



**STANDING COMMITTEE ON AGRICULTURE
(2020-2021)**

SEVENTEENTH LOK SABHA

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

'DEMANDS FOR GRANTS (2019-20)'

**{Action Taken by the Government on the Observations/
Recommendations contained in the Fourth Report (Seventeenth Lok Sabha) of
the Standing Committee on Agriculture (2019-20)}**

FIFTEENTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

February 2021/Magha, 1942 (Saka)

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Presented to Lok Sabha on 11.02.2021

Laid on the Table of Rajya Sabha on 11.02.2021



LOK SABHA SECRETARIAT

NEW DELHI

February 2021/Magha, 1942 (Saka)

COA No. 414

Price: Rs.

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Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (Sixteenth Edition) and Printed by

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COMPOSITION OF THE STANDING COMMITTEE ON AGRICULTURE (2019-20)

Shri Parvatagouda Chandanagouda Gaddigoudar- Chairperson

MEMBERS

LOK SABHA

2. Shri Afzal Ansari
3. Shri Horen Sing Bey
4. Shri Devendra Singh 'Bhole'
5. Shri A. Ganeshamurthi
6. Shri Kanakmal Katara
7. Shri Abu Taher Khan
8. Shri Bhagwanth Khuba
9. Dr. Amol Ramsing Kolhe
10. Shri Mohan Mandavi
11. Shri Devji Mansingram Patel
12. Smt. Shardaben Anilbhai Patel
13. Shri Bheemrao Baswanthrao Patil
14. Smt. Navneet Ravi Rana
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16. Shri Pocha Brahmananda Reddy
17. Shri Mohammad Sadique
18. Shri Virendra Singh
19. Shri V.K. Sreekandan
20. Shri Mulayam Singh Yadav
21. Shri Ram Kripal Yadav

RAJYA SABHA

22. Shri Partap Singh Bajwa
23. Sardar Sukhdev Singh Dhindsa
- #24. Shri Harivansh
25. Shri Narayan Rane
26. Shri Kailash Soni
27. Shri Vaiko
28. Shri R. Vaithilingam
29. Smt. Chhaya Verma
30. Dr. Chandrapal Singh Yadav
31. Shri Harnath Singh Yadav

Nominated to this Committee w.e.f. 22.07.2020 vide CB-1 Note dated 24.07.2020.

COMPOSITION OF THE STANDING COMMITTEE ON AGRICULTURE (2020-21)

Shri Parvatagouda Chandanagouda Gaddigoudar- Chairperson

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11. Smt. Shardaben Anilbhai Patel
12. Shri Bheemrao Baswanthrao Patil
13. Shri Shrinivaas Dadasaheb Patil
14. Shri Kinjarapu Ram Mohan Naidu
15. Shri Vinayak Bhaurao Raut
16. Shri Pocha Brahmananda Reddy
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27. Shri R. Vaithilingam
28. Smt. Chhaya Verma
- @29. Shri B.L. Verma
30. Shri Harnath Singh Yadav
- *31. VACANT

* *vice* Dr. Chandrapal Singh Yadav ceased to be a Member of the Committee on his retirement from Rajya Sabha w.e.f 25.11.2020 vide CB-I Note dated 06.10.2020.

@*vice* Shri B.L. Verma, MP Rajya Sabha has been nominated to the Committee as Member w.e.f 23.12.2020 vide Bulletin Part-II No. 1835 dated 24.12.2020

SECRETARIAT

1. Shri Shiv Kumar - Joint Secretary
2. Smt. Juby Amar - Director
3. Ms. Divya Rai - Asst. Executive Officer

INTRODUCTION

I, the Chairperson, Standing Committee on Agriculture (2020-21), having been authorized by the Committee to submit the Report on their behalf, present this Fifteenth Report on Action Taken by the Government on the Observations/Recommendations contained in the Fourth Report (Seventeenth Lok Sabha) of the Standing Committee on Agriculture (2019-20) on 'Demands for Grants (2019-20)' pertaining to the Ministry of Fisheries, Animal Husbandry and Dairying (Department of Animal Husbandry and Dairying).

2. The Fourth Report (Seventeenth Lok Sabha) of the Standing Committee on Agriculture (2019-20) on 'Demands for Grants (2019-20)' pertaining to the Ministry of Fisheries, Animal Husbandry and Dairying (Department of Animal Husbandry and Dairying) was presented to Lok Sabha and laid on the Table of Rajya Sabha on 03rd December, 2019. The Action Taken Notes on the Report were received on 24.02.2020.

3. The Report was considered and adopted by the Committee at their Sitting held on 09.02.2021.

4. An analysis of the action taken by the Government on the Observations/Recommendations contained in the Fourth Report (Seventeenth Lok Sabha) of the Committee is given in **Appendix**.

NEW DELHI;
10 February, 2021
21 Magha, 1942(Saka)

P.C. GADDIGUDAR
Chairperson,
Standing Committee on Agriculture

CHAPTER I

REPORT

This Report of the Standing Committee on Agriculture deals with the action taken by the Government on the Observations / Recommendations contained in the Fourth Report (Seventeenth Lok Sabha) of the Standing Committee on Agriculture (2019-2020) on 'Demands for Grants (2019-20)' of the Ministry of Fisheries, Animal Husbandry and Dairying (Department of Animal Husbandry and Dairying) which was presented to Lok Sabha and laid on the Table of Rajya Sabha on 3rd December, 2019.

1.2 The Ministry of Fisheries, Animal Husbandry and Dairying (Department of Animal Husbandry and Dairying) have furnished Action Taken Replies in respect of all 08 Observations / Recommendations contained in the Report. These replies have been scrutinized and thereafter categorized as under :-

- | | | | |
|-------|---|---------------|----------------------|
| (i) | Observations / Recommendations that have been accepted by the Government: | | |
| | Recommendation Para Nos. | 1, 2, 6 and 8 | |
| | | | Total 04 |
| | | | Chapter - II |
| (ii) | Observations / Recommendations which the Committee do not desire to pursue in view of the Government's reply: | | |
| | Recommendation Para No. | NIL | |
| | | | Total 00 |
| | | | Chapter – III |
| (iii) | Observations / Recommendations in respect of which replies of the Government have not been accepted by the Committee: | | |
| | Recommendation Para Nos. | 3, 4 and 5 | |
| | | | Total 03 |
| | | | Chapter – IV |
| (iv) | Observations / Recommendations in respect of which final replies of the Government are still awaited : | | |
| | Recommendation Para Nos. | 7 | |
| | | | Total 01 |
| | | | Chapter - V |

1.3 The Committee trust that utmost importance would be given to implementation of the Observations / Recommendations accepted by the Government. In cases where it is not possible for the Department to implement the Recommendations in letter and spirit for any reason, the matter should be reported to the Committee with reasons for non-implementation. The Committee desire that further Action Taken Notes on the Observations / Recommendations contained in Chapter-I and Chapter-V of this Report be furnished to them at an early date.

1.4 The Committee will now deal with the action taken by the Government on some of the Observations / Recommendations in the succeeding paragraphs.

A. RASHTRIYA GOKUL MISSION (RGM)

(RECOMMENDATION PARA NO. 3)

1.5 The Committee had observed / recommended :-

“Initiated in December, 2014 with the aim of development and conservation of Indigenous Bovine Breeds, the Scheme on Rashtriya Gokul Mission is crucial for enhancing milk production and productivity of cattle and buffaloes to meet the growing demand of milk and making dairying more remunerative to the rural farmers of the country. It holds the potential to uplift the rural poor as more than 80% of the less productive population of Indigenous Cattle is owned by Small and Marginal Farmers and Landless Labourers as on date. The Scheme is leading to multiplication of elite animals of Indigenous Breeds and increased availability of indigenous stock. In this context, the Committee note that Rs. 288.30 crore have been released by the Department during the last three years under RGM for strengthening of 41 Bull Farms and 21 Gokul Grams for conserving indigenous breeds and for the establishment of 30 Embryo Transfer Technology / In Vitro Fertilization Labs. The Committee, however, are concerned to note that the achievements vis-a-vis physical targets are not at all satisfactory. Out of 41 Bull Mother Farms targeted for strengthening, only 32 Farms have been strengthened so far. Similarly, the achievement for establishing Embryo Transfer Technology / In Vitro Fertilization Labs has only been 13 against the

target of 30. The achievement in case of establishment of Gokul Grams is poorest amongst the three as only 5 Gokul Grams have been established against a target of 21. Expressing their displeasure over the poor performance of the Department in this regard, the Committee desire that all out efforts be made by the Department to achieve the physical as well as financial targets during the year. The Committee would like to be apprised of the steps taken by the Department in this regard.”

1.6 In its Action Taken Reply, the Department has submitted :-

“Strengthening of 41 Bull Mother Farms have been completed. Out of 30 ETT/IVF labs, 19 ETT/IVF labs have been established and work is under progress for the remaining 11 labs. For establishment of 21 Gokul Grams, funds have been released to 16 Gokul Grams and so far 10 Gokul Grams have been completed and work is under progress in 6 Gokul Grams. Progress of implementation of the scheme are reviewed through National Review Meetings, Regional Review meetings, video conferencing and field visit etc.”

1.7 Taking note of the objectives under RGM aimed at enhancing milk production and productivity of cattle and buffaloes, the Committee had raised concerns over the dissatisfying performance of the Department with regard to achievement of Physical Targets under the Scheme and had desired that the Department make all out efforts to achieve physical as well as financial targets. The Department, in its Action Taken Reply, has informed that strengthening of 41 Bull Mother Farms have been completed; 19 out of targeted 30 ETT/IVF labs have been established with work being under progress for the remaining 11 labs and out of 21 Gokul Grams, funds have been released for 16 Gokul Grams, of which 10 Gokul Grams have been completed and work is under progress for the remaining 6. The Department has also stated that the progress of implementation of the Scheme is reviewed through National Review Meetings, Regional Review

Meetings, Video Conference and Field Visits etc. The Committee are of the view that holding Review Meetings will not serve the purpose unless reasons for failure in achieving targets are identified at the grassroot level and remedial action taken to remove the bottlenecks. The Committee, therefore, reiterate their earlier recommendation and strongly desire that the Department take earnest measures to achieve both, the Physical and Financial Targets envisaged under the Rashtriya Gokul Mission, well within the intended timeframe. The Committee would like to be apprised of the latest development in this direction.

**B. NATIONAL DAIRY PLAN PHASE – I (NDP - I)
(RECOMMENDATION PARA NO. 4)**

1.8 The Committee had observed / recommended :-

“Being implemented by the National Dairy Development Board, the National Dairy Plan Phase - I (NDP-I) was aimed at increasing productivity of Milch Animals thereby increasing milk production to meet the rapidly growing demand for milk. It also sought to provide rural milk producers with greater access to the Organised Milk Processing Sector. The Committee note that data regarding figures of Unorganized and Organized handling percentages of milk processing in the country are not maintained by the Department. The Committee are of the considered opinion that though the Department may have achieved the said objective of increasing productivity of milch animals thereby increasing production of milk in the country, the inability to maintain data regarding the amount of milk ending up with the Organized and Unorganized Milk Processing Sectors renders the whole exercise lesser in significance and meaning. Therefore, the Committee desire the Department to collect requisite information, as assured, in a time bound manner so that the objective of providing rural milk producers with a greater access to the Organized Milk Processing sector may be achieved in entirety. The Committee would like to be apprised of the steps taken by the Department in this direction.”

1.9 In its Action Taken Reply, the Department has stated :-

“The main objective of the NDP-I was to increase the productivity of milch animals and provide greater market access to dairy farmers in the project area of 18 major milk producing States. These are Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Haryana, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Odisha, Punjab, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, Uttarakhand and West Bengal. The progress of implementation of NDP-I was monitored/assessed through an external monitoring and evaluation during the 8 year plan period starting from 2011-12 on a set of Project Development Objective (PDO) level indicators. One of the PDO indicators was the “Share of milk sold to the organized sector (as a share of production)” which was 45%, 48% and 59% during base year, mid-year and end-year of the Plan respectively. However, outside the purview of NDP-I, currently there is no mechanism to periodically assess the quantity of milk being processed by the organized sector including the private dairy processors for whole country.

2. Further, the milk production and marketable surplus are estimated annually by the respective Animal Husbandry Departments of the States. While the share of surplus quantity of milk being handled by the cooperative sector is available, the volume of milk processed by the private dairies is not available.

3. Organised dairy businesses promoted under NDP-I i.e. Cooperative Milk Unions and Federations, Milk Producer companies and New Generation Cooperatives are in possession of license issued by Food Safety and Standards Authority of India (FSSAI) comes under the Ministry of Health & Family Welfare.

4. As per clause 2.1 and Schedule 1 of FSSAI regulations for Licensing and Registration of Food Businesses, Dairies are provided with Central and State license as per volumes of milk handled by the unit. The dairy unit needs to specify the milk procurement quantity, average contents of milk fat and milk solids not fat (MSNF) and procurement prices on the basis of milk fat and MSNF in the half yearly return form (D2). Details of purchase and use/manufacture of milk products like milk powder, skimmed milk powder, butter oil and white butter are also to be shared in return Form D2. The production and marketing details of

milk and milk products, conversion of milk in third party units and export volumes needs to be indicated in return Form D2.

5. Accordingly, this Department vide letter no.22-10/2017-DP dated 26.12.2019 sought information on organized dairy sector from FSSAI. FSSAI vide email dated 09.01.2020 has furnished the State-wise central and State license capacity only.”

1.10 While taking note of the lack of data in the Department regarding amount of milk ending up with the Organized and Unorganized Milk processing Sectors, the Committee had recommended the Department to furnish requisite information in a time bound manner. The Department, in its Action Taken Reply, has stated that the progress of implementation of NDP-I was monitored through a set of Project Development Objective (PDO) level indicators and one of these indicators was Share of Milk Sold to the Organized Sector, according to which, the end-year data amounted to 59%. However, the data regarding volume of milk processed by Private Dairies is not available. The Committee are dissatisfied with this reply of the Department and feel that the purpose of implementing NDP-I is only partially achieved as data regarding milk processed by the Organized Sector including that of Private Dairies is not available, due to which, the objective of promoting Organized Dairy Business among rural producers and bringing Private Dairies under the ambit of licensing and regulation also remains incomplete. The Committee, therefore, reiterate their earlier recommendation and strongly desire that the Department collect data regarding amount of milk processed by the Organized and Unorganized Sectors as also by the Private Dairies in the country so as to achieve the desired objectives under the Scheme. The Committee would like to be apprised of the steps taken by the Department in this direction.

C. DELHI MILK SCHEME (DMS)

(RECOMMENDATION PARA NO. 5)

1.11 The Committee had observed / recommended :-

“Delhi Milk Scheme (DMS) was set up in 1959 with the primary objective of supplying wholesome milk to the citizens of Delhi at reasonable prices as well as for providing remunerative prices to milk producers. The Department has also informed the Committee that the Delhi Milk Scheme has been procuring raw / fresh milk from the State Dairy Federations of neighbouring States of Punjab, Haryana, and Uttar Pradesh, Rajasthan, Madhya Pradesh and Bihar and also from Co-operative Societies / Producers Companies & other companies. The total quantity of milk procured by DMS during 2018-19 was lower as compared to that of 2017-18 and the reason behind this decrease, as stated by the Department, was the issue of floods within the regions / States providing milk. The Committee are, however, dissatisfied to note that there has been a considerable reduction in the Net Revenue Receipts for Delhi Milk Scheme which has reduced to Rs.410.40 crore for the year 2019-20 as compared to Rs.480.00 crore in 2018-19. The reason behind this shortfall has been attributed to lack of modernization of the DMS plant and a resultant fall in its capacity utilization. The Committee are further concerned to note that, as admitted by the Department itself, DMS is facing stiff competition from Amul, Mother Dairy and other private companies which, in turn, is causing erosion of its market share. The Committee, thus, are of the considered view that since DMS deals in activities of a commercial nature, it ought to be allowed to function as a commercial entity and to be able to make its own financial and operational decisions so that it can function as a financially viable commercial entity. The Committee strongly feel that the Government needs to take a holistic view of the issue and that DMS needs to be given functional autonomy on the lines of other Commercial Dairies in order to enable it to undertake strategic decisions on commercial lines. The Committee also desire that upgradation of the DMS machinery and renovation of the DMS plant be taken up urgently in order to enable the plant to function at its optimal capacity as these efforts will help in increasing the sale of milk and milk

products which may in turn lead to reduction in its losses. The Committee would like to be apprised of the action taken by the Department in this regard.”

1.12 In its Action Taken Reply, the Department has submitted :-

“With regard to the statement that the Committee are dissatisfied to note that there has been a considerable reduction in the Net Revenue Receipts for Delhi Milk Scheme which has reduced to Rs. 410.40 crore for the year 2019-20 as compared to Rs. 480.00 crore in 2018-19, it is to clarify that these figures belong to Budget Estimate proposed by DMS in respective year. It is further stated that proforma accounts up to 2018-19 has been completed and the Comptroller & Auditor General has also completed the Audit but the Audit Certificate for Proforma Accounts 2018-19 is still awaited. The proforma account for the year 2019-20 is to be closed on 31st March, 2020 then the Actual Sale/Net Revenue will be computed. As per Proforma Accounts, the details of Net Revenue Receipt for Financial year 2017-18 and 2018-19 are as under:-

S.NO.	Financial year	Rupees(in crores)
1.	2017-18	Rs. 409.21
2.	2018-19	Rs. 354.97

The sale amount has decreased by 13.26% in 2018-19 in comparison to 2017-18. It is only because of reduction of Milk sale by 14.25%(in QTY) and sale of Milk products by 2% to 8%.

In order to give DMS more autonomy, it is stated that as per Cabinet decision dated 22.02.2000, the sale price of DMS milk has been linked at par with sale price of Mother Dairy Milk. Further, this Department vide Order dated 20.12.2013 has also allowed DMS to decide the milk procurement prices at its own level after following due procedure in the interest of DMS and to ensure that no losses are made on this account.”

1.13 The Committee in their earlier recommendation had desired the Department to take up upgradation of DMS machinery and renovation of the DMS plant on an urgent basis and also advocated the need for functional autonomy to DMS to

enable it to undertake strategic decisions on commercial lines. The Department, in its Action Taken Reply, has submitted that the sale amount of DMS has decreased by 13.26% in 2018-19 as compared to 2017-18 due to reduction of milk sale. The Department has also submitted that as per Cabinet Decision, the sale price of DMS milk has been linked with that of Mother Dairy and autonomy has been granted to DMS to decide milk procurement prices at its own level. While appreciating these efforts of the Department to curtail losses, the Committee express concern over the reduction in sale of milk as also a consequent reduced Net Revenue Receipt. The Committee are also dissatisfied to note that despite repeated recommendations, no attempts have been made by the Department to address the issue of upgradation of the DMS machinery and renovation of the DMS plant to enable to function to its optimal capacity and, in fact, the Department has remained silent on the issue. Deprecating such a casual approach of the Department, the Committee reiterate their earlier recommendation that the Department pay due attention to upgradation of the DMS machinery and restoration of the DMS Plant so that the Delhi Milk Scheme is able to curb its losses and expand its customer base as had been desired previously. The Committee would like to be apprised of the action taken by the Department in this direction.

CHAPTER - II

OBSERVATIONS / RECOMMENDATIONS THAT HAVE BEEN ACCEPTED BY THE GOVERNMENT

BUDGETARY ALLOCATION **(RECOMMENDATION SERIAL NO. 1)**

Animal Husbandry and Dairying activities play an important part in supplementing Agricultural Income and also hold great significance in terms of providing a viable alternative during times of seasonal unemployment in agricultural households. Cattle rearing, dairying and poultry farming can prove to be profitable enterprises, particularly to Small and Marginal Farmers of the country. Transformation of rural economy can very well be made a reality with a planned approach to incorporate cattle rearing, dairying and poultry farming into mainstream economic activities by laying greater emphasis on adequate allocation of funds and focused implementation of Programmes and Policies to encourage greater participation. With the announcement of the Interim Budget 2019-20, the Department of Animal Husbandry, Dairying and Fisheries, which earlier came under the purview of the Ministry of Agriculture and Farmers Welfare, has now been bifurcated. The Fisheries Division has been separated as a new Department named Department of Fisheries, by carving out from the Department of Animal Husbandry, Dairying and Fisheries, vide Cabinet Secretariat's Notification No. S.O. 762 (E) dated 05.02.2019. The Department of Animal Husbandry and Dairying (AH&D) is one of the Departments of the newly created Ministry of Fisheries, Animal Husbandry & Dairying vide Cabinet Secretariat's Notification No.1/21/7/2019-Cab dated 17.06.2019 published in eGazette S.O.No.1972(E). The Committee appreciate the creation of a separate Ministry of Fisheries, Animal Husbandry and Dairying for this sector as it would give a much needed boost to this sector which has a huge potential for employment generation and increasing the income of farmers.

REPLY OF THE GOVERNMENT

In pursuance to the Interim Budget Announcement 2019-20, to provide sustained and focused attention towards development of the fisheries sector, a separate Department of Fisheries was created through carving out the Fisheries Division from the erstwhile Department of Animal Husbandry, Dairying and Fisheries, Ministry of Agriculture and Farmers Welfare. Consequently, one post of Secretary and one post of Joint Secretary were created on the recommendation of Dept. of Expenditure and approval of the Cabinet Secretariat's Notification vide F. N. 1/21/21/2018-Cab. dated 05.02.2019. One post of Joint Secretary was transferred and posted in the newly created Department of Fisheries by DOP&Ts Order No.33/05/201g-EO(SM-I) dated 10.03.2019. The Department of Animal Husbandry and Dairying (DAHD) and Department of Fisheries which earlier came under the purview of the Ministry of Agriculture and Farmers Welfare, are now the Departments of the newly created Ministry of Fisheries, Animal Husbandry & Dairying vide Cabinet Secretariat's

Notification No.1/21/7/2019-Cab dated 17.06.2019 published in e-Gazette S.O.No.1972(E). Now, both the Departments are functioning independently.

Ministry of Fisheries, Animal Husbandry and Dairying
(Department of Animal Husbandry and Dairying)
F.No.25-5(2)/2019-AHD(Coord) dt. 24th Feb., 2020

RECOMMENDATION SERIAL NO.2

The Committee are happy to note that there was 100% utilization of Budgetary Allocation by the Department during the year 2018-19. However, at the same time, the Committee are concerned over the insufficient Budgetary Allocation for the Department during the year 2019-20. Against the Budgetary Allocation of Rs. 1,30,485 crore for the Department of Agriculture, Cooperation and Farmers Welfare (DAC&FW), the allocation for Department Animal Husbandry and Dairying (DAHD) is a mere Rs. 3342.65 crore which only comes to about 2.56% of the Agriculture Budget. Also taking into account the aim of doubling farmers income and employment generation, the Committee feel that these goals could only be realized with an increased investment in the Animal Husbandry Sector which, in turn, holds the potential of giving better returns in comparison to other sectors like Agriculture and Manufacturing. Simultaneously, the nutritional requirement of our vast population can also be catered along with the opening up of avenues for exporting qualitative value added products of animal origin for better realization of income, especially to the Small and Marginal Farmers. The Committee, therefore, recommend that the Department should pursue this matter of increasing the budget allocation with the Ministry of Finance.

REPLY OF THE GOVERNMENT

The recommendation of the committee is noted for strict compliance. The Department has been continuously pursuing with Ministry of Finance on the matter of increasing the budget allocation for the Department. However, Ministry of Finance allocates the funds to Departments/Ministries keeping in view the overall resources position and priorities for allocation among competing demands from different sectors inter se.

Ministry of Fisheries, Animal Husbandry and Dairying
(Department of Animal Husbandry and Dairying)
F.No.25-5(2)/2019-AHD(Coord) dt. 24th Feb., 2020

ANIMAL WELFARE BOARD : **(RECOMMENDATION SERIAL NO.6)**

The Committee note that the Animal Welfare Board of India has the mandate to prevent infliction of unnecessary pain or suffering on animals, in terms of the provision of Prevention of Cruelty to Animals (PCA) Act, 1960. As informed by the Department, the Board has issued several advisories to States / UTs for preventing unnecessary pain and suffering on animals which includes advisory to initiate necessary action and

rehabilitation of stray animals. The Committee also note that the population of stray cattle has increased over the years which is a matter of concern. The Committee observe that though some measures have been taken by the Department to deal with this issue by providing shelter homes, Gochar lands, etc.; but these are not enough. There is a need for initiating some immediate and long term measures to prevent suffering of these animals. For dealing with existing stray cattle, States may be advised to establish Gothans at Gram Panchayat levels and women Self Help Groups (SHGs) may be encouraged to work in these places as is being done in some of the States like Rajasthan. Also, healthy female cattle should be identified and made proper use of in Embryo Transfer Technology and IVF. States can also be provided incentives to provide shelter homes for them. The Committee understand that as a long term measure, the Department is already working on the Sex Sorted Semen technology. The Committee feel that when more female calves are borne using this technology, the problem of stray cattle may be resolved to a great extent. The Committee appreciate that 2 labs have already been established by the Department for this purpose and 10 more are in the process of being established. The Committee desire to be apprised of the progress made by the Department in this regard.

REPLY OF THE GOVERNMENT

As recommended by the Committee, an advisory to all the State to establish Gothans at Gram Panchayat Level has been issued vide letter dated 31st December, 2019 in which it is mentioned that Stray animals are left by the farmers after the completion of production life and also the non-productive male animals. Through the establishment of Gothans at the Gram Panchayat level, the healthy female cattle shall be identified which may be utilized for Embryo Transfer Technology and In Vivo Fertilization (IVF). The Women Self Help Groups (SHGs) may also be encouraged to establish Gothans. Accordingly, all the States were requested to take proactive role to establish Gothans to control the Stray animals. So far upto December 2019, 3 lakh sex sorted semen doses have been produced at 2 sex sorted semen production facilities.

Ministry of Fisheries, Animal Husbandry and Dairying
(Department of Animal Husbandry and Dairying)
F.No.25-5(2)/2019-AHD(Coord) dt. 24th Feb., 2020

PRODUCTION AND TRADE IN ANIMAL HUSBANDRY AND DAIRYING SECTOR : (RECOMMENDATION SERIAL NO. 8)

The Animal Husbandry and Dairying Sector not only adds variety to the food basket in terms of milk, eggs, poultry and meat along with raising its nutritive value, but also opens up avenues with respect to dairying, livestock rearing and trading animal produce, etc. Self-sufficiency in milk production has led to initiatives such as the Gift milk Programme by NDDDB foundation for Nutrition (NFN) in order to provide nutritional support to Government School Children through the supply of nutritious products by a network of milk producer organizations (dairy cooperatives and producer companies) to

help reduce malnutrition. Furthermore, measures such as India-Australia partnership for a Veterinary Health Protocol for the Sheep Breeding Programme for Wool Development have fostered the objective of enhancing meat, wool and milk production in the country. While viewing these initiatives as heartening steps in the direction of taking holistic measures to increase production under the Animal Husbandry and Dairying sector, the Committee feel that many more efforts are required to be made in this direction. The Committee desire that the Guidelines under the National Livestock Policy, 2013 be put to practice and that an element of dynamism be added to the guidelines to maintain their relevance with evolving times. The Committee also suggest that the Department adopt a bottoms-up approach towards solving issues related with implementation of Schemes and Programmes at the grass-root level along with timely monitoring and assessing performance of States and UTs and focusing on equitable distribution of allocated funds. The Committee would like to be apprised of steps taken by the Department in this direction.

REPLY OF THE GOVERNMENT

The observations of the committee have been noted for compliance. Department is implementing various schemes for promotion and development of animal husbandry and dairying sector across the country with focus on production and trade. Besides, Department strives to adopt the guidelines under National Livestock Policy, 2013. The Department is also continuously monitoring and reviewing the progress of implementation of the programmes/schemes in the States/UTs through National Review Meetings, Regional Review Meetings, Field Visits, Video Conferences etc.

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CHAPTER III

**OBSERVATION/RECOMMENDATIONS WHICH THE COMMITTEE DO NOT
DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S ACTION TAKEN REPLY**

- N I L -

CHAPTER IV

OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH ACTION TAKEN REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE

RASHTRIYA GOKUL MISSION (RGM) : **(RECOMMENDATION SERIAL NO.3)**

Initiated in December, 2014 with the aim of development and conservation of Indigenous Bovine Breeds, the Scheme on Rashtriya Gokul Mission is crucial for enhancing milk production and productivity of cattle and buffaloes to meet the growing demand of milk and making dairying more remunerative to the rural farmers of the country. It holds the potential to uplift the rural poor as more than 80% of the less productive population of Indigenous Cattle is owned by Small and Marginal Farmers and Landless Labourers as on date. The Scheme is leading to multiplication of elite animals of Indigenous Breeds and increased availability of indigenous stock. In this context, the Committee note that Rs. 288.30 crore have been released by the Department during the last three years under RGM for strengthening of 41 Bull Farms and 21 Gokul Grams for conserving indigenous breeds and for the establishment of 30 Embryo Transfer Technology / In Vitro Fertilization Labs. The Committee, however, are concerned to note that the achievements vis-a-vis physical targets are not at all satisfactory. Out of 41 Bull Mother Farms targeted for strengthening, only 32 Farms have been strengthened so far. Similarly, the achievement for establishing Embryo Transfer Technology / In Vitro Fertilization Labs has only been 13 against the target of 30. The achievement in case of establishment of Gokul Grams is poorest amongst the three as only 5 Gokul Grams have been established against a target of 21. Expressing their displeasure over the poor performance of the Department in this regard, the Committee desire that all out efforts be made by the Department to achieve the physical as well as financial targets during the year. The Committee would like to be apprised of the steps taken by the Department in this regard.

REPLY OF THE GOVERNMENT:

Strengthening of 41 Bull Mother Farms have been completed. Out of 30 ETT/IVF labs, 19 ETT/IVF labs have been established and work is under progress for the remaining 11 labs. For establishment of 21 Gokul Grams, funds have been released to 16 Gokul Grams and so far 10 Gokul Grams have been completed and work is under progress in 6 Gokul Grams. Progress of implementation of the scheme are reviewed through National Review Meetings, Regional Review meetings, video conferencing and field visit etc.

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Comments of the Committee

For comments of the Committee please refer to Para No.1.7 of Chapter I of this Report.

NATIONAL DAIRY PLAN PHASE - I (NDP- I): **(RECOMMENDATION SERIAL NO. 4.)**

Being implemented by the National Dairy Development Board, the National Dairy Plan Phase - I (NDP-I) was aimed at increasing productivity of Milch Animals thereby increasing milk production to meet the rapidly growing demand for milk. It also sought to provide rural milk producers with greater access to the Organised Milk Processing Sector. The Committee note that data regarding figures of Unorganized and Organized handling percentages of milk processing in the country are not maintained by the Department. The Committee are of the considered opinion that though the Department may have achieved the said objective of increasing productivity of milch animals thereby increasing production of milk in the country, the inability to maintain data regarding the amount of milk ending up with the Organized and Unorganized Milk Processing Sectors render the whole exercise lesser in significance and meaning. Therefore, the Committee desire the Department to collect requisite information, as assured, in a time bound manner so that the objective of providing rural milk producers with a greater access to the Organized Milk Processing sector may be achieved in entirety. The Committee would like to be apprised of the steps taken by the Department in this direction.

REPLY OF THE GOVERNMENT

The main objective of the NDP-I was to increase the productivity of milch animals and provide greater market access to dairy farmers in the project area of 18 major milk producing States. These are Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Haryana, Jharkhand, Karnataka, Kerala, Madhya Pradesh, Maharashtra, Odisha, Punjab, Rajasthan, Tamil Nadu, Telangana, Uttar Pradesh, Uttarakhand and West Bengal. The progress of implementation of NDP-I was monitored/ assessed through an external monitoring and evaluation during the 8 year plan period starting from 2011-12 on a set of Project Development Objective (PDO) level indicators. One of the PDO indicators was the "Share of milk sold to the organized sector (as a share of production)" which was 45%, 48% and 59% during base year, mid-year and end-year of the Plan respectively. However, outside the purview of NDP-I, currently there is no mechanism to periodically assess the quantity of milk being processed by the organized sector including the private dairy processors for whole country.

2. Further, the milk production and marketable surplus are estimated annually by the respective Animal Husbandry Departments of the States. While the share of surplus quantity of milk being handled by the cooperative sector is available, the volume of milk processed by the private dairies is not available.

3. Organised dairy businesses promoted under NDP-I i.e. Cooperative Milk Unions and Federations, Milk Producer companies and New Generation Cooperatives are in possession of license issued by Food Safety and Standards Authority of India (FSSAI) comes under the Ministry of Health & Family Welfare.

4. As per clause 2.1 and Schedule 1 of FSSAI regulations for Licensing and Registration of Food Businesses, Dairies are provided with Central and State license as per volumes of milk handled by the unit. The dairy unit needs to specify the milk procurement quantity, average contents of milk fat and milk solids not fat (MSNF) and procurement prices on the basis of milk fat and MSNF in the half yearly return form (D2). Details of purchase and use/manufacture of milk products like milk powder, skimmed milk powder, butter oil and white butter are also to be shared in return Form D2. The production and marketing details of milk and milk products, conversion of milk in third party units and export volumes needs to be indicated in return Form D2.

5. Accordingly, this Department vide letter no.22-10/2017-DP dated 26.12.2019 sought information on organized dairy sector from FSSAI. FSSAI vide email dated 09.01.2020 has furnished the State-wise central and State license capacity only. A statement indicating installed capacity covering cooperative and private sector is given at **Annexure**.

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Comments of the Committee

For comments of the Committee please refer to Para No.1.10 of Chapter I of this Report.

DELHI MILK SCHEME (DMS) : **(RECOMMENDATION SERIAL NO.5)**

Delhi Milk Scheme (DMS) was set up in 1959 with the primary objective of supplying wholesome milk to the citizens of Delhi at reasonable prices as well as for providing remunerative prices to milk producers. The Department has also informed the Committee that the Delhi Milk Scheme has been procuring raw / fresh milk from the State Dairy Federations of neighbouring States of Punjab, Haryana, and Uttar Pradesh, Rajasthan, Madhya Pradesh and Bihar and also from Co-operative Societies / Producers Companies & other companies. The total quantity of milk procured by DMS during 2018-19 was lower as compared to that of 2017-18 and the reason behind this decrease, as stated by the Department, was the issue of floods within the regions / States providing milk. The Committee are, however, dissatisfied to note that there has been a considerable reduction in the Net Revenue Receipts for Delhi Milk Scheme which has reduced to Rs. 410.40 crore for the year 2019-20 as compared to Rs.480.00 crore in 2018-19. The reason behind this shortfall has been attributed to lack of modernization of the DMS plant and a resultant fall in its capacity utilization. The

Committee are further concerned to note that, as admitted by the Department itself, DMS is facing stiff competition from Amul, Mother Dairy and other private companies which, in turn, is causing erosion of its market share. The Committee, thus, are of the considered view that since DMS deals in activities of a commercial nature, it ought to be allowed to function as a commercial entity and to be able to make its own financial and operational decisions so that it can function as a financially viable commercial entity. The Committee strongly feel that the Government needs to take a holistic view of the issue and that DMS needs to be given functional autonomy on the lines of other Commercial Dairies in order to enable it to undertake strategic decisions on commercial lines. The Committee also desire that upgradation of the DMS machinery and renovation of the DMS plant be taken up urgently in order to enable the plant to function at its optimal capacity as these efforts will help in increasing the sale of milk and milk products which may in turn lead to reduction in its losses. The Committee would like to be apprised of the action taken by the Department in this regard.

REPLY OF THE GOVERNMENT

With regard to the statement that the Committee are dissatisfied to note that there has been a considerable reduction in the Net Revenue Receipts for Delhi Milk Scheme which has reduced to Rs. 410.40 crore for the year 2019-20 as compared to Rs. 480.00 crore in 2018-19, it is to clarify that these figures belong to Budget Estimate proposed by DMS in respective year. It is further stated that proforma accounts up to 2018-19 has been completed and the Comptroller & Auditor General has also completed the Audit but the Audit Certificate for Proforma Accounts 2018-19 is still awaited. The proforma account for the year 2019-20 is to be closed on 31st March, 2020 then the Actual Sale/Net Revenue will be computed. As per Proforma Accounts, the details of Net Revenue Receipt for Financial year 2017-18 and 2018-19 are as under:-

S.NO.	Financial year	Rupees(in crores)
1.	2017-18	Rs. 409.21
2.	2018-19	Rs. 354.97

The sale amount has decreased by 13.26% in 2018-19 in comparison to 2017-18. It is only because of reduction of Milk sale by 14.25%(in QTY) and sale of Milk products by 2% to 8%.

In order to give DMS more autonomy, it is stated that as per Cabinet decision dated 22.02.2000, the sale price of DMS milk has been linked at par with sale price of Mother Dairy Milk. Further, this Department vide Order dated 20.12.2013 has also allowed DMS to decide the milk procurement prices at its own level after following due procedure in the interest of DMS and to ensure that no losses are made on this account.

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Comments of the Committee

For comments of the Committee please refer to Para No.1.13 of Chapter I of this Report.

CHAPTER V

OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH FINAL REPLIES OF THE GOVERNMENT ARE STILL AWAITED

ESTABLISHMENT AND STRENGTHENING OF EXISTING VETERINARY HOSPITALS AND DISPENSARIES (ESVHD) : (RECOMMENDATION SERIAL NO.7)

This Component of the scheme on Livestock Health and Disease Control aims at helping States / UTs establish new veterinary hospitals and dispensaries as well as strengthen / equip the existing ones including running mobile veterinary ambulances. The Committee are, however, dismayed to note that the details submitted by the Department when asked to furnish State-wise details of funds allocated and expenditure incurred under this component along with details of physical targets and achievements showed zero tentative allocation and Actual Expenditure under this Component for most of the States / UTs as also zero achievement of physical targets in terms of number of Veterinary Hospitals and Veterinary Dispensaries constructed or renovated during the year 2017-18. During 2018-19 also, against a tentative allocation of Rs. 30.30 crore, the Actual Expenditure was Rs. 7.19 crore only. Loathing such a lackadaisical attitude of the Department regarding Veterinary Infrastructure and Services in the country, the Committee strongly recommend that the Department instantly take stock of the situation and work towards providing adequate financial support and manpower to respective States and UTs for fulfilling the objectives of strengthening Veterinary Infrastructure and increasing manpower in Veterinary Services throughout the country. The Committee further recommend the Department to take all necessary measures to ensure doorstep delivery of Veterinary Services to Livestock Owners in far flung rural areas by way of Mobile Veterinary Clinics and Veterinary Ambulance Services since it is only when these remotely situated areas are made serviceable in veterinary medicine that Livestock and Cattle Rearing will be viewed as profitable enterprises. The pay-offs associated with fulfilling the objectives envisaged under this Component are thus huge and with far reaching implications. The Committee, therefore, desire that the Department pursue this issue in all seriousness and apprise them of the measures adopted and progress made by the Department in this regard.

REPLY OF THE GOVERNMENT

The provision and strengthening of Veterinary Service, Veterinary care and deployment of manpower is a State subject. The Department in order to help States establish new veterinary hospitals and dispensaries as well as strengthen / equip the existing ones including running mobile veterinary ambulances, provides financial

assistance under Establishment and Strengthening of existing Veterinary Hospitals and Dispensaries (ESVHD). Funding pattern in this component is in the ratio 60:40 Centre: State except NE states & 3 Himalayan Region where it will be 90:10 Centre: State; 100% central assistance to UTs.

Further, the Department is also in process of revising the components under LH & DC Scheme so that the State / UTs can be assisted in proper way in order to control the animal diseases and strengthening of veterinary infrastructure.

In addition, the Department has requested all States and UTs to explore the possibility to undertake strengthening of veterinary infrastructure by availing more funds under other Schemes such as RKVY, RIDF including dovetailing with MPLAD funds etc. so as to cater adequate veterinary health in States/UTs including Mobile Veterinary Clinics for improved veterinary infrastructure and door step delivery of veterinary services.

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NEW DELHI;
10 February, 2021
21 Magha, 1942 (Saka)

P.C. GADDIGOUDAR
Chairperson,
Standing Committee on Agriculture.

STANDING COMMITTEE ON AGRICULTURE
(2020-21)

MINUTES OF THE FIFTH SITTING OF THE COMMITTEE

The Committee sat on Tuesday, the 09th February, 2021 from 1430 hrs. to 1510 hrs. in the Committee Room '3', Block-A, Extn to PHA Building New Delhi.

PRESENT

Shri Parvatagouda Chandanagouda Gaddigoudar– Chairperson

MEMBERS

LOK SABHA

2. Shri Afzal Ansari
3. Shri Horen Sing Bey
4. Shri Devendra Singh 'Bhole'
5. Shri A. Ganeshamurthi
6. Shri Kanakmal Katara
7. Shri Bhagwanth Khuba
8. Shri Mohan Mandavi
9. Shri Devji Mansingram Patel
10. Smt. Shardaben Anilbhai Patel
11. Shri Shrinivas Dadasaheb Patil
12. Shri Pocha Brahmananda Reddy
13. Shri Virendra Singh
14. Shri Ram Kripal Yadav

RAJYA SABHA

15. Shri Partap Singh Bajwa
16. Shri Narayan Rane
17. Shri Kailash Soni
18. Shri B.L. Verma
19. Smt. Chhaya Verma

SECRETARIAT

- | | | | |
|----|----------------------|---|------------------|
| 1. | Shri Shiv Kumar | – | Joint Secretary |
| 2. | Dr. Vatsala J. Pande | – | Director |
| 3. | Smt. Juby Amar | – | Director |
| 4. | Shri Prem Ranjan | – | Deputy Secretary |

2. At the outset, Chairperson welcomed the Members to the Sitting of the Committee. Thereafter, the Committee took up for consideration the followings Reports:

* (i) XXXX XXXX XXXX XXXX

(ii) Draft Report on Action Taken by the Government on the Observations/Recommendations on Fourth Report of the Standing Committee on Agriculture (2019-20) on 'Demands for Grants (2019-20)' of the Ministry of Fisheries, Animal Husbandry and Dairying (Department of Animal Husbandry and Dairying);

* (iii) XXXX XXXX XXXX XXXX

* (iv) XXXX XXXX XXXX XXXX

* (v) XXXX XXXX XXXX XXXX

* (vi) XXXX XXXX XXXX XXXX

* (vii) XXXX XXXX XXXX XXXX

* (viii) XXXX XXXX XXXX XXXX

* (ix) XXXX XXXX XXXX XXXX

* (x) XXXX XXXX XXXX XXXX

3. After some deliberations, the Committee adopted the Draft Reports without any modifications and the Committee then authorized the Chairperson to finalize and present these Reports to Parliament.

The Committee then adjourned.

*Matter not related to this Report

Appendix

ANALYSIS OF ACTION TAKEN BY GOVERNMENT ON
THE FOURTH REPORT (17th LOK SABHA) OF
STANDING COMMITTEE ON AGRICULTURE (2019-20)
(Vide Para 4 of Introduction of the Report)

(i)	Total number of Recommendations	08
(ii)	Recommendations/Observations which have been Accepted by the Government Para Nos. 1, 2, 6 & 8	
	Total	04
	Percentage	50.00%
(iii)	Recommendations/Observations which the Committee Do not desire to pursue in view of the Government's replies Para No. Nil	
	Total	00
	Percentage	00.00%
(iv)	Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee Para Nos. 3, 4 and 5	
	Total	03
	Percentage	37.50%
(v)	Recommendations/Observations in respect of which Final replies of the Government are still awaited Para Nos. 7	
	Total	01
	Percentage	12.50%