the Planning Commission approved continuation of the earlier scheme on Development of Inland Fisheries Statistics till the new scheme is approved by the competent authority for implementation during the Tenth Plan.

To persuade the States / other implementing agencies to implement the scheme in a time bound manner four video conferences have been organized during the current financial year so far. In order to monitor and to sort out technical issues related to the scheme, a Technical Monitoring Committee (TMC) has been constituted. TMC has decided that modifications in the methodology are needed taking into account its technical as well as financial feasibility. Moreover, the representatives from different

State Governments stated that due to delay in creation of post under the scheme, it is not possible to submit economically viable and technically feasible proposal seeking financial assistance for IT and other components during this financial year. The Budget provision for the year 2004-05 has been proposed to be revised from Rs.15.00 crore to Rs.6.20 crore. However, the Department expects to fully utilize the overall outlay approved for the scheme during Tenth Plan by the terminal year of the Plan (2006-07).

4.3 For comments of the Committee please refer to Para No. 1.24 of Chapter I of the report.

RECOMMENDATION SERIAL NO.19

Setting up of a Separate Ministry of Animal Husbandry and Dairying and Fisheries

4.4 The Committee, during the examination of Demands for Grants (2004-05), noted the declining trend of allocation of utilisation of funds year after year and huge unspent amount surrendered by the Department. It hardly needs reiteration that Animal Husbandry is such a vital sector of our economy which has enormous potential of generating income and to improve the economic status of the people by providing gainful employment especially to small and marginal farmers and the weaker sections including poor women.

The Committee have been repeatedly recommending in their earlier Reports for creation of an Independent Ministry of Animal Husbandry and Dairying. The Committee find that most of the States have a separate Ministry for Animal Husbandry/Fisheries. The Committee have been informed (47th Action Taken Report on Demands for Grants (2003-04) that the Department has again considered this proposal but has not found it appropriate to move this proposal again at this stage.

Having regard to the fact the animal husbandry has vast potential to bring a new economic resurgence by generating countless job opportunities, the Committee reiterate that the Government should consider to create a separate Ministry of Animal Husbandry, Dairying and Fisheries for the development of this extremely important sector of our economy.

REPLY OF THE GOVERNMENT

4.5 The Department fully agrees with the view of the Committee that animal husbandry has vast potential to improve the economic status of people by generating considerable job opportunities. However, the animal husbandry and agriculture sectors are complementary to each other and require constant coordination between Department of Animal Husbandry and Dairying, Department of Agriculture and Cooperation and DARE, which are all part of Agriculture Ministry. Therefore, it may not be feasible to create a separate Ministry for Animal Husbandry / Fisheries. The issue of upgradation of the Department to a full fledged Ministry was also considered at the level of Hon'ble Agriculture Minister in the light of recommendation of the Committee, but adequate justification was not found for the upgradation.

4.6 For comments of the Committee please refer to Para No. 1.27 of Chapter I of the report.

CHAPTER V**RECOMMENDATION SERIAL NO.14*****Delhi Milk Scheme***

5.1 It has been observed by the Committee that DMS has incurred heavy recurring losses during the past few years. In the year 2003-04, the Department under the Non plan Budget had allocated a total budget of Rs.206.90 crore for DMS. But at the end of the year, it was observed that DMS could realize Rs.162.63 crore only as against the expenditure of Rs.206.90 crore. In order to overcome the losses, the Ministry of Finance gave an additional budgetary support of Rs.20 crore to DMS for the Non-plan budget. The Committee note that the Department has failed to run and operate the DMS successfully and has requested the National Capital Territory (NCT) to take over DMS and run it. The NCT is yet to send its response in this regard. The Committee would, therefore, like the Department to decide the fate of loss making DMS without any further delay.

REPLY OF THE GOVERNMENT:

5.2 The management of DMS has taken measures to contain the losses of DMS. It may be noted here that the yearly loss figures include the depreciation value of plant and machinery. As the plant and machinery of DMS are quite old, it is not possible to utilize it to the maximum level of its capacity, i.e. 5 lakh litres per day. The non-utilization of the plant's full capacity is adding to the loss of the organization.

The Government of NCT has informed that they do not favour the proposal of taking over DMS unless the Government of India decides unequivocally to:

- a. accept all up to date liabilities of DMS;

- b. grant adequate funds for modernization of plant and machinery; and
- c. re-deploy the surplus staff of DMS to reduce its working strength to 800 employees as recommended by the NDDB Committee of experts.

The Department is examining various options including recommendation of the Management Committee of the DMS to upgrade plant of DMS with a total outlay of Rs.23.00 crore.

RECOMMENDATION SERIAL NO.15

Assistance to Cooperatives

5.3 The Scheme Assistance to Cooperatives was approved in January, 2000. The Scheme aims at revitalizing the Sick Dairy Cooperatives unions at the district level and co-operative federations at the State level. The scheme is to be implemented on matching basis between the concerned State Government and Union Government. The scheme is expected to assist in the rehabilitation of around 70 sick unions located in different parts of the country and aims to provide a fillip to milk production in the country. The Committee note that out of the total outlay of Rs.130 crore, the Department could barely spend Rs.19.41 crore during the first two years of the 10th Plan period. Keeping in view the important role played by Dairy Co-operative in boosting the milk production in the country, the Committee strongly feel that sick co-operative milk unions should be given an opportunity to rehabilitate themselves with assistance from Central and State Governments. The Committee, therefore, recommend that the Department should focus if attention on this very important scheme and institute necessary measures for further increasing the milk production in the country.

The Committee would also like the Government to consider to change the funding pattern of the Scheme by making it more attractive to the fund-starved States.

REPLY OF THE GOVERNMENT

5.4 The Department has taken number of measures to streamline the implementation of the scheme which has been sluggish mainly due to lower scale of operation of some milk unions with high per litre cost on procurement, transport, processing and distribution (variable expenses) coupled with lower sales realization resulting in insufficient contribution margin to cover the otherwise high fixed costs. Excessive staff and low manpower productivity are other factors for unsatisfactory performance of these unions. Regular meetings are being held with the officers of concerned State Government / NDDDB to monitor the implementation of scheme and to persuade the State Government to release their matching share of 50% in time.

The scheme has been in operation for more than four years and it has been decided now to get the scheme evaluated so that improvements / modifications in the scheme could be made on the basis of the recommendations of the evaluation study. The suggestion of the Parliamentary Standing Committee regarding changing the funding pattern of the scheme has been noted and will be considered at the time of revision of the scheme.

APPENDIX – I**MINUTES OF THE ELEVENTH SITTING OF THE STANDING COMMITTEE ON AGRICULTURE HELD ON TUESDAY, THE 25TH JANUARY, 2005 AT 1100 HRS. IN COMMITTEE ROOM ‘C’, GROUND FLOOR, PARLIAMENT HOUSE ANNEXE, NEW DELHI**

The Committee sat from 1100 hrs. to 1240 hrs.

PRESENT

Prof. Ram Gopal Yadav – Chairman

MEMBERS***Lok Sabha***

2. Shri Hiten Barman
3. Shri Manoranjan Bhakta
4. Shri G.L. Bhargava
5. Shri Khagen Das
6. Shri Dharmendra
7. Smt. Rupatai D. Patil Nilangekar
8. Shri A. Ravichandran
9. Shri K.J.S.P. Reddy
10. Shri Y.S. Vivekananda Reddy
11. Shri M.P. Veerendra Kumar
12. Shri Mahboob Zahedi

Rajya Sabha

- 13 Smt. Mohsina Kidwai
- 14 Shri Harish Rawat
- 15 Shri Pyarelal Khandelwal
- 16 Shri Sk. Khabir Uddin Ahmed
- 17 Shri Bhagwati Singh
- 18 Shri Bashistha Narain Singh
- 19 Shri Sharad Anantrao Joshi

SECRETARIAT

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

At the outset, the Hon'ble Chairman, welcomed the Members to the sitting of the Committee and requested them to take up memoranda Nos. 2, 3 & 4 containing draft Action Taken Reports on 2nd, 3rd and 4th Reports on Demands for Grants (2004-05) of the Ministry of Agriculture (Department of Agricultural Research and Education); Ministry of Agriculture (Department of Animal Husbandry & Dairying) and Ministry of Food Processing Industries, respectively for consideration and adoption.

2. The Committee then considered and adopted the draft Action Taken Reports with certain additions/modifications as suggested by members of the Committee.

3. The Committee thereafter authorized the Chairman to present the above-mentioned Report to the House on a date and time convenient to him.

The Committee then adjourned.

APPENDIX II

**ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON
THE SEVENTH REPORT OF STANDING COMMITTEE
ON AGRICULTURE (14TH LOK SABHA)**

(i)	Total number of Recommendations	21
(ii)	Recommendations/Observations which have been Accepted by the Government	
	Serial Nos. 1,2,3,4,5,6,7,8,9,10,12,13,16 & 18	
	Total	14
	Percentage	66.66%
(iii)	Recommendations/Observations which the Committee Do not desire to pursue in view of the Government's replies	
	Serial No. 11,20 & 21	
	Total	3
	Percentage	14.28%
(iv)	Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee	
	Serial No. 17 and 18	
	Total	2
	Percentage	9.52%
(v)	Recommendations/Observations in respect of which Final replies of the Government are still awaited	
	Serial Nos. 14 and 15	
	Total	2
	Percentage	9.52%