

CHAPTER 7

Agriculture and Rural Development

7.1 AGRICULTURE

Agriculture sector contributes a little less than one fourth of India's GDP and provides employment to a little less than 60 % of the country's workforce. Rapid growth of agriculture is, therefore, very important. It is also critical for meeting the food and nutrition security of over a billion population which is still growing at a fast rate. Although, Indian agriculture has made rapid strides since 1951 as is evident from its transformation in terms of growth of production and productivity as well as technological evolution, its performance on a year to year basis continues to be strongly dependent on the vagaries of monsoon. One of its latest victims is the Tenth Plan target of an average 4% growth of agricultural GDP per annum. In the first year of the Tenth Plan (2002-03), the growth rate suffered a set back of (-) 5.2% on account of severe drought conditions that prevailed over a large part of the country. Although in the second year (2003-04), agricultural GDP grew at an unprecedented rate of 9.1%, the average growth for the first two years of Plan turns out to be only about 2%. In the current year (2004-05), the growth in agriculture would have been modest even with a normal monsoon, essentially due to the high output base of the previous year. But late arrival, skewed distribution and early withdrawal of monsoon-2004 have meant that overall kharif output during 2004-05 may actually decline significantly. It is highly unlikely, therefore, that agricultural GDP growth in the current year would be anywhere near 4%, even after assuming normal rabi output.

2 The vagaries of monsoon have once again emphasized the need for massive investment on irrigation and water resources management including watershed development for rain water harvesting. Although water is the critical issue, there are other key areas, such as wastelands/ degraded lands, extension services including delivery of inputs, agricultural credit and rural infrastructure which also need large scale investment. In fact, recognizing the problems of the agricultural sector, the Government in its National Common Minimum Programme (NCMP) has committed, inter alia, to step up public investment in agriculture, agricultural research and extension, rural infrastructure and irrigation and, introduce a special programme for dryland farming in the arid and semi-arid regions of the country.

3 Planning Commission had approved an outlay of Rs. 13,200 crore for the Deptt. of Agriculture and Cooperation for the Tenth Five-Year Plan (2002-07). An outlay of Rs. 2,167 crore was allocated for implementation of its Central Sector/ Centrally Sponsored Schemes during 2003-04 against an expenditure of about Rs. 1,657 crore in 2002-03. It is estimated that expenditure during 2003-04 would be about Rs. 2,057 crore or about 95% of the outlay. The outlay for the Annual Plan 2004-05 was significantly raised to Rs. 2,650 crore at the B.E. stage. Subsequently, the outlay was further raised by Rs. 440 crore to Rs. 3,090 crore as a part of the exercise to operationalize some of the NCMP related items. The scheme-wise break-up of the additional outlay of Rs. 440 crore during 2004-05 is as follows:

(i)	Dryland Farming	Rs. 100 crore
(ii)	National Horticulture Mission	Rs. 150 crore
(iii)	Micro-Irrigation	Rs. 150 crore
(iv)	Marketing Infrastructure	Rs. 20 crore
(v)	Support to State Extension Programme	Rs. 20 crore

4 A brief account of the schemes/ programmes of the Tenth Plan, their performance during the Annual Plan 2003-04 and the highlights of the Annual Plan 2004-05 is given below:

Review of Annual Plan 2003-04 and Annual Plan 2004-05

Technology Mission on Oilseeds, Pulses, Maize and Oil Palm

5 The Technology Mission on Oilseeds, Pulses, Maize and Oil palm has been restructured and is being implemented during the Tenth Plan with three schemes viz. Integrated scheme of Oilseeds, Pulses, Oil palm and Maize (ISOPOM), Post Harvest Technology on Oilseeds, Pulses and Maize and Tree Borne Oilseeds. Tenth Plan outlays for ISOPAM, Post Harvest Technology on Oilseeds, Pulses and Maize, and Tree Borne Oilseeds are Rs. 835 crores, Rs. 85 crores, and Rs. 30 crores respectively. The basic aim of the TMOP is to increase production of oilseeds, pulses and maize and their products through infusion of better technology and expansion of area under these crops. The scheme of Tree-borne Oilseeds envisages increased collection of tree-borne oilseeds for expanding the production base of non-traditional oil sources.

6 The ISOPOM a Centrally Sponsored Scheme having funding pattern of 75:25 between the Centre and the States, is being implemented in 14 potential States for oilseeds viz. Andhra Pradesh, Bihar, Chhattisgarh, Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Orissa, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh and West Bengal for oilseeds and pulses. For maize the State of J&K and Himachal Pradesh has also been included while Haryana has been excluded. The Oil Palm programme is being implemented in 12 States. Expenditure on Technology Mission on Oilseeds, Pulses, Oil palm and Maize during 2002-03 was Rs. 132.22 crores and expenditure during 2003-04 is Rs. 155.02 crores. The outlay for the year 2004-05 is Rs.193.00 crores. No timebound production target was fixed for any of the components of ISOPOM. Production continues to be subject to wide weather-induced fluctuations. There has been no break through in production technology particularly for pulses and oilseeds.

Technology Mission on Cotton:

7 Technology Mission on Cotton was launched in February 2000 to increase the production and improve the quality of cotton. The Mission consists of four Mini Missions viz. Mini Mission I, II, III and IV, devoted respectively to technology generation, transfer of technology, improvement of market infrastructure and modernization of ginning and pressing (G&P) factories. The MM-II is being implemented by the Department of Agriculture and Cooperation at an outlay of Rs. 300 crore during the Tenth Plan in 13 States viz. Andhra Pradesh, Gujarat, Haryana, Karnataka, Madhya Pradesh, Maharashtra, Orissa, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, West Bengal and Tripura. Expenditure on MM II of this Mission during 2002-03 was Rs 9.33 crores against the outlay Rs. 20.00 crores. Expenditure during 2003-04 has increased to Rs. 32.95 crores. No time bound production target for cotton was fixed under the Mission. Production of cotton is likely to be 137.88 lakhs bales during 2003-04 (fourth Advance estimate) compared to the production level of 87.16 lakh bales during 2002-03, the year affected by drought. There has been no break through in production technology. Production fluctuates widely depending on weather, mainly rainfall.

Agricultural inputs and services

Seeds

8. Seed is the basic input for sustained increase in agricultural production and productivity. Planning Commission has approved a restructured scheme for "Development and Strengthening of Infrastructure facilities for Production and Distribution of Quality Seeds" with an outlay of Rs. 159 crore. The objective of the scheme is to develop and strengthen the seed infrastructure facilities i.e. processing, storage, production and distribution of certified /quality seeds, upgrading quality of farmer's save seeds, dissemination of seed production technology and to ensure availability of seeds during natural calamities. It also aims to promote seed export, strengthen seed quality control organizations that include State Seed Certification agencies and Seed Testing laboratories and strengthen National Seed Research Training Centre, Varanasi. The components of the scheme are Seed Village programme to assist distribution of foundation seeds and for supplying seed storage bins to farmers; assistance for seed production in private sector involving back-ended subsidy @ 25% for credit linked capital investment in seed production, processing, treating, packaging and storage units; Creation of infrastructure facilities for State Seed Corporations for newly formed States; establishment and maintenance of seed banks/ National Seed Grid for ensuring availability of seeds in the event of calamities and Quality Control arrangements. Application of biotechnology in agriculture, multiplication of hybrid seeds and tissue culture are also introduced under the scheme.

9. The scheme for implementation of legislation on "Protection of Plant Varieties and Farmers Rights Act, 2001"(PPV&FR Act) provides for the establishment of an effective system for the protection of plant breeders rights. It has been enacted to fulfill India's obligation under agreement of Trade Related aspects of Intellectual Property Rights (TRIPs) of WTO as also to stimulate investment in Research and Development for the development of new plant varieties to facilitate the growth of Seed Industry and also ensure the availability of high quality seeds to the farmers. The Plant Varieties Protection Authority is yet to be operationalised.

10. The existing Seeds Act, 1966 is to be replaced by a revised legislation. The draft Seeds Bill, 2004 as well as Rules have been framed. However, the Bill is yet to be enacted by Parliament. The Seeds Bill 2004 will ensure good quality seeds, provide compulsory registration, encourage private participation in seed production and distribution and import and sale of transgenic seeds and planting material.

11. The 10th Plan outlay and actual expenditure for Annual Plan 2002-03, 2003-04 and BE for 2004-05 for Seed Sector stood at Rs. 275 crore, Rs.11.53 crore, Rs. 22.39 crore and Rs 50.51 crore respectively .

Integrated Nutrient Management

12. In order to promote organic farming, a new Central Sector Scheme "National Project on Organic Farming" has recently been approved with an outlay of Rs.57.05 crores by restructuring the on-going scheme of National Project on Development and use of Bio-fertilizers. The Scheme is being implemented on a pilot scale during 10th Plan in potential areas i.e., the areas where use of agro-chemicals is very low and in the areas falling in agri-export zones, and in urban hinterland (peri urban) areas. The 10th Plan outlay and actual expenditure for Annual Plan 2002-03, 2003-04 and BE for 2004-05 for Integrated Nutrient Management stood at Rs. 109.65 crore, Rs. 2.25 crore, Rs. 3.68 crore and Rs 36.73 crore respectively.

Plant Protection and Quarantine

13. A restructured scheme "Strengthening and Modernization of Pest Management Approach in India" has been introduced by convergence of existing schemes i.e. Insecticide Act, Promotion of Integrated Pest Management, Locust Control and Research, Training in Plant Protection. The programme of Integrated Pest Management is being promoted through 26 Central Integrated Pest Management Centres (CIPMCs) under the Directorate of PPQ&S operating in 23 states. Besides, 6 additional CIPMCs are to be set up soon. Till date 8,413 Farmers' Field Schools (FFSs) have been organized in which 34,339 extension functionaries and 2,54,079 farmers have been trained in IPM.

14. Scheme on Strengthening and Modernizations of Plant Quarantine Facilities in India is also being implemented aiming to prevent the introduction and spread of exotic pests, support market access for India's Agriculture products, facilitate safe global trade in agriculture by assisting the producers and exporters by providing a technically competent and reliable phytosanitary certificate system to meet the requirements of trading partners.

15. The 10th Plan outlay and actual expenditure for Annual Plan 2002-03, 2003-04 and BE for 2004-05 for Plant Protection stood at Rs. 220 crore, Rs.14.67 crore, Rs. 16.49 crore and Rs 54.06 crore respectively .

Agricultural Implements & Machinery

16. A restructured scheme for Promotion and Strengthening of Agricultural Mechanization through Training, Testing and Demonstration has been launched. The new equipments like zero-till seed cum fertilizer drill, raised bed planter, multi crop thresher, sugarcane cutter planter, vertical conveyer reaper, paddy trans-planter, etc. have been demonstrated and farmers have widely responded to these. For de-reservation of agricultural machineries, the DAC has taken up the matter with Small Scale Industries Department and 5 out of 25 items have already been de-reserved. Importing implements and machinery from developed countries like Japan to suite small holdings/farms and to fabricate the designs of the same, suiting our condition are yet to be taken up by the Department. The 10th Plan outlay and actual expenditure for Annual Plan 2002-03, 2003-04 and BE for 2004-05 for Agricultural Implements and Machinery stood at Rs. 75 crore, Rs.2.34 crore , Rs. 3.07 crore and Rs 8.00 crore respectively .

Agricultural Extension

17. Under Agricultural extension, Mass Media Support to Agriculture Extension was introduced in January 2004 with an outlay of Rs. 215 crore. The main components are (i) use of Door Darshan (DD) infrastructure for broadcasting (area specific broadcasting) from 12 stations of DD; (ii) use of IGNOU infrastructure for National TV channel; (iii) use of All-India Radio FM transmitter network. The Kissan Channel is telecasting agriculture programmes by utilizing transponder of IGNOU for repetition of its programmes many times a day. Through Narrow casting, area specific broadcasting of agriculture problems and issues is telecast through 12 Stations of Doordarshan. These cover locations like Jalpaiguri (WB), Indore (MP), Sambhalpur (Orissa), Shillong (Meghalaya), Hissar (Haryana), Muzzafarpur (Bihar), Dibrugarh (Assam), Varanasi (UP), Vijayawada (AP), Gulbarga (Karnataka), Rajkot (Gujarat), Daltonganj (Jarkhand). Under the All India FM Radio network, 24 FM Stations of All India Radio are presently broadcasting one hour agriculture programmes and proposed to be extended to 96 FM stations soon.

18. A Centrally Sponsored restructured scheme, which aims at extension reforms in the States through new institutional arrangements and participatory approach at the grass-root level has been approved by EFC. The Department is also implementing a Central sector scheme on Extension Support to Central Institutes. The components are (i) support to National institutes of training, (ii) training of extension personnel, (iii) national/ international fairs/ exhibitions, (iv) distant learning, etc.

19. The Agri-Clinics/ Agri Business's scheme provides training to agriculture graduates to enable them to establish agri clinics/ agri business. The scheme is jointly implemented by SFAC, MANAGE and NABARD. Till now 5376 agricultural graduates have been trained at 66 training institutes in the different States and 1119 of them have set up their agri-clinics/ventures. It indicates that about 20% of the trained graduates were able to set up their ventures. Further, it is revealed that only 10% of the ventures established had availed bank loan facility.

20. The 10th Plan outlay and actual expenditure for Annual Plan 2002-03, 2003-04 and BE for 2004-05 for Agricultural Extension and Agri-clinic/ agri- business stood at Rs. 700 crore, Rs.51.15 crore, Rs. 58.98 crore and Rs 187.45 crore respectively.

Macro Management of Agriculture

21. Under 'Macro Management' 27 erstwhile Centrally Sponsored schemes have been amalgamated; the States have been given flexibility to develop and pursue activities on the basis of their regional priorities. The Scheme aims at all-round development of agriculture through Work Plans prepared by the States themselves. The 10th Plan outlay and actual expenditure for Annual Plan 2002-03, 2003-04 and BE for 2004-05 for Macro Management stood at Rs. 4313 crore, Rs.595.63 crore, Rs. 649.48 crore and Rs 719.94 crore respectively.

National Agriculture Information System

22. A scheme for strengthening / promotion of agriculture information system has been introduced by the Department with approved outlay of Rs. 37.80 crore. Main components of this scheme are to provide IT apparatus for their offices and setting up of call-centres as a part of Agriculture information and communication. These Call Centers are operating through a common toll free no.1551 which can be dialed from anywhere in the country. Twelve Kisan Call Centres are in operation covering the entire country with 21 languages. Approximately 477632 farmers have been benefited with effect from 21.01.2004 to August 2004. For this component, an amount of Rs. 8.80 crore has been provided under the budget 2004-05.

23. The 10th Plan outlay and actual expenditure for Annual Plan 2002-03, 2003-04 and BE for 2004-05 for Information Technology stood at Rs.100 crore, Rs.6.66 crore, Rs. 3.96 crore and Rs 27 crore respectively.

Credit

24. Credit is considered as one of the critical inputs in agriculture. A large number of agencies, namely, cooperatives, regional rural banks, commercial banks, non-banking financial institutions, self-help groups and a well spread informal credit outlets together represent the Indian rural credit delivery system. Further, several initiatives like Special Agricultural Credit Plans, Kisan Credit Card Scheme, RIDF Scheme etc, are put in place to increase the flow of credit to agriculture sector.

25. The total credit flow to agriculture in the Ninth Plan (1997-2002) amounted to Rs.2,29,956 crore. A substantial jump in the credit flow to agriculture is envisaged in the Tenth Plan (2002-07) which is projected at Rs. 7,36,570 crore, almost three times the Ninth Plan achievement. The flow of institutional credit would be enhanced by 30 per cent to about Rs. 105,000 crore in 2004-05 from Rs. 80,000 Crore in 2003-04. The public sector banks have also been advised to reduce their lending rate for agriculture to a rate not exceeding 9 per cent per annum on loans up to Rs.50, 000.

Special Agricultural Credit Plans (SACP)

26. Under SACP formulated since 1994-95, public sector banks have been advised by the Reserve Bank to fix self-set targets showing an increase of about 20 to 25 per cent over the disbursement made in the previous year. With the introduction of SACP, the flow of credit to the agricultural sector by public sector banks had increased from Rs.10,172 crore in 1995-96 to Rs. 33,921 crore during 2002-03. Disbursements to small and marginal farmers constituted 26.7 percent of total disbursements under SACP during the year 2002-03.

Kisan Credit Card (KCC)

27. The scheme of Kisan Credit Card (KCC) was introduced in 1998-99 for timely, easy and flexible availability of production credit to farmers. Commercial banks, cooperative banks and RRBs are implementing this scheme. Each eligible farmer is provided with a Kisan Credit Card and a passbook for providing revolving cash credit facilities. The farmer is permitted any number of drawals and repayments within a stipulated date, which is fixed on the basis of land-holdings, cropping-pattern and scale of finance. A total of 413.79 lakh Kisan Credit Cards were issued and cumulative credits amounting to Rs.97,710 crore were sanctioned up to March 2004. Cooperative banks accounted for the bulk of cards issue (58.6%) followed by PSBs (32%) and RRBs (9.4%). The progress of the scheme is not uniform across States and is dismal in the northeast.

Rural Infrastructure Development Fund (RIDF)

28. Since 1995-96, public sector and private sector banks, with shortfall in lending to priority sector /agriculture, have been contributing to the Rural Infrastructure Development Fund (RIDF) established with NABARD. Nine tranches of RIDF have been established with aggregate corpus of Rs 34,000 crore. The RIDF is utilized for assisting State Governments in quick completion of ongoing rural infrastructure projects. Cumulative sanctions and disbursements under various tranches of RIDF stood at Rs 34,678 crore and Rs 21,067 crore respectively as at the end of March 2004. Completion of projects under RIDF is expected to improve the credit absorption capacity in the areas concerned and provide the infrastructural support for agricultural production and development.

Self-help group bank linkage programme

29. The focus under the Self-help Group (SHG) Bank Linkage Programme is largely on those rural poor who have no sustainable access to the formal banking system. The target groups, therefore, broadly comprise small and marginal farmers, agricultural and non-agricultural labourers, artisans and craftsmen and other poor engaged in small businesses like vending and hawking. By March 2004, over 1.7 crore rural poor families accessed financial services of savings and credit through 10.79 lakh credit-linked SHGs. Around 90 per cent of these SHGs are exclusive women SHGs. More than 30,000 branches and 500 banks which participate in the Programme have extended

loans amounting to Rs. 3,904 crore by March 31, 2004, backed by refinance support of Rs.2,124 crore from NABARD.

30. The micro finance initiatives of SIDBI and Rashtriya Mahila Kosh have also been showing positive results in providing access to micro financial services to the poor through different models of credit delivery.

Agriculture Insurance

National Agricultural Insurance Scheme (NAIS)

31. A broad based Central Sector 'National Agriculture Insurance Scheme' (NAIS) was introduced in the country from the rabi season of 1999-2000. The scheme is available to all farmers (both loanee and non-loanee) irrespective of their size of land holdings. It envisages coverage of all the food crops (cereals, millets and pulses), oilseeds and annual commercial/horticultural crops, in respect of which past yield data are available for an adequate number of years. Already eleven crops, viz. annual banana, chillies, cotton, ginger, jute, pineapple, onion, potato, sugarcane, tapioca and turmeric have been covered under the scheme. The premium rates are 3.5 per cent (of sum insured) for bajra and oilseeds, 2.5 per cent for other kharif crops, 1.5 per cent for wheat, and 2 per cent for other Rabi crops, while actuarial rates are being charged in the case of commercial/horticultural crops. Small and marginal farmers are entitled to a subsidy of 50 per cent of the premium, which is shared on 50:50 basis by the Central and State Governments. The premium subsidy will be phased out over a period of 5 years. The scheme is operating on the basis of "Area Approach", i.e. defined areas for each notified crops for widespread calamities, and on 'an individual basis' for localized calamities such as hailstorm, landslide, cyclone and flood. At present, the scheme is being implemented by 23 States and 2 Union Territories. 338 lakh farmers over an area of 527 lakh hectares have been covered under NAIS during the last 7 crop seasons (about 3 years). Claims amounting to Rs. 3832 crore have been paid to 130 lakh farmers. Expenditure Finance Committee in its meeting held on 18.8.2003, interalia, recommended implementation of the scheme on actuarial basis from Kharif 2004 season with 75% subsidy to Small and Marginal Farmers and 25% subsidy to other farmers. The 10th Plan outlay for NAIS stands at Rs. 15,00 crore. Actual expenditures during 2002-03, 2003-04 and BE for 2004-05 stood at Rs. 254.99 crore, Rs. 637.93 crore and Rs. 350 crore respectively.

Cooperation

32. The Cooperative Sector has been playing a significant role in the area of disbursing agriculture credit, providing market support to farmers, distribution of agricultural inputs and imparting cooperative education/training etc. There are about 6 lakh cooperatives in the country with a membership of about 22 crore. To ensure democratic, autonomous and professional functioning of cooperatives, as envisaged in the National Common Minimum Programme, constitutional amendment is under consideration.

33. The Central Sector Scheme for Cooperative Education and Training implemented through National Council for Cooperative Training (NCCT) and National Cooperative Union of India (NCUI) has been in operation since the Third Five Year Plan with the objective of providing training to Senior and Middle level personnel of State Governments and Cooperative Institutions and education in Cooperative Movement to members of Cooperatives. During Ninth Plan, 53 lakh members of Cooperatives were benefited from educational programmes and 1.32 lakh personnel were trained

under NCCT programmes. The 10th Plan targets for these two programmes stand at 61.22 lakh and 1.75 lakh respectively. The achievement during 2002-03 stood at 12.91 lakh and 0.33 lakh respectively.

34. During the 10th Plan, various on-going schemes, namely, (i) Assistance for Cooperative Marketing, Processing, Storage in underdeveloped States/Uts, (ii) Share Capital Participation in Cooperative Spinning Mills, (iii) Integrated Cooperative Development Projects in selected districts, (iv) Assistance to National Cooperative Federations, and with two new components viz Rehabilitation of Cooperative Processing Units and Assistance for Development of Women Cooperatives have been restructured and clubbed under a single scheme titled "Assistance to NCDC for Development of Cooperatives. Number of units targeted to be assisted in respect of first three components of the aforesaid programme during 10th Plan were 430, 28 and 57 respectively. Number of units assisted during 2002-03 stood at 72, 0 and 14 and during 2003-04, these were 63, 2 and 13 respectively.

35. The 10th Plan outlay and actual expenditures for Annual Plan 2002-03, 2003-04 and BE for 2004-05 for Cooperative Sector stood at Rs. 500 crore, Rs. 30.44 crore, Rs. 42.40 crore and Rs. 74.17 crore respectively.

Agricultural Marketing

36. In the Tenth Five Year Plan document, it has been envisaged that the States would be persuaded to amend their respective APMC Acts to provide for phasing out of all the remaining restrictions on movement, storage, export and processing; development of integrated agricultural markets in private and cooperative sectors; direct marketing of agricultural produce by setting up farmers' markets; contract farming abolishing all restrictions in various Acts which impinge on free trade of agriculture commodities; and enlargement of commodity coverage under forward contracts/ future trading.

37. As a follow up the policies laid down, the Department of Agriculture and Cooperation has formulated a Model Law on Agricultural Marketing and Contract Farming in consultation with the State Governments and representatives of trade and industry. The Model Act provides for:- Legal persons, growers and local authorities permitted to establish new markets; no compulsion on growers to sell their produce through existing regulated markets, establishment of direct purchase centres, consumers'/farmers' markets for direct sale; promotion of public/private partnership in management and development of agricultural markets; a separate chapter to regulate and promote contract farming arrangements; prohibition of commission agency in any transaction of agricultural commodities with the producers; Market Committee to promote alternative marketing system, contract farming, direct marketing and farmers/consumers markets; State Marketing Boards to promote standardization, grading, quality certification, market-led extension and training of farmers and market functionaries in marketing relating areas; constitution of State Marketing Standard Bureau for promotion of grading, standardization and quality certification of agricultural produce.

38. The Model APMC Act and model contract farming agreement, were discussed by the Department of Agriculture and Co-operation in a conference of the State Ministers held on 7th Jan. 2004, wherein, most of the States agreed to consider amending their respective APMC Acts. Some of the States have drafted bills to amend their respective APMC Acts. However, most of the States still have to amend their APMC Acts.

39. A new central sector scheme for "Development/ Strengthening of Agriculture Marketing Infrastructure, Grading and Standardization" has been formulated with a share of the Government

of India of Rs 190 crores which would be implemented as a reform linked scheme. Under the scheme credit linked back-ended subsidy for capital investment would be provided for setting up general or commodity specific marketing infrastructure for agricultural commodities and for strengthening and modernization of existing agricultural markets, wholesale markets and rural haats in tribal areas

40. For strengthening the rural infrastructure a central sector credit-linked subsidy scheme for capital investment for construction/ renovation of rural godowns is being implemented with a Tenth Five Year Plan outlay of Rs 360 crores. The expenditure on the scheme during 2002-03 and 2003-04 was Rs 64.51 crores and 79.55 crores respectively and the proposed outlay for 2004-05 is Rs.100 crores.

Horticulture

41. National Horticulture Board, Coconut Development Board and the Horticulture Commissioner (DAC) are the implementing agencies for major developmental programmes in the horticulture sector.

National Horticulture Board

42. The issues relating to post-harvest management are being addressed through the National Horticulture Board (NHB) during the Tenth Plan. It includes investments for construction/ modernization of cold storages, establishment of collection centers, ripening chamber, retail outlets, special transport vehicles and primary processing equipment. Against a provision of Rs. 105 crore for the Annual Plan 2003-04, the expenditure was only Rs. 50 crore. A provision of Rs. 90.00 crores has been made for the year 2004-05

Physical Performance of the Programmes of the National Horticulture Board

Sl. No.	Name of the Scheme	Target Tenth Plan	2002-03		2003-04	
			Target	Achievement	Targets	Achievement
1.	Development of commercial horticulture through production and post harvest management	3294 units	100 units	744 units	600 units	607 units
2.	Capital investment subsidyscheme for Construction/ Expansion/ Modernization of 8Cold Storages and storages for HorticultureProduce	600 Units (29.5 lakh MT tones capacity)	140 Units (7 lakh MT Capacity)	173units (6.74 lakh MT Capacity)	90 units (4.5 lakh MT tones Capacity)	118 units (6.33 lakh MT capacity)
3.	Technology Development and Transfer for promotion of horticulture	1250 Projects/ events	200 Projects/ events	254 Project/ events	275 Projects/ events	303 Projects/ events
4.	Marketing information service for Horticulture Crops		No physical Targets are fixed			
5.	Horticulture Promotion service *Techno economic studies* Consultancy/expert service	75	25	One National Study divided into five zones	15	0
6.	Strengthening Capabilities of NHB		No Physical Targets are fixed			

Coconut Development Board including Technology Mission on Coconut

43. Creating permanent production potential and improving productivity of coconut in the country, promoting the production and distribution of quality coconut seedlings, developing a processing and marketing base of coconut industry, integrated control of major pests and diseases, and promoting diversification of products are the main objectives. As against a provision of Rs. 40 crore for the scheme in Annual Plan 2003-04 the expenditure is reported to be only Rs. 20 crore. An amount of Rs. 20.00 crore has been provisioned in A.P. 2004-05.

Integrated Development of Horticulture in Tribal and Hilly Areas:

44. The objective of the scheme is production of quality planting material of improved cultivars, adoption of improved cultivation technology, plant protection, and nutrient and water management. The scheme is in operation in the tribal/hilly areas in Uttar Pradesh, Madhya Pradesh, Andhra Pradesh, Gujarat, Maharashtra, Orissa, Bihar, Rajasthan, North Eastern States and North Western Hill region which offer potential for growing horticulture crops, such as, fruits, vegetables, tuber crops, spices, medicinal plants, floriculture, plantation crops etc. An amount of Rs. 9 crore had been allocated in Annual Plan 2003-04 and it is expected that the expenditure would be of like amount. The allocation for A.P. 2004-05 has been stepped up to Rs. 16 crore.

Technology Mission for Integrated Development of Horticulture in North East including Sikkim, Jammu & Kashmir, Himachal Pradesh and Uttaranchal (TMNE):

45. Announced in 2000, the scheme was confined to North Eastern states and Sikkim up to 2002-03. From 2003-04, the scheme has been extended to the states of Jammu & Kashmir, Himachal Pradesh and Uttaranchal. The Mission is implemented through four Mini Missions viz. MM-I (Research), MM-II (Production & productivity), MM-III (Post Harvest Management & Marketing), Mini Mission -IV (Processing). The original scheme was approved with the Tenth Plan outlay of Rs. 585 crore for north East region including Sikkim. With the inclusion of the other three States the overall outlay for the scheme has been enhanced to Rs. 845 crore. Outlay for the North Eastern States for 2003-04 was Rs. 134.22 crore out of which the expenditure was Rs. 118.39 crore; in the other states the scheme will be operated from 2004-05. The outlay for 2004-05 is Rs. 200.00 crores.

Horticulture- TMNE - Physical Performance

S. No.	ITEM	Units	2002-03		2003-04
			Target	Achievement	Target
1	2	3	4	5	6
1	Area expansion of horticultural crops	Ha.	26317	22393	27000
2	Community Tanks	No.	600	455	700
3	Tubewells	No.	434	340	200
4	Nurseries	No.	150	155	100
5	Traning of Farmers (within state)	No.	9955	9220	9000
6	Traning of Farmers (outside State)	No.	2693	2652	1500
7	Organic Farming	Ha.	1316	1082	1500
8	Earthworm	No.	304	282	350
9	IPM	Ha.	6200	3404	6000
10	Whole sale Markets	No.	4	4	10
11	Rural Primary Markets	No.	36	36	30
12	Grading Lab.	No.			10
13	Processing Units	No.	1	1	10

Hi-Tech Horticulture for Efficient Utilization of Resources Through Precision Farming:

46. Hi-tech horticulture envisages the deployment of modern technology, which is capital intensive, less environment dependent, having capacity to improve the productivity and quality of produce. Precision Farming envisages the application of technologies and principles to manage spatial and temporal variability associated with all aspects of horticulture production for improving crop performance and environment quality. A token provision of Rs. 1 crore had been made in the Plan 2003-04. The outlay for 2004-05 is Rs. 30 crore. However, it is proposed to merge this scheme with the newly proposed scheme of National Horticulture Mission.

Sustainable Development of Horticulture through Technological Intervention and Adoption:

47. The scheme envisages technological interventions through programmes involving human resource development, promotion of cultivation of medicinal & aromatic plants, use of honeybees as input for increasing productivity through cross pollination demonstration of technologies, which would be implemented through State Agricultural Universities and Public Sector Undertakings. A token provision of Rs.1 crore had been made in 2003-04. The outlay for the current year is Rs. 25 crore. This scheme is also proposed to be merged with the new scheme of National Horticulture Mission.

National Mission on Bamboo Technology and Trade Development

48. The Scheme had been announced by the Prime Minister. in 2003. The Mission is targeted to bring in additional 1.80 million ha under bamboo in the forest and non-forest areas besides improving the existing stock in 0.2 million ha. The ancillary industry, which would be established, will be able to generate income through handicrafts, paper, housing, activated charcoal etc, apart from generating employment opportunities. Planning Commission is considering the DPR of the scheme. An amount of Rs. 100 crore had been provisioned for the current year (2004-05).

National Horticulture Mission

49. This Scheme has been announced by the Prime Minister on the Independence Day of 2003. The projected demand for horticulture produce by 2010 is expected to be 300 million tonnes. To address this need, and to give further impetus to the growth in cultivation of fruits, vegetables, flowers, spices, etc. a National Horticulture Mission has been proposed. Its main target will be doubling India's horticulture production by 2010. Planning Commission is considering the DPR of the scheme. An outlay of Rs. 50.00 crore had been provisioned for the year 2004-05. This has now been enhanced to Rs. 200 crore. Other ongoing/new schemes are proposed to be integrated with this Mission.

Micro-irrigation

50. A Task Force on Micro-Irrigation (TFM) has recommended the coverage of three million ha under micro irrigation (2 m ha drip and 1 m ha sprinkler) during the X Plan. A token amount of Rs. 10 crore was provisioned for 2004-05. This has subsequently been increased to Rs. 160 crore.

National Resource Management

All India Soil and Land Use Survey and Application of Remote Sensing Technology for Soil Survey.

51. All India Soil & Land Use Survey is a subordinate office of Ministry of Agriculture, Government of India established in the year 1958. The mandate of the organization is to conduct soil survey of different intensities to provide sound data base on Soil and land characteristics for research and development purpose. An outlay of Rs. 8.50 crore has been made for Annual Plan 2004-05, as compared to an expenditure of Rs 6 crore during 2003-04.

Progress in the Tenth Plan

(Area in lakh ha.)

Year	Scheme	Target	Achievement
2002-03	Rapid Reconnaissance	35.00	22.54
	Survey	2.00	1.42
	Detailed Soil Survey	78.00	19.10
	Land Degradation Mapping		
2003-04	Rapid Reconnaissance	60.14	3.75
	Survey	1.72	0.79
	Detailed Soil Survey	141.81	34.10
	Land Degradation Mapping		

National Land Use and Conservation Board (NLCB)

52. National Land Use Conservation Board was established in 1983 with the main objectives of formulation of National Land Use Policies, Perspective Plan (PP) for optimum utilization of land resources and to coordinate similar activities in States. It was decided to weed out the scheme during the ZBB exercise. It was further decided to entrust the activities of NLCB to the Department of Agriculture and Cooperation.

Watershed Development Project in Shifting Cultivation Areas

53. Watershed Development Project in Shifting Cultivation Areas (WDPSCA) is a State Plan Scheme for which the Planning Commission provides additional central assistance to the North Eastern States. The objective of the scheme is to protect the hill sides under jhum cultivation through different soil and water conservation measures on watershed basis and to reduce further land degradation process and encourage relocation of jhumia families through providing developed productive land and improved cultivation packages. The Planning Commission allocates an amount of Rs. 20 crore per annum separately as additional central assistance to State Plans of the North Eastern States.

Physical Progress for WDPSCA

(Area in ha.)

YEAR	TARGET	ACHIEVEMENT
2001-02	15,000	22,005
2002-03	20,000	19,336
2003-04	20,000	6,000

NRM Schemes under Macro Management

54. **Reclamation of Alkali Soils (RAS)** The objective of the scheme is to reclaim land affected by alkalinity and improve land productivity. Around 6 lakh ha have been treated under this programme uptill the second year of the Tenth Plan.

55. **Strengthening of State Land Use Boards (SLUBs)** The SLUBs are required to provide policy direction and ensure close coordination among various land user departments to achieve integrated planning for optimal use of available land resources.

56. **Soil Conservation for Enhancing Productivity of Degraded Lands in the Catchments of River Valley Projects and Flood Prone Rivers (RVP & FPR)** The Centrally Sponsored Scheme of Soil Conservation for Enhancing Productivity of Degraded Lands in the Catchments of River Valley Projects and Flood Prone Rivers (RVP & FPR) was launched in Third Five Year Plan. This scheme of RVP and FPR has been subsumed under Macro Management Mode w.e.f. November, 2000. About 58 lakh ha have been treated till date, under the scheme.

57. **Watershed Development Council (WDC):** The on-going Central Sector Programme in the RFS Division is Watershed Development Council (WDC). This is a multidisciplinary technical staff oriented Central Unit for serving all the Schemes of Rainfed Farming System Division (NWDPR/ World Bank and other bilateral aided Projects etc.) Of an outlay of Rs.2.00 crore for 2003-04, expenditure was Rs. 90 lakh only. An amount of Rs. 2 crore has been approved for the Council in the current year.

58. **National Watershed Development Project for Rainfed Areas:** National Watershed Development project for Rainfed Areas was launched in 1990-91 for increasing agricultural productivity and production in rainfed areas through sustainable use of natural resources. The scheme of NWDPPRA has been subsumed with the Scheme for Macro-Management of Agriculture from 2000-01. It is estimated to develop an area of about 20 lakh hectares during Tenth Plan. Till date an area of about 75 lakh ha have been developed/ treated under the scheme, since inception. Rs 180 cr. has been sanctioned for 2004-05

Plantation Crops

59. The outlay for the plantation sector is Rs. 1212 crore for the Tenth Plan and Rs. 334.95 crore for A.P. 2004-05. Expenditure for 2003-04 was Rs. 209.18 crore.

Spices Board

60. The outlay for the Spices Board in 2004-05 is Rs 27.65 crore. The expenditure in 2003-04 was Rs.23.82 crores. The major objective of the Board is to maintain India's position as the leader of global spice trade. India enjoys a market share of 48% in terms of volume and 24% in terms of value in the global market. It is proposed to increase India's share in value terms to 34% by the end of Tenth Plan. The share of spice export is only 7.5% of the total spice production in the country. The Schemes of the Spices Board relate to: export oriented production, export development, export promotion of spices and quality improvement.

61. The major areas of focus in export development scheme are:

- Increased value addition through induction of latest technology in export processing,
- Promotion of Indian brands abroad,
- Support to product research for high end value addition
- Special support for export processing of spices in the north east and organic spices elsewhere through organic farmer's groups

62. Major focus in the Export Oriented Production Scheme is on Increasing production and exportable surplus of spices by :

- bringing north eastern areas under pepper production,
- extending cultivation of large cardamom and herbal spices to North East.
- improving the productivity in small and large cardamom
- popularizing Integrated Pest Management in chilli and small cardamom
- encouraging organic spice production and certification

Tea Board

63. The following schemes have been approved for implementation during the Tenth Five Year Plan period.:

S.No.	Name of the Scheme	Approved Outlay (Rs. in crores)
1	Tea Plantation Development Scheme	98.59
2	Quality Upgradation and Product Diversification Scheme	76.80
3	Market Promotion Scheme	98.60
4	Research and Development Scheme	70.00
5	Human Resource Development Scheme	6.01
	Total	350.00

64. The outlay for the 2004-05 is Rs. 93.25 crore against an expenditure of Rs. 47.7 crore in 2003-04. The schemes and their objectives are given below:

Name of the Scheme	Objectives
1. Tea Plantation Development Scheme (Subsidy)	Productivity improvement through replanting, rejuvenation pruning & consolidation through infilling of vacancies, improvement of drainage and creation of irrigation facilities and special focus on small tea gardens for enhancing productivity and quality.
2. Market Promotion Scheme (Subsidy)	To assist tea producers/exporters for increasing domestic consumption and boosting export through various measures like adoption of medium term strategy for export, generic promotion for new tea markets as also for domestic consumption, brand promotion and introduction of Exporter rating system.
3. Tea Quality Upgradation and Production Diversification Scheme (Subsidy)	To provide financial assistance to the needy tea gardens/factories for creation of new facilities for product diversification like green tea and other speciality teas, setting up of modern blending/packaging units, installation of orthodox tea manufacturing machinery etc.
4. Human Resource Development (Subsidy)	To induct professionalism in plantation management, labour productivity, skills improvement at all levels from workers to managers through extensive training by recognized institutes and labour welfare etc.
5. Research & Development (Grant-in-aid)	Assisting research projects of Tea Research Institutes and other recognized Institutes on quality upgradation, technology transfer for improving productivity, value addition and product diversification, nutrition management, tea and human health setting up of quality control laboratories etc.

65. Additionally, a special fund is being created for the development of the tea sector, especially for revival and rehabilitation of closed/abandoned tea gardens, providing incentives to the manufacturers for production of orthodox tea, providing assistance to research institutions, etc.

Rubber Board

66. The outlay for the Tenth Plan is Rs. 415.00 crore. For the development of rubber industry, the following seven schemes are being implemented during 2004-05 with an outlay of Rs. 94 crore.

67. **Rubber Plantation Development Scheme:** The scheme provides for free technical assistance up to the tapping stage and payment of planting grant as a financial incentive for adoption of appropriate technology. Disbursement of financial assistance is phased out over a period of six

years, i.e., the gestation period of rubber. The scheme is proposed to be operated in the traditional and non-traditional (other than NE States) rubber growing regions. For the NE region, a separate scheme is proposed.

68. **Research on Natural Rubber :** Major activities proposed under the scheme are continuing research on crop improvement, crop management, crop exploitation, disease and pest management, undertaking research in Advanced Center for Rubber Technology, support services and setting up of an exhibition center, linkage with national and international institution besides, strengthening of the regional research stations established in Maharashtra, Kerala, Orissa and West Bengal.

69. **Processing, Quality upgradation & Product Diversification.** The scheme envisages providing technical support and financial assistance in processing of Latex at individual and group level, Modernization of Factories - Technically Specified Rubber (TSR), Rubber Wood processing and value addition and Product diversification.

70. **Export Promotion :** The revised target for export of Natural Rubber during 2004-05 is 60,000 tonnes as compared to export of 75,904 metric tonnes in 2003-04. For achieving the target envisaged, financial incentives and assistance provided to the exporters for quality upgradation, better packaging to meet international standards, etc are being continued. Other activities, proposed to be continued are, providing market information service to prospective exporters of different forms of NR in target countries, participation in international trade fairs/exhibitions, organizing training programmes to exporters of rubber, etc.

71. **Market Development:** The main activity envisaged under the scheme is to provide financial assistance for the construction of godowns to both of rubber and rubber wood processors.

72. **Human Resource Development:** The main scheme is proposed to be implemented under three components, viz., training, labour welfare and infrastructure development.

73. **Rubber Development Scheme - NE Region:** It is proposed to continue the ongoing scheme with five components viz. Rubber plantation development, research, processing, quality up-gradation and product diversification, market development, and human resource development.

Coffee Board

74. The total approved Xth Plan outlay for the Coffee Board is Rs. 300.00 crore and the outlay for 2004-05 is Rs. 56.55 crore. The Coffee Board's expenditure in 2003-04 was Rs. 45.84 crore. The schemes and their objectives are given below :

- I. Production, Productivity & Quality
 - To evolve improved plant materials by breeding & biotech approaches
 - To standardize agro techniques to improve from productivity.
 - To evolve better management strategies to check pest & diseases.
 - Post harvest techniques & to combat microxin/pedicide residue problems
 - To set up quality evaluation centers and certification systems
 - Coffee Development in NE Region and other Non traditional areas
 - To promote organic coffee production

- II. Infrastructure development, Capacity building & transfer of technology
 - Transfer of technology from lab to land through extension services.
 - Infrastructure development in Research and extension set ups.
 - Institutional building among small growers through self help groups
 - Capacity building among various segments of industry
 - Implement welfare measures to benefit the work force of industry

- III. Market Development
 - Export promotion initiatives to gain market share in overseas market
 - Initiatives to improve domestic coffee consumption.
 - Providing market information to the industry & carry out market intelligence activities.

- IV. Support for Small growers Sector
 - Taking up replanting and water augmentation to step up production
 - Taking up Quality up gradation activities to improve product quality.
 - Setting up pollution abatement measures to combat coffee effluents

- V. Interest subsidy to small growers
 - Provide relief to small coffee growers by extending interest subsidy of 5% on working capital loans availed from financial institutions.

- VI. Interest subsidy to large growers
 - Provide relief to large coffee growers by extending interest subsidy of 3% on working capital loans availed from financial institutions.

7.2 ANIMAL HUSBANDRY AND DAIRYING

Introduction

1. The importance of livestock sector:

- Contributes 5.4% in total GDP
- 22.7% of total output from agriculture sector
- Value of milk group (Rs. 103804 crore) is more compared to paddy (Rs. 73965 crore) and wheat (Rs. 43816 crore)
- Export of meat and its products Rs. 1377 crore (2002-03)
- Leather and its product Rs.8944 crore (2002-03)
- The animal power is valued between Rs. 4 to 9 thousand crore in terms of fuel equivalent (estimated).
- Provides 20 million jobs: principal status: 11million and subsidiary status: 9 million.
- Women constitute 69 percent of the labour force in livestock sector as against 35 percent in crop farming

2 India has vast resources of livestock and poultry; it ranks first in respect of cattle (198.88 million) and buffalo (89.91 million) population, second in goats (122.71 million), third in sheep (57.29 million) and 7th in poultry population (347.11 million) in the world. The strategy and policy initiative adopted in the Tenth Plan for the development of livestock resources are:

- Genetic upgradation of indigenous/native breeds of cattle and buffalo by expanding the network of artificial insemination and natural service to the farmer's doorstep.
- Conservation of livestock breeds facing the threat of extinction.
- Immunization programme to control prevalent animal diseases.
- Development of feed and fodder.
- Improvements of small ruminants (sheep and goat) and pack animals (equine and camel).
- Strengthening infrastructure and programme for clean milk production.
- Implementation of programmes to improve indigenous birds and promote of backyard poultry in rural areas.
- Information Network on animal production and health with active involvement of Institutions, Government Departments, Private industries, Cooperatives, and NGOs.

3 **Review of the Annual Plan 2003-04:** In the year 2003-04, the Department of Animal Husbandry and Dairying had implemented 14 schemes (6 centrally sponsored schemes and 8 central sector schemes). The Department had formulated a 'macro management' scheme by amalgamating the four on-going schemes viz., Control of Animal Diseases, Professional Efficiency Development, National Project on Rinderpest Eradication and Foot & Mouth Disease Control Programme (New). The performance of the major schemes is detailed below.

4 **Cattle and Buffalo Development:** National Project on Cattle and Buffalo Breeding (CSS) project was launched in 2000-2001 and it will be completed in the current year (2004-05). The primary objectives are delivery of artificial insemination (AI) at the farmers' door for breed improvement and providing quality-breeding inputs in breeding tracts of important indigenous breeds

so as to conserve and prevent breeds from extinction. So far 24 States have participated in the scheme and an expenditure of Rs. 35.99 crore had been made during 2003-04 for creation of 5457 mobile AI centers, strengthening/establishment of 5 sperm stations, 31 frozen semen banks and 17 training centers.

5 **Central Cattle Development Organization (CS)** consists of 7 Central Cattle Breeding Farms, the Central Frozen Semen Production and Training Institute, Hessarghatta and the 4 Central Herd Registration Units, which have been established by the Department in different regions of the country for production of genetically superior breed of bull calves, good quality frozen semen and identification of location of superior germ plasms of cattle and buffaloes, to meet the requirement of bulls and frozen semen doses in different parts of the country. The organization spent Rs. 7.53 crore during 2003-04 for production of 307 bull calves, 10.81 lakh doses of frozen semen and doing primary registration of 10,341 cows and buffaloes.

6 **Poultry Improvement Programme:** Under the Assistance to State Poultry Farms (CSS) scheme, assistance of Rs. 5.06 crore had been provided to states for strengthening poultry and duck farms in terms of hatching, brooding and rearing of the birds with provision for feed mill and their quality monitoring and in house disease diagnostic facilities. Necessary in built provision has been made in the proposal for a revolving fund for purchase of replacement breeding stock, feed ingredients, transportation, medicines and vaccines etc. For promoting backyard poultry in the rural areas, the Central Poultry Development Organization (CS) had spent Rs. 4.42 crore for production of 61000 chicks, 99000 ducklings, 692,000 commercial chicks and 471,000 hatching eggs in the year 2003-04.

7 **Improvement of Small Animals:** The Central Sheep Breeding Farm (CS) had supplied 510 rams and 50 ewes through the State Governments at an expenditure of 1.16 crore in the year 2003-04. Under the scheme 'Conservation of Threatened Livestock Breeds (CSS)', an expenditure of Rs.0.50 crore had been made to conserve and protect threatened breeds of small ruminants and pack animals.

8 **Fodder Development: Central Fodder Development Organization (CS)** includes 7 Regional Stations for Forage Production & Demonstration located in different agro climatic zones of the country, 1 Central Fodder Seed Production Farm, Hessarghatta, Bangalore and Central Minikit Testing Programme on Fodder Crops. The organization spent Rs. 4.91 crore during 2003-04 and it supplied 209 tonnes of fodder seed, distributed 3.88 lakh minikits, conducted 2152 demonstrations, organized 25 training programmes and 28 farmers fairs/field days. The Department obtained the 'In Principle' approval for launching a new centrally sponsored scheme 'Feed and Fodder Enhancement Programme' in the Tenth Plan.

9 **Livestock Health:** Directorate of Animal Health (CS) is entrusted with three important national responsibilities viz. a) Quality Control of Veterinary Biological Products b) Disease Diagnosis through Central and Regional Diagnostic Laboratories and c) Quarantine and certification service. The expenditure in this scheme was Rs. 5.68 crore during the year 2003-04. The whole country is at present provisionally free from rinderpest with effect from 1st March 1998. Under the Livestock Health and Disease Control Programme (CSS), Sero-surveillance work had been conducted in the randomly selected 1162 villages across the country to generate information for preparing dossier to be submitted to Office International des Epizooties (OIE) for attaining the final stage of Freedom from Rinderpest. Eradication/control programme had been undertaken for Contagious Bovine Pneumonia in 8 districts of Assam and Foot and Mouth Disease in 54 selected districts of the

country. Under the component 'Assistance to States for Control of Animal Diseases' assistance is provided to states for control of economically important diseases of livestock and poultry by way of immunization, strengthening of vaccine production and disease diagnostic units. The Department spent Rs. 31.62 crore during the year 2003-04 in the 'Livestock Health and Disease Control Programme.

10 **Dairy Development:** Integrated Dairy Development Programme (CSS) has continued since the 8th Plan with the objectives of creating infrastructure of procurement, processing and marketing of milk in the Non-Operation Flood, Hilly and Backward areas. Since inception of the scheme, 53 projects have been sanctioned covering 149 districts. The scheme has benefited about 6.50 lakh farm families organised into about 10275 village level Dairy Cooperative Societies which are procuring about 5.23 lakh liters of milk per day. The expenditure of this scheme was Rs. 16.42 crore in 2003-04. Assistance to Cooperatives (CS) is another dairy related scheme specially formulated to assist unions/federations that have accumulated losses for a variety of reasons. The expenditure under this scheme was Rs. 2.71 crore (2003-04). 'In-Principle' approval for two new scheme 'Dairy and Poultry Venture Capital (CS)' and 'Strengthening Infrastructure for Quality and Clean Milk' was given in the year 2003-04.

Annual Plan 2004-05

11 The Department is implementing 9 Central Sector Schemes in 2004-05 schemes; five in animal husbandry (Central Cattle Development Organization, Central Sheep Breeding Farm, Central Feed and Fodder Development Organization, Central Poultry Development Organization and Directorate of Animal Health) and three in dairying (Delhi Milk Scheme, Assistance to Cooperatives and a new scheme Dairy/Poultry Venture Capital Fund) and one scheme at headquarter (Secretariat & Economic Services). The Centrally Sponsored Schemes that are being implemented in the year 2004-05 are National Project on Cattle & Buffalo Breeding, Livestock Health and Disease Control, Livestock Census, Assistance to State Poultry Farm, Integrated Sample Survey, Strengthening Infrastructure for quality and clean milk production and Integrated Dairy Development Programme (after revision based on the recommendation of the Evaluation Studies). The Department is contemplating to introduce two new centrally sponsored scheme (viz. Feed and Fodder Development and Integrated Piggery Development) in the current year.

12 The Department has implemented the ZBB decisions except the merging of three Central Sector Schemes (viz. Central Cattle Development Organization, Central Sheep Breeding Farm, Central Feed and Fodder Development Organization) into one scheme and transfer of Delhi Milk Scheme Non-plan.

13 Besides the regular budget allocation of Rs. 500 crore, an additional allocation of Rs. 100 crore was granted in the year 2004-05. The additional fund would be utilized for undertaking new projects like I) NCMP related project Livestock Insurance (Rs. 10 crore) and II) Use of Biotechnology in Animal Husbandry (10 crore, as a component of the proposed Feed & Fodder Development Scheme). The objective of the Livestock Insurance scheme would be to provide subsidized insurance premium for the coverage of animals reared by the small and marginal farmers, landless laborers in the flood and draught affected areas. For solving the problems pertaining to feed and fodder development, especially the effective utilization of wheat and rice straw, the Department would outsource biotechnological research in the year 2004-05. Additional allocation has been provided to create necessary milk marketing infrastructure in the rural area thorough the centrally sponsored scheme Integrated Dairy Development Programmed (Rs. 21.50 crore) and Strengthening

of Infrastructure for Clean Milk Production (Rs. 30 crore). Additional fund would also be used for completion of ongoing programmes like Livestock Census (Rs. 10 crore) and Modernization of slaughterhouses (Rs. 16.85 crore).

7.3 PISCICULTURE & AQUACULTURE

1 The Fisheries sector is developing at a faster rate as one of the major sectors contributing to the socio-economic development of the country. It plays an important role in terms of food security as a cheap source of protein rich food. It stimulates growth of a number of subsidiary industries in addition to contributing foreign exchange earnings through exports. India is 4th among fish producing countries and 2nd in inland fish production in the world.

2 The main objectives of the fisheries development programmes during the 10th Five Year Plan are increasing production and productivity both from culture and capture fisheries especially from offshore and deep sea, rivers & reservoirs, besides management of coastal fisheries, vertical and horizontal development of aquaculture, infrastructure development, improved post-harvest management, habitat restoration and welfare of fishermen. With these objectives, all fisheries development schemes were restructured and reformulated into 6 major schemes on the lines of recommendations of ZBB exercise of Planning Commission.

Review of Annual Plan 2003-04

3 A sum of Rs.95 crores was allocated for implementation of Central / Centrally Sponsored Schemes in fishery sector during 2003-04, which was revised to Rs.70.24 crores under RE. A sum of Rs.160 crores has been allocated for implementation of central and centrally sponsored schemes in fisheries during 2004-05.

4 A sum of Rs.67.81 crores was spent under central/centrally sponsored schemes for fisheries during 2002-03. During the year 2002-03, the total fish production was 62.00 lakh tonnes as against 59.56 lakh tonnes during 2001-02. The export of marine products was 5.21lakh tonnes valued at Rs.6793 crores during 2002-03. The fish seed production was 16,333 million fry during 2002-03.

5 An amount of Rs.68.78 crores was spent under fisheries during 2003-04. It is estimated that the fish production will be around 62.50 lakh tonnes during 2003-04. The fish production has been increasing at an average annual growth rate of 3% over the 9th Plan period.

Schemes/Programmes proposed during 2004-05

6 As per ZBB recommendations of Planning Commission, 5 Centrally Sponsored Schemes on macro-management approach and one Central Sector Scheme are under implementation in Fisheries sector during 2004-05. Some of the major programmes taken up in the marine sector are: - Development of Marine Fisheries, for technological upgradation of the traditional fishing sector through motorisation of traditional craft, introduction of intermediate crafts and resource specific deep sea fishing vessels for exploitation of off-shore and deep sea fishery resources, provision of subsidy on diesel for small mechanized fishing sectors and a component for safety of fishermen. Setting up of additional fishing harbours, fish landing centres and marketing network are proposed to be taken under infrastructure development. Besides, welfare programmes for fishermen are implemented with insurance coverage for active fishermen, housing and saving cum relief during 2004-05. A new scheme on Strengthening of database and Information Networking on Fisheries is also implemented during 2004-05. In inland sector development of fresh water aquaculture in 40,000 hectares and brackish water aquaculture are taken up with the main objectives of popularizing fish farming, creating employment opportunities, diversifying aquaculture practices and providing assistance to fish farmers to get engaged them fully in aquaculture. The assistance to fisheries

institutes is continued by convergence of the activities under various Institutes under Department of Animal Husbandry & Dairying. An amount of Rs.5.50 crores has been allocated towards additional gross budgetary support for Fishery Survey of India during 2004-05 as approved by Planning Commission.

7 Thrust areas for development of fisheries during 2004-05 would be vertical and horizontal expansion of aquaculture activities to increase production, productivity and additional employment generation under development of cold water fisheries, water logged areas into aquaculture estates and utilization of inland saline/alkaline soils etc. In marine sector, development of off shore and deep-sea fisheries would be given more emphasis along with creation of additional infrastructure facilities and employment generation. Welfare of fishermen would also be given due importance along with programmes for their safety while in fishing operation. Besides strengthening of data base and information networking on fisheries is also taken up during 2004-05. Progress of implementation of these schemes would be regularly monitored through Working Group meetings, QPR meetings etc.

7.4 DEVELOPMENT OF WASTELANDS AND DEGRADED LANDS

1. The Tenth Plan growth target of 8 per cent critically depends on strong agricultural performance. The Plan highlights the need to tap potential of rain fed farming and degraded wastelands to increase food production and ensure food security of the country. The Working Group on Watershed Development, Rain fed Farming and Natural Resource Management for the Tenth Five Year Plan estimated 88.5 million hectares as degraded land. For development of the degraded lands, programmes have been funded by the State to mitigate the harsh living conditions of people by adopting better land management, water harvesting and conservation practices on a watershed basis.

Area Development Programmes of Department of Land Resources (DOLR)

(i) Drought Prone Area Programme (DPAP)

2. DPAP was launched in 1973-74 with the objectives of (i) to minimize the adverse effects of drought on production of crops & livestock and productivity of land, water and human resources ultimately leading to drought proofing of the affected areas, (ii) to promote overall economic development, and (iii) improve socio-economic conditions of the resource poor and disadvantaged sections in drought prone area.

3. Presently, 972 blocks of 182 districts in 16 States namely Andhra Pradesh, Bihar, Chattisgarh, Gujarat, Himachal Pradesh, Jammu & Kashmir, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Orissa, Rajasthan, Tamil Nadu, Uttar Pradesh, Uttranchal and West Bengal are covered by the programme. A total of 16,268 projects each covering about 500 hectare area have been sanctioned under DPAP since 1995-96 upto 31.3.2003. Out of these, 3165 projects have already been completed and others are at various stages of implementation.

4. The allocation for the programme during 2004-05 is Rs.300 crores. Rs.82 crores were released to the States till September, 2004.

(ii) Desert Development Programme (DDP)

5. The DDP was started in the year 1977-78 as a long-term measure for restoration of ecological balance by conserving, developing and harnessing land, water, livestock and human resources. The main objectives of the programme are: - (i) combating drought and desertification and encouraging restoration of ecological balance; (ii) mitigating the adverse effects of drought on crops and livestock and productivity of land, water and human resources; (iii) promoting economic development and improving socio economic conditions of the resource poor and disadvantaged sections of village community.

6. Out of total 9876 projects sanctioned so far, 1861 projects have been completed with an approximate DDP area of 9.305 lakh hectares brought under treatment. As on 31.3.2003, 8314 projects were under implementation. During the financial year 2003-04, 1562 new projects covering approximately 7.81 lakh hectares for treatment and costing about Rs.468.60 crores have been sanctioned. The allocation for the programme in 2004-05 is Rs.215 crores. Rs.81 crores were released to the States till September, 2004.

(iii) Integrated Wastelands Development Programme (IWDP)

7. IWDP was started in 1988-89 by Ministry of Environment & Forests with the objective of development of wastelands based on village / micro watershed plans. The funding pattern of the scheme has been revised from 100% Central grant to cost sharing in the ratio of 11:1 between the Central Government and the State Governments w.e.f. 1.4.2000. The projects under IWDP are generally sanctioned in areas not covered by DDP and DPAP. The programme is being implemented in 297 districts of the country.

8. Under the IWDP project, from 1995-96 to 2004-05, upto August, 2004, Rs.901 crores were released. Rs.1340 were released to the State Governments to treat 5.0 million hectares of wastelands. Upto March, 2003, 16 projects were completed while others are at the various stages of completion. The current year allocation for IWDP is Rs.368 crores. Rs.123.16 crores were released to the States by 30th September, 2004.

(iv) Technology Development, Extension & Training (TDET)

9. TDET scheme was launched during 1993-94 with a view to promoting the development and dissemination of suitable technologies for reclamation of wastelands in order to secure sustained production of food, fuelwood, fodder etc. 100% Central grant is admissible to implement projects on wastelands owned by Government, Public Sector Undertakings, Universities, Panchayats, etc. In the case of projects included for the development of wastelands of private farmers / corporate bodies, the cost of the project is required to be shared on the basis of 60:40 between the Government and the beneficiaries. Till the end of March, 2004, a total of 148 projects have been sanctioned under the Scheme at an outlay of Rs.143.23 crores.

(v) Externally Aided Projects (EAPs)

10. In addition to the above-mentioned programmes, presently five externally aided projects are under implementation with the assistance of different Foreign Donor Agencies. Two EAPs funded by DFID are being implemented in the States of Andhra Pradesh and Orissa for which funds are routed through DOLR and projects are implemented as per the common guidelines issued by the DOLR for watershed development programmes. In other three projects viz; Tree Growers Cooperative Projects, Attappady Wasteland Comprehensive Environmental Conservation Project and Haryana Community Forestry Project, funds are being provided to the Implementing Agencies by the Donor Agencies through the Department of Economic Affairs.

(a) Andhra Pradesh Rural Livelihoods Project (APRLP) - aims at implementation of pro poor watershed based sustainable rural livelihood approaches in five districts of Andhra Pradesh viz; Anantpur, Kurnool, Mehboobnagar, Nalgonda and Prakasam. (b) Western Orissa Rural Livelihoods Project (WORLP) is being implemented for development of watershed areas in four districts viz; Bolangir, Nuapada, Kalahandi and Bargarh of Orissa. The aim of the project is more effective approaches to Sustainable Rural Livelihoods adopted by Government agencies and other stakeholders in KBK districts and elsewhere in Orissa. These EAPs will, not only deal with land improvement, but thrust would also be given on 'watershed plus' approach i.e. ensuring complete total livelihood support to the poor people on sustainable basis. Rs.118.54 crores have been released to Andhra Pradesh. The progress on EAP in Orissa has been very slow. Rs.14.13 crores upto March, 2004 was released to Orissa.

Evaluation of Watershed Projects:

11. The Watershed programmes are evaluated to assess their impact. The recent studies sponsored by the Government have presented a mixed picture. Successful implementation of watershed projects under DPAP, DDP and IWDP have resulted in an increase in the overall productivity of land and the water table. The studies also revealed that vegetative cover has improved in desert areas that would have a positive impact in checking soil erosion. The programmes have also helped in overall economic development in the project areas. However, some major weaknesses like lack of people's participation, insecurity about fund availability at the grass root level, little emphasis on cohesive group formation, lack of transparent criteria for selecting areas and villages, lack of involvement of line agencies, weak horizontal linkages among various agencies at the district level, etc. have also been reported.

(vi) HARIYALI - a new Initiative

12. Ministry of Rural Development revised the guidelines of implementation of IWDP, DPAP, DDP in January, 2003. Under the new guidelines, the funding norms and the manner of execution has been changed. 85 per cent of the project cost is now spent on construction and project activities with 10 per cent earmarked for administration and 5 per cent of the cost earmarked for the training. Projects are to be implemented through the Panchayati Raj Institutions. The role of NGOs in project implementation has been severely curtailed. Representations have been received from NGOs to rescind the restrictive clauses and allow for greater participation of NGOs in project implementation.

Department of Agriculture & Cooperation (DAC)

13. Department of Agriculture (DAC) is implementing various programmes on the basis of common approach for watershed development with the basic thrust on enhancement of agricultural productivity in rainfed areas. These programmes are (i) National Watershed Development Project for Rainfed Areas (NWDPPRA), (ii) Shifting Cultivation: (iii) Soil Conservation for Enhancing Productivity of degraded lands in the catchments of River Valley Projects and Flood Prone Rivers (RVP & FPR (iv) Reclamation of Alkali Soils.

14. Besides these programmes, DAC is also operating Watershed Development Fund (WDF) established in 1999-2000 at National Bank for Agriculture and Rural Development (NABARD) with the objective of implementing integrated watershed development in 100 priority districts through participatory approach. Fourteen States are to be covered by WDF in two phases.

15. In addition to above mentioned programmes, there are 13 Externally Aided Projects (EAPs) on Watershed and Land Reclamation & Development in operation in 9 major States with an estimated cost of Rs.3569.59 crore under the aegis of Ministry of Agriculture.

16. The Department of Agriculture and Cooperation (DAC) has devised a new scheme called 'Macro Management Approach' by integrating 27 identified Centrally Sponsored Schemes (CSSs) including the above mentioned watershed development schemes. Under Macro Management the fund provided under individual schemes are pulled together and the State Governments are expected to prepare a detailed works plan to accelerate agricultural growth rate by deploying both the funds provided as part of the State Plan Scheme and the Central assistance being provided as allocations from the Macro Management Approach adopted in respect of identified CSSs.

Ministry of Environment & Forests (MOEF)

17. National Afforestation Programme is the flagship scheme of NAEB, for providing supporting, both in physical and capacity building terms, to the Forest Development Agencies (FDAs), which are the main organ to implement Joint Forest Management. The FDA has been conceived as a federation of Joint Forest Management Committees (JFMCs) at the Forest Division level to undertake holistic development in the forestry sector with people's participation. This decentralized two-tier institutional structure (FDA and JFMC) allows greater participation of the community in forest management and livelihood of the people living in and around forest areas.

18. Bamboo plantation, medicinal plants and Jatropha have been given adequate focus under NAP during the last two years. 402 FDAs have been operationalised so far at a cost of Rs.1043.2 crores to treat a total area of 6.30 lakh hac. (as on 22.10.2003). Rehabilitation of jhumlands have been given specific focus under the programme, and so far 7 jhum projects have been sanctioned in NE States. A provision of Rs.230 crores has been allocated for the scheme during 2004-05, which will cover the committed liabilities of estimated 450 NAP projects sanctioned until 2003-04, and support to estimated 100 new NAP projects during 2004-05, covering an estimated area of around 1.5 lakh hectares.

Conclusion:

19. The implementation of watershed programmes with different guidelines and cost norms has created confusion at the implementation level. The issue of bringing all watershed programmes under one umbrella has also been considered by the Government. A Task Group has been constituted by the Government in August, 2004 to examine the possibility of implementing projects for water conservation under a mission mode. In addition, a National Policy on Land Resources Management for optimum management of land resources to meet socio-economic demands, creation of land database for effective planning and identification of hot spots of land degradation would need priority attention. Further existing village ponds, tanks and other water harvesting structure would be restored in a campaign mode by involving PRIs, NGOs and SHGs.

7.5 AGRICULTURAL RESEARCH AND EDUCATION

1 The Indian Council of Agricultural Research (ICAR) was set up as the apex national scientific organization to undertake and promote research and technology programmes in agriculture with specific objectives to meet emerging challenges. It has a mandate to plan, undertake, promote and coordinate research and higher education in agriculture and allied sciences. Besides, dissemination of scientific knowledge, promotion of proven technologies and development of cooperative programmes and linkages with other scientific organizations fall within the purview of the ICAR.

2 The National Agriculture Research System (NARS) with ICAR as the nodal agency comprises 47 research institutes including 4 deemed universities, 5 National Bureaux, 32 National Research Centres (NRCs), 12 Project Directorates, 37 State Agricultural Universities (SAUs), 1 Central Agricultural University (CAU), 89 All India Coordinated Research Projects (AICRPs) and 421 Krishi Vigyan Kendras (KVKs).

Zero Based Budgeting (ZBB)

3 As a result of Zero Based Budgeting (ZBB) exercise taken up by the Planning Commission in consultation with the DARE/ICAR, 235 plan schemes have been re-structured into 72 main plan schemes. This was done for efficient utilization of resources including scientific manpower and also to facilitate better implementation and monitoring of schemes/projects. However, it is noted that convergence and integration of activities/infrastructure/personnel has not taken place in strict sense though it was the main objective of ZBB exercise. All the 72 schemes have been approved and implemented. Seven new projects/schemes in addition to 72 projects have also been introduced. These projects are (i) Impact of Climate Change on Agricultural Productivity (ii) Network Project on Organic Farming (iii) Network on Transgenics (iv) Institute for Veterinary Type Culture (v) Network on Biosystematics of Insects (vi) NRC for Agricultural Extension (vii) New Initiative/Pipeline Projects.

Review of the annual plan 2003-2004

4 The major research achievements under different subject matter divisions during 2003-04 are summarized as follows:

5 Under varietal improvement programmes being undertaken by Crop Science Division, a total of 46 varieties & 5 hybrids of food crops including rice, wheat, barley, maize, Sorghum, pearl millet, finger millet were developed. Besides, 9 improved varieties/hybrids of oil seeds and 11 improved varieties of pulses were also identified for release. Among commercial crops, molecular markers were generated for 20 *Nicotiana* species and 78 released tobacco varieties. Three user-friendly kits were also developed to differentiate Bt-cotton from non-transgenic varieties. For biotechnological advancements, a network project on "Development of Transgenic and Genomics" has been initiated during the annual plan.

6 Among vegetables, one variety each of garlic and muskmelon was released and 3 varieties of potato were notified for release. Besides, a large number of varieties/hybrids of fruits, vegetables and tuber crops were also identified for release. A total of 161.6 tonnes of nucleus seed and 4754 tonnes of breeder seed of potato was produced and supplied to different state departments and other seed multiplying agencies. For plant protection a sex pheromone-based IPM technique has been developed for management of brinjal shoot and fruit borer.

7 In wheat, laser land leveling brought irrigation water economy to the extent of 33%, the water use efficiency showed a further increase with the adoption of raised bed planting on laser-leveled field.

8 A fungus (*Aspergillus* species) capable of removing about 90% of the lead (Pb) from effluents having Pb conc. of 2000 mg/l within three days of growth was isolated. The fungus also showed capability to remove cadmium (Cd), zinc and copper from effluents.

9 Some improved machinery and equipment developed during the year are tractor-drawn plastic mulch laying machine, 4-row sprouted rice seeder and 7-row tractor drawn till-plant machine (to perform tillage and seeding simultaneously). Besides designs and prototypes of some existing implements were improved to augment crop management or post harvest processing of cotton, jute and soybean.

10 ICAR, in collaboration with 45 military farms, has undertaken bull production programme using 10185 Frieswal cows producing more than 2887 to 3080 kg of milk per lactation. The Semen Freezing laboratory has produced so far about 12 lakh doses of frozen Semen, of which 5 lakh doses were distributed.

11 Technologies for preparation of quality products out of camel milk and yak milk were developed. The products having higher shelf life included fermented milk (lassi), flavored milk, soft cheese and curd.

12 An inventory and mapping of water bodies in West Bengal was prepared through digital imaging. Captive breeding of 3 endangered fish species was successfully carried out. Enlisting of exotic species in the country showed 17 culturable and 278 ornamental fish species.

13 A total of 19880 training camps were organized through 421 KVKs, benefiting nearly 4.78 lakh farmers/farm women in agriculture and allied fields. As many as 6073 vocational and skill oriented training courses were also organized for 1.10 lakh rural youth. The KVKs also organized a large number of extension activities and front line demonstrations under technology mission on pulses. The 44 Agricultural Technology Information Centres (ATICs) provided technological products, diagnostic services and technology information to farmers and end-users.

14 Technology assessment and refinement was taken up at 70 centres through Institute Village Linkage Programme (IVLP), where in 295 villages covering 37434 farmers and farm women were adopted and a large number of technological interventions (1671 nos) were undertaken in different disciplines.

15 In order to make agricultural education job oriented, model course curricula and syllabi of 8 UG and 44 PG programmes have been revised, printed and distribution to all State Agricultural Universities (SAUs), Deemed Universities(DUs) and Central AU along with academic regulations and majority of SAUs and DUs have implemented these courses. In all 90 summer and winter schools, and short courses were organized, imparting training to 2250 scientists.

16 The NATP mission mode project entitled "Empowerment of women in agriculture" has been in progress with the help of self help groups (SHGs) covering more than 3000 beneficiaries from 7 states.

National Agriculture Technology Project

17 The Department of Agriculture Research & Education is implementing an externally aided project namely National Agriculture Technology Project (NATP) funded with World Bank loan since November 1998 for a period of five years. The project has now been extended to 6 years and 2 month, which will be closed on 31st December 2004. The main objectives of the scheme are i) to improve the efficiency of ICAR organization and management system; ii) enhance the performance and effectiveness of priority research programmes; iii) improve the effectiveness and financial sustainability of technology dissemination system. The organization and Management system (O&M) comprises of i) development of strategic plan for ICAR in changing personal policies, decentralization and devolution of decision-making authority; ii) institutionalization of an improved priority setting, monitoring and evaluation; iii) increased public-private sector interaction; iv) information system development. The research component involves production system research in rainfed agro-eco system, irrigated agro-eco system, coastal agro-eco system; arid agro-eco system; hill and mountain agro-eco system, etc. and also technology assessment and refinement through institute-village linkage programmes.

18 The total cost of the NATP project comprises of i) US \$ 96.80 million as IBRD loan; ii) US \$ 64.1 million as IDA credit; and iii) US \$ 40.4 million as Government of India contribution making a total of US \$ 201.30 million equivalent to INR 992.3 crore. This has been revised to US \$ 183.30 million equivalent to INR 903.58 crore. In the revised cost, IBRD loan has been reduced to US \$ 78.80 million against original amount of US \$ 96.80 million. Under the project, loan amount of US \$ 18 million equivalent to INR 88.74 crore is to be refunded to World Bank due to non-utilisation of funds. For this scheme, an amount of Rs. 141 crore has been provided upto December 2004.

Annual Plan 2004-05

19 An outlay of Rs.1000 crore has been provided for 2004-05, against allocation of Rs.775 crore for 2003-04 making an increase of 29% over the previous year. For Crop Sciences research, outlay of Rs.185 crore; for horticulture - Rs. 80 crore, Natural Resources Management - Rs. 90 crore, Animal Sciences - Rs. 105 crore, Agriculture Extension - Rs. 170 crore, Agriculture Education - Rs. 110 crore, Central Agriculture Universities - Rs. 38.29 crore, Agriculture Engineering and Post Harvest Technology - Rs. 30 crore, Animal Sciences - Rs. 40 crore, have been provided during 2004-05.

Major Programmes/Initiatives during 2004-05

20 Major programmes/initiatives taken up during the year 2004-05 are as follows:

- Development of new plant type for very high yield potential by breaking the yield barriers; development of value added varieties for domestic and export markets; refinement of the package of crop production and protection technologies; molecular marker tagging for different biotic and abiotic stresses.
- Broadening the genetic base to utilize the genes for resistance to biotic and abiotic stresses; conducting the front line demonstrations and refinement of technology through participation of farmers in the program; strengthening the program related to use of biotechnology in the strategic areas like resistance to biotic and abiotic stresses specially for pod borer in both chickpea and pigeonpea.

- Creation of quality control mechanism for biocontrol agents; Monitoring of pesticides residues of farm gate sample: 30 samples/year.
- Increasing water and fertilizer use efficiency of mandate fruit crops; initiation of trials on organic farming on mandate fruit crops; monitoring of pesticides residues in fruits with special reference to export; economic analysis of farming systems.
- Fish Pond-cum-Secondary Reservoir for Economized and Multiple Use of Irrigation Water in Agricultural Production System; Development of package of practices for organic farming in different agro-climatic regions of the country; development of precision farming technologies and eco-friendly cropping systems for rainfed regions of the country; development of productive, sustainable, credit worthy and eco-friendly cropping systems for different agro-climatic regions of the country.

7.6 KHADI & VILLAGE INDUSTRY

Village & Small Scale Industries And Food Processing Industries

1. The Village & Small Industries sector is a dynamic and vibrant sector of the economy having substantial contribution in the economy in terms of production, employment and exports. It has consistently registered growth in production, employment and exports over the years. The VSE sector includes industries such as Small Scale Industries (SSI), handlooms, handicrafts, powerlooms, sericulture, khadi, wool and coir industries. Small scale industries (SSIs) play an important role as producers of consumer goods and providers of employment to labour at lower investment than the large and medium scale industries, thereby addressing the problems of reducing poverty and unemployment. There are about 102 lakh small scale industrial units in the country accounting for more than 40 per cent of the gross value of output in the manufacturing sector and about 35 per cent of the total exports of the country. As per 3rd SSI Census (2003) it provides employment to about 196 lakh persons, which is second only to agriculture.

2. The Government is implementing and supporting policies for promotion of small scale industries through infrastructural support, preferential access to credit, preferential purchase, etc. The SSI sector is being provided with other inputs like adequate credit/loan from financial institutions/banks, funds for technology upgradation and modernisation, modern testing facilities and quality certification laboratories, marketing assistance, modern management practices and skill upgradation through advanced training programmes and level playing field at par with organised sector. The SSI sector has generally recorded higher growth rate than the industry sector as a whole by two to three percentage points. However, due to economic liberalisation, WTO regime, the sector is facing competition and started feeling the effect of opening up of the economy. The Small Industries Development Bank of India (SIDBI) is the apex bank for the small scale sector disbursing large funds and providing refinance to commercial banks for on-lending to the SSI sector.

3. Turnover limit of SSI units has been raised from Rs.4 crore to Rs.5 crore to help banks to provide more working capital. Lending by banks to NBFCs or other financial intermediaries for purposes of on-lending to tiny sector has been included under priority sector lending. Specialised bank branches exclusively meant for small industries are being set up to improve availability of credit to the SSI sector. So far, 391 specialised bank branches have been set up by the banks.

4. Indicative physical targets and achievements in respect of production, employment and exports are given in Annexure-7.6.1. Details are discussed sector wise in subsequent paragraphs. Plan outlays and expenditure for 2002-03 (Actuals), 2003-04 and 2004-05 are given in Annexure - 7.6.2

Small Scale Industries

5. The Ministry of SSI is implementing a large number of promotional and developmental schemes through the Small Industries Development Organisation (SIDO). SIDO provides technical and consultancy services to the SSI Sector through a network of organisations viz. Small Industry Service Institutes (SISIs), Regional Testing Centres (RTCs), Field Testing Stations (FTSs), Process-cum-Product Development Centres (PPDCs), etc. SIDO also provides technical inputs, quality testing facilities, training, extension, market development assistance, data base support, infrastructural facilities, credit guarantee, capital linked subsidy for technology upgradation, etc.

6. A number of Tool Rooms have been set up to assist SSI units and to provide technical consultancy and common service facilities for design and production of quality tooling. SIDO is providing one time financial assistance for machinery to State Governments for setting up Mini Tool Rooms and they have to contribute in terms of creating localized training and production facilities .

7. A Credit Guarantee Scheme is under implementation and under this scheme, loans upto Rs.25 lakh are being guaranteed without any collateral guarantee by the Credit Fund. Upto 75 per cent of the loan would be repaid to banks in case of defaults by the SSI unit and balance 25 per cent would be recovered after liquidating its assets. 50 institutions comprising of 27 public sector banks, 12 private sector banks, 8 Regional Rural Banks and NSIC, North Eastern Development Finance Corporation and SIDBI have become member lending institutions of CGTSI for participating under the Credit Guarantee Fund scheme and providing credit to SSI units under this scheme. So far 19169 number of proposals were approved for guarantee cover for aggregate credit of Rs.351 crore. At the end of September, 2004, the corpus of CGTSI was Rs.932 crore with the contribution of Rs.745 crore from the GOI and Rs.186 crore from SIDBI

8. The scope of the technology modernisation fund of SIDBI has now been widened to include all SSI units. Earlier, only export-oriented units were provided credit under this scheme. The Government has sanctioned a Credit Linked Capital Subsidy Scheme to help SSI units to go in for modernisation. An upfront 12 per cent capital subsidy of the cost of modernisation is provided under this scheme, which is being implemented by SIDBI, banks and National Small Industries Corporation (NSIC). Though the scheme is under implementation for last two years, only a small number of SSI units were covered. Awareness about this scheme need to be increased. Technology Upgradation and modernisation is essential for SSI units to remain competitive against competition from large scale units multi national corporations (MNCs) and imports permitted under economic liberalisation.

9. Integrated Infrastructure Development Centres (IIDCs) scheme is under implementation since Eighth Five Year Plan to augment the infrastructural facilities in rural and backward areas to promote industrial development. This scheme has been revamped by removing certain restrictive provisions and by providing liberal finance to North East Region, including Sikkim. So far, 97 IIDCs have been approved and are at various stages of implementation. Central grant of Rs.82.43 crore has been released upto 31st January, 2005.

10. The consumption of energy in SSI Sector is high. In pursuance to the National Programme on Energy Conservation, Ministry of SSI is taking up programme to create awareness in SSI units about benefits/advantages of new technologies for saving energy. During 2004-05, 30 nos. of awareness and motivational-cum-educational programmes on energy conservation are targeted to be conducted by Small Industries Service Institutes for benefit of about 900 persons from SSI.

11. The Third Census for SSI units (2003) has been completed by the Ministry of SSI through SIDO. For the first time unregistered SSI units were also covered under the Census. The results of the Census are under formulation. However, the preliminary observations have indicated that around 35% of the SSI units have become sick/closed. Employment per SSI unit has come down from 6.6 person to 4.4 person during the period of 2nd (1998) and 3rd (2003) Census of SSI. As per Census, 23,05,725 registered SSI units were surveyed, out of which 62.35 % were functioning while balance 37.65 % were closed. Five States, viz. Uttar Pradesh (12 per cent), Tamil Nadu (11.7 %), Gujarat (11.3 %), Kerala (10.5 %) and Karnataka (9.1 %) accounted for 54.6% of registered working units. Out of closed units, share of five States , viz. Tamil Nadu (16.2 %),

Uttar Pradesh (13.4 %), Kerala (8.4 %), Madhya Pradesh (7.4 %) and Maharashtra (7.1 %) was 54.6 %.

12. On the basis of validated data available for working registered SSI Units (7,50,102 numbers), it was found that SSI Units were 65.7 %, Small Scale Service and Business (Industry related) SSSBEs were 34.3%, Rural Units were 45.8%, Priority and Partnership Units / Self Employed Units were 98.45%, Units maintaining accounts 26.35%, Private Companies, Cooperatives and Others were 3.55%, Tiny Enterprises were 97.8%, Government Enterprises were 11.08%, Per Unit Gross Output Rs. 15 to Rs. 23 lakh, 4.5% Units were ancillary units.

13. No. of Un-registered SSI Units listed were 3,69,606. As per the data validated for un-registered SSI Units (1,77,000) indicated that 36% were the SSI Units, 40% were SSSBEs, 57.3% were Rural Unregistered SSI Units, 10.66% were Women Unregistered SSI Units, 98.45% were Proprietary and Partnership Units. The per unit employment is 2.11%, and number of units maintaining accounts were 7.58%. Per Unit Gross Output and fixed investment were Rs. 0.87 lakh and Rs. 1.23 lakh respectively. As compared to registered units these figures are very low.

14. Census findings about sickness in registered SSI Units (7,50,102 Nos.) for which validated data was available indicated that 14.8% units were sick as per RBI criteria. The main reasons for sickness were lack of demand (71.6%), shortage of working capital (48%) and Marketing problems (44.5%).

15. Similarly 13.47% sickness was noticed amongst the unregistered SSI Units (1,77,000 Nos.) as per RBI criteria for which validated data was available. The main reasons for sickness were lack of demand (84.1%), shortage of working capital (47.1%) and Marketing problems (41.2%).

Prime Minister's Rozgar Yojana (PMRY)

16. Prime Minister's Rozgar Yojana (PMRY) was launched on 2nd October, 1993 with the objective to make available institutional finance to educated unemployed youths for setting up of self-employed ventures for all economically viable activities and create new job opportunities. A number of modifications have been made in the scheme to make it more effective e.g., increase in the upper age limit from 35 years to 45 years for SCs/STs ex-servicemen, women and physically disabled persons, reduction in minimum educational qualifications, enhancing the annual family income ceiling and project size for projects under industry and service sectors; relaxation of residency criteria for married women applicants and collateral free loan for projects under industry sector by the individual beneficiary; enhancing credit/loan portion for beneficiaries of N.E. states etc. During 2003-04, loans have been sanctioned to 2.56 lakh beneficiaries and distributed to 1.77 lakh educated unemployed youth against the Plan target of 2.20 lakh. During 2004-05 the target for coverage is 2.50 lakh and 77,000 cases has been sanctioned and funds distributed to 44,346 upto November 2004. Poorer rate of recovery of loan over dues in some States is the cause of concern. Number of measures have been taken by the RBI and the Central Govt. to improve recovery of loan over dues under the scheme. There is need to improve upon by selecting economically viable projects and making timely available funds to new units. It is also essential to improve refund rate and to make available large number of model project profiles to PMRY beneficiaries. A evaluation study of PMRY has been assigned to the Institute for Applied Manpower Research (IAMR) and results of the study would be considered for making PMRY more effective.

National Small Industries Corporation Limited (NSIC)

17. The National Small Industries Corporation (NSIC) Limited was set up with the objectives of helping SSI units by providing machinery on hire purchase/equipment on leasing, raw material assistance, marketing inputs for domestic and exports, single point registration, etc. NSIC is also helping in promoting viable small industries all over the country, particularly industries in backward areas North-Eastern States and in selected lines of production identified as priority areas for exports. Under 'Marketing Assistance' Programme, NSIC is providing i) Raw Materials Assistance Programme, ii) Integrated Marketing Support Programme and iii) Marketing to Government and Tender Marketing, including Consortia Formation. Under Raw Materials Assistance Programme, various raw materials, components, sub-assemblies for and on behalf of SSI units are procured by NSIC and supplied to the SSI units.

18. Under the scheme of 'Single Window' the Corporation provides all necessary assistance to enable the SSI units to export their products which include builders' hardware, brass components, machine tools, hand tools, hand gloves, diesel engines, sanitary and bathroom fittings, sports goods, leather goods, garden tools, etc. NSIC is also helping SSI units to participate in international trade fairs. NSIC is also making project exports on turn key basis to developing countries. During 2003-04, the Corporation focussed upon (a) accelerate export of quality products of the SSI units, (b) facilitate easier access to SSIs in global markets, (c) inducing small enterprises to export markets, (d) effectively display product and technologies of SSI units at international forums and (e) to make its own operation more profitable.

19. NSIC has been restructured in view of losses incurred from past liabilities and operations. Provisions were made for bad debts and accounts. Now NSIC has focused on (a) technology and quality Upgradation, (b) marketing promotion, (c) international cooperation and (d) limited financial support for technology Upgradation to SSI units rather than concentrating upon hire purchase and leasing of machineries.

Khadi and Village Industries

20. Employment creation has been accorded the highest priority by the Government during the Tenth Plan period (2002-07). Efforts would be made to create new jobs in rural areas to provide employment to rural people and to reduce exodus to urban areas for search of new employment. The Khadi & Village Industries Commission (KVIC) has been identified as one of the major organizations in the decentralized sector for generating sustainable rural non-farm employment opportunities at low per capita investment. A target of creating 20 lakh new jobs in KVI sector has been kept for the Tenth Plan. The KVIC has initiated a number of new initiatives and was able to achieve generation of 71.17 lakh new job opportunities in 2003-04 compared to the previous year's level of 66.45 lakh jobs, registering a growth of 6.65%. The target for 2004-05 has been kept at 76.82 lakh new jobs. KVIC had introduced new designs and fashion in khadi cloth, better implementation of the Margin Money Scheme (also known as Rural Employment Generation Programme), introduction of appropriate technology in village industry units, adoption of higher and uniform quality standards for VSE products, cluster development of VIs, etc.

21. It has been observed that during recent past years, khadi cloth production and employment has gone down. The production and employment in village industries have shown growth and new job creation is reported mostly in village industries. The Performance of khadi and village industries may be seen at Annexure 7.6.1. For the current financial year, i.e. 2004-05, the target set

in respect of production and employment in the Khadi sector are Rs.511.61 crore and 8.86 lakh persons respectively. In the Village Industries sector, the targets for the year 2004-05 in respect of production and employment are Rs.10886.45 crore and 67.96 lakh persons respectively. KVIC has introduced new designs and fashion inputs for khadi cloth with the help of National Institute of Design (NID) and National Institute of Fashion Technology (NIFT). These activities are expected to improve khadi demand to boost production and employment. The policy of providing rebate for khadi cloth would now be continued during the Tenth Plan period as recommended by the KC Pant Committee. Orders for 2003-04 have been issued by the Ministry of Agro & Rural Industries.

22. For marketing the products of Village Industries, the KVIC has launched Sarvodaya Brand for its products like toilet soaps, honey, agarbathi and pickle products. KVIC has also taken steps to launch a new marketing outfit for the Village Industries products. For organic food products, the new brand name of Desi Ahar is being introduced by the KVIC. R&D projects have been taken up to develop new range of products of herbal, essential oil, muslin khadi etc. At various national and international airports, KVIC is setting up display-cum-sales outlets to promote KVI products in Western countries. The Jamanlal Bajaj Central Research Institute (JBCRI), Wardha has been upgraded and modernised to establish as a national level R&D institute for KVI sector under the new name of Mahatma Gandhi Institute for Rural Industrialisation. KVIC has taken a number of policy decisions to accelerate the pace of improvement in khadi cloth production and employment generation in rural areas. To provide insurance to khadi artisans, a new Janashree Arogya Bima Yojana has been launched by the Government.

23. Margin Money Scheme (MMS) has been introduced by KVIC in 1995-96 for encouraging setting up of new village industries. Under this scheme, funds upto 25 per cent of the project cost are provided as margin money to rural area beneficiaries for projects costing upto Rs.10 lakh. For projects costing between Rs.10-25 lakh, 10 per cent of the remaining cost of the projects is provided as margin money. For N.E. Region, beneficiaries from SC/ST women, ex-servicemen, physically handicapped persons, minority community, etc. margin money is provided upto 30 per cent of the project cost. The Rural Employment Generation Programme is under implementation by 27 Nationalised Commercial Banks, Regional Rural Banks and State KVIs. During 2003-04, KVIC has provided Rs.149.60 crore margin money advances to the public sector commercial banks and Rs.40.43 crore to the State KVI Boards, totalling to Rs.190.25 crore. Under the Rural Employment Generation Programme (REGP) since inception, 22.75 lakh new job opportunities have been created and 1.86 lakh projects were sanctioned upto March, 2004. A target for creating 25 lakh new jobs have been set for the Tenth Plan under REGP. About 4.71 lakh employment opportunities have already been created during 2003-04 and the target for creation of 5.25 lakh job opportunities have been envisaged during current year.

For the regeneration of traditional industries such as coir, handloom, power loom, garments, rubber, handicrafts, pottery and other cottage industries, Rs.100.00 crore has been allocated to the Ministry of Agro & Rural Industries. The scheme is under formulation and the assistance would be provided for activities like technology upgradation, marketing, setting up of Common Facility Centres with a cluster approach.

Coir Industry

24. Coir Industry is not only labour intensive but also export oriented, using bye product - coir husk of coconut plantation. The Performance of Coir Industry could be seen at Annexure 7.6.2. Coir Board is looking after promotion, growth and development of the coir industry, export promotion and

expansion of the domestic market by providing marketing inputs. The Board is implementing a number of developmental programmes for the coir sector; which include assistance for participation in exhibitions, coir industry awards, Mahila Coir Yojana, strengthening, of national level training institutes, model coir villages, group insurance scheme for artisans, financial assistance for modernisation, reduction of drudgery and other welfare measures for coir artisans. About 5.5 lakh people are in this industry. For historical reasons, coir industry has taken deep root in the State of Kerala but it is also functioning in Tamil Nadu, Karnataka and Andhra Pradesh in a small way. Thrust areas identified for developing the coir industry are: (i) modernisation of production infrastructure through appropriate technology without displacing labour, (ii) skill Upgradation through modern training programmes, (iii) expansion of domestic market through proper publicity, (iv) promotion of exports, (v) diversification to new products like coir geo-textiles, needled telt coir ply, coir pith, coir net, pith plus, etc. (vi) elimination of drudgery and pollution and (vii) application of R&D.

25. Coir Board has evolved a bacterial formulation Coir net which would enhance quality of green husk fibre, cost reduction and easy transportation. The process of faster composting coir pith has been developed. A mobile defibring machinery has been developed which has been developed by a local entrepreneur. Single ply coir yarn of fibre quality has been produced by blending it with various other natural fibres and various products like venetion blinds, curtains, handicraft items have been manufactured. Coir composing boards have been developed as packaging materials in association with Indian Institute of Packaging, Mumbai. These products have increased use of coir husk. However, there is need to accelerate further uses of coir husk which would bring higher income to rural poor engaged in this sector.

26. Coir industry has been estimated a total turn over of coir and coir products in the range of Rs.1350 crore annually. During 2003-04, coir fibre production was 3,64,000 MT as against 3,53,700 MT in 2002-03. Another major production item is coir yarn which was 2,32,500 MT in 2003-04 as against 2,26,800 in MT 2002-03. Rubberised coir production has achieved a level of 51,000 MT in 2003-04. Exports of coir products were 98,798 MT in 2003-04 valued at Rs.407 crore against 84,183 MT and Rs.352 crore exports in 2002-03. For market development assistance scheme, an amount of Rs.104 lakh was spent in 2003-04. Financial assistance upto 25% of the cost of the equipments and infrastructural facilities for Development of Production Infrastructure of Coir Units is being provided by the Coir Board for brown fibre sector. Coir Board is providing training through training to coir artisans through Field Training Centres run with the help of NGOs/Cooperative Societies. 6829 persons were trained in 2003-04 against the actual training 3371 persons in 2002-03.

27. Mahila Coir Yojana provides self-employment opportunities to the rural women artisans. Motorised ratts for spinning coir yarn are being distributed to women artisans after giving them training. Not more than one artisans per household is eligible to receive assistance under the scheme. Women artisans are trained for two months in spinning coir yarn on motorized ratt and a stipend of Rs.500 is provided to the trainees. Subsidy of 75% of the cost of the motorized ratt subject to maximum of Rs.7,500 is provided to trained women artisans. During 2003-04, 1514 women artisans have been distributed motorized ratts with financial assistance of Rs.62.63 lakh.

Handlooms

28. Handlooms not only depict the heritage of India and richness and diversity of our culture but also play a very important role in the economy by providing employment to about 120 lakh persons. Handloom is the largest economic activity after agriculture in rural areas and also earns valuable foreign exchange through export of handloom products. This sector contributes around 19 per cent of the total cloth produced in the country. Performance of the sub-sector is indicated in Annexure 7.6.2.

29. Handlooms sector has been facing a number of age old problems like old technology and traditional production techniques, high price of hank yarn, inadequate availability of inputs like standardised dyes and chemicals in small packs, lack of new designs, need for inadequate upgradation of skills and inadequate marketing intelligence and feedback. Besides, it has certain inherent disadvantages like unorganised structure, weak financial base of the weavers and bureaucratisation/politicisation of cooperatives.

30. The handloom sector is largely dependent on the organised mill sector for supply of its principal raw material, namely, hank yarn. The Central Govt. has been assisting the handloom weavers in getting regular supply of hank yarn at reasonable prices through (a) Hank Yarn Obligation Scheme and (b) supply of yarn at mill gate price to handloom weavers through National Handloom Development Corporation (NHDC). NHDC had supplied 254.40 lakh kg. of yarn of value of Rs. 231.43 crore and 10.18 lakh kg. of dyes and chemicals of value of Rs.14.47 crore to the handloom agencies upto February 2004.

31. To provide marketing support to handloom agencies and individual weavers, the Office of the DC(Handlooms) provides assistance for organising National Handloom Expos/Special Expos, District Level Events, for conferring National Awards to the Master Weavers and for participation in the Craft Meets organised in different parts of the country. In 2003-04, 5 National Handloom Expos and 22 Special Expos and 148 District Level Events, 5 Craft Melas and 1 Master Creation Programme were organized in different parts of the country and 5 Urban Haats were approved. During 2004-05, about 15 National Handloom Expos/Special Expos and 150 District Level Events are proposed to be organised in different parts of the country.

32. Welfare measures are provided to handloom weavers through group insurance scheme, health package scheme, Thrift fund scheme, project package scheme and work-shed-cum- housing scheme etc. A comprehensive scheme called "Weavers' Welfare Scheme" has been prepared with Health Package, Thrift Fund, Bunker Bima Yojana and Package Insurance for Handloom Weavers as its components as per announcement by the Prime Minister on 15th August, 2002. During the current financial year 2004-05, there is a budget provision for Rs.10.00 crore including NER out of which a sum of Rs.1.27 crore has been released so far to cover 25550 beneficiaries.

33. Deen Dayal Hathkargha Protsahan Yojana (DDHPY) was launched in April, 2000 for development of the handlooms sector. Some of the earlier schemes like Project Package Scheme, Freelance Designer scheme, etc, have been subsumed in the DDHPY scheme. Under DDHPY financial assistance is being provided to handloom organisations for components like (i) basic inputs, (ii) infrastructure support, (iii) design input, (iv) publicity, (v) marketing incentive, (vi) transport subsidy, and (vii) strengthening of handloom organisations. Grant is provided in the ratio of 50:50 between Central and state governments. In the case of N.E. states, Sikkim and J&K, the sharing would be 90:10. For implementing agencies having 100 per cent SC/ST/Women/minorities the grant is shared in the ratio of 75:25. The assistance for marketing assistance would be in the ratio of 50:50 between the Central and state governments in respect of all the remaining states. During 2003-04, under DDHPY, 881 projects were sanctioned, covering 44175 weavers. The targets are not prescribed under the scheme and the assistance is provided towards the components of the scheme on need base. 4247 weavers were covered upto October, 2004.

Powerlooms

34. The decentralised powerlooms sector plays an important role in meeting clothing needs of

the country and produces a wide variety of cloth, both grey as well as processed having intricate designs. This sector employs around 42 lakh persons and also contributes more than 70 per cent in the total cloth production.

35. The estimated number of powerlooms in the decentralised sector in the country has increased from 6.39 lakh in 1986 to 18.37 lakh as on March, 2004. Powerlooms are facing main problems like use of outdated technology, fragmented and small size units, high powered tariffs, increasing power cuts, low skills, inadequate credit availability and poor marketing techniques. With globalisation, there is increasing competition from imports. It is necessary to modernize powerlooms, improve quality of production and productivity, provide higher design inputs and to pay attention to the social welfare needs of powerloom workers.

36. The powerlooms in the Powerloom Service Centres (PSCs) are very old and of outdated technology. There is a need to modernise and strengthen the existing PSCs by installing shuttle-less looms, Cop-changing/shuttle changing looms, Drop box looms, Dobby, Jacquard terry fabric weaving looms, prin winding machines, sectional warping machines, yarn and fabric testing equipment, chemical testing equipment, DG sets, etc. 21 PSCs have been modernized during the 9th Plan and remaining are being modernized.

37. There are 14 Powerloom Service Centres (PSCs) functioning under the Textile Commissioner and 25 PSCs under the different Textile Research Associations (TRAs), namely, ATIRA, BTRA, MANTRA, NITRA, SASMIRA, IJIRA, SITRA. State governments of Andhra Pradesh and Madhya Pradesh have established PSCs at Hyderabad and Jabalpur, respectively. These PSCs are providing inputs like technical consultancy, training, designs, technology information, etc, to the powerlooms. During 2003-04, these PSCs trained 7033 persons, developed 3074 designs, tested 61578 samples and organized 243 number of exhibitions, seminars and workshops.

38. Seventeen Computer Aided Design (CAD) centres have been set up so far in the country. Uplinking and downlinking of CAD centres is under progress with National Design Centre, at New Delhi. The Group Insurance Scheme under implementation in association with Life Insurance Corporation, has been revised and as per the revised scheme, a weaver aged between 18-60 years who had earned a minimum average wage of Rs.700 per month during a year is eligible to join the scheme. The annual premium is shared equally by the powerloom worker, the Central and State Governments. A scheme for worksheds has been formulated. Under this scheme, upto 25% of the cost of shed would be provided as subsidy and State Govt. would provide land. This scheme would improve working conditions in powerloom units.

Wool sector

39. The woollen industry in India is concentrated in the states of Himachal Pradesh, J&K, Punjab, Haryana, Rajasthan, Uttar Pradesh, Maharashtra and Gujarat. The organised sector, decentralised sector and the rural sector of woollen industry are complementary to each other. The industry comprises modern sophisticated fully composite mills in the organised sector as well as handloom and hand knotted carpet manufacturing units at the village level. The industry employs large number of people to the tune of 6 lakh persons. Most of whom are shepherds rearing sheep flocks and producing raw wool. Productivity of Indian wool rearers is quite low compared to international averages because of depleting grazing grounds and inadequate facilities for medication, proper health care etc.

40. With a view to harmonise various diversified interests of different sectors of the wool industry and to achieve integrated development of the industry, Central Wool Development Board (CWDB), Jodhpur, has been functioning since 1989. The CWDB has taken up various activities for increasing earning of sheep rearers and increase quality of wool, marketing intelligence, marketing of wool and woollens, standardisation of wool and woollen products, quality control, dissemination of information, product diversification, advising government on policy matters, coordination etc. to promote growth and development of woollen products.

41. For the development of Angora wool an Integrated project is under implementation. Rural unemployed youths and farmers of hilly areas of Uttar Pradesh, Himachal Pradesh, Darjeeling, Sikkim, etc, are encouraged to take up production and processing of Angora wool. Annual Production of Angora wool in the country is about 40 MT. There is a need to take up special project for Pashmina for Ladhakh region. Under the Integrated Sheep and Wool Development Project, aspects of breed improvement, health coverage, product development, marketing assistance, training to sheep breeders in sheep, sheep husbandry and productivity, etc, are taken up by the CWDB.

42. The Board has set up 10 centres in main wool markets to collect market intelligence information with respect to prevailing market rates of wool and yarn, latest trends and transactions of wool and woollen products on a weekly basis and disseminated to wool growers, wool merchants and wool users. The CWDB has also established a Weaving and Designing Training Centre at Kullu in Himachal Pradesh to impart training in latest weaving technology and new designs to the wool handloom weavers, so as to increase production, earnings and to get better market for their products. A new Technology Mission is being launched to increase productivity, earning of sheep rearers and wool weavers, etc. Efforts are under way to make available more grazing grounds by enabling States to use more and more de-graded waste land and to develop new green pastures.

Sericulture

43. India is not only the second largest producer of silk in the world after China but it is producing all the four varieties of silk viz., Mulberry, Eri, Tasar and Muga. Sericulture is a labour intensive, agro based industry targeted to provide employment to about 58.40 lakh persons during 2004-05. The Central Silk Board, Bangalore is providing inputs in the areas of Research and Technology Development, Seed Maintenance and Development of Sericulture & Silk Industry and also providing extension and R&D inputs to sericulture industry in the country.

44. During 2003-04 raw silk production of 15842 tonnes was achieved. During the Tenth Plan CSB has focused upon achieving international quality standards of all varieties of silk, strengthening and R&D transfer of appropriate technology, special emphasis on bi-voltine mulberry silk, strengthening of linkages between agriculture and textile industry, etc.

45. Research institutes in Sericulture are functioning at Mysore (Karnataka), Berhampore (West Bengal) and Pampore (Jammu & Kashmir), to deal with mulberry sericulture, the institute at Ranchi (Jharkhand) deals with Tasar, whereas the institute at Jorhat (Assam) is looking after muga and eri sericulture. The Central Silk Technological Research Institute (CSTRI) at Bangalore is engaged in providing post cocoon R&D support. CSB has established Silkworm Seed Technology Laboratory (SSTL) at Bangalore (Karnataka), Central Sericultural Germplasm Resource Centre (CSGRC) at Hosur (Tamil Nadu) and Seri Biotech Research Laboratory (SBRL) at Bangalore for R&D in areas related to silkworm races. CSB is providing technology, consultancy and extension facilities to various State Departments of Sericulture and their institutions.

46. CSB is providing quality silkworm seeds through National Silkworm Seed Project (NSSP). Under the NSSP, the CSB has distributed 208.69 lakh DFLs during 2003-04. Commercial SSPCs have produced 20.06 lakh Tasar Basic Seeds, 0.5 lakh Oak Tasar Basic Seeds and 1.39 lakh Muga Basic Seeds have been produced and supplied to various State Departments. The requirement of silk worm seeds would be higher than the present capacity of CSB Silk worm production Centres and State Government Centres. Hence private entrepreneurs would be engaged to take up production of DFLs and Seed cocoons. State Govt. seed production centers would also be strengthened suitably. Under the revamped CDP thrust would be laid upon development and expansion of host plantations, farm infrastructure, modern reeling and processing technologies for silk etc.

47. The UNDP assisted sub-programme on development of non-mulberry silk (Tasar, Muga and Eri) in the states of Andhra Pradesh, West Bengal, Assam, Bihar, Orissa, Meghalaya and Nagaland under Fibres and Handicrafts Programme (FHAP) of Country Cooperation Frame Work-1 (CCF-1) in collaboration with GOI has been completed in 2002-03. Thrust under this programme was on increase of quality egg production and supply, training and skill upgradation, technological support in pre-cocoon and post-cocoon processes, including reeling, spinning, etc.

48. Under the Japan International Cooperative Agency (JICA) assisted bivoltine project which was started in 1997 field verification and demonstration of bivoltine races evolved have been completed and the performance of these bivoltine races have been satisfactory. Average yield of over 60 kg/100 dfl, a rendita of 6 to 7 Kg and 2A-4A grade raw silk (a high quality) has been obtained consistently. These silk worm races are proposed to be used to take up bivoltine sericulture on large scale during the Tenth Plan. Traditional States like Karnataka, Tamilnadu, Andhra Pradesh, etc. would be encouraged to take up large scale production of bi-voltine mulberry silk for these proven varieties. The climate of J&K and Uttranchal is quite suitable for bi-voltine sericulture.

49. Chattisragh State is implementing sericulture project in collaboration with Japanese Bank for International Cooperation (JBIC) at an estimated cost of Rs.748.80 crore. The Govt. of Manipur is implementing a sericulture project at an estimated cost of Rs.490.61 crore with financial assistance from JBIC. Under pilot scheme, model rearing base are to be constructed.

50. In the Annual Plan 2004-05 CSB also envisages to encourage integrated soil-to-silk production units in the private sector by providing direct linkages between the sub-sector of the industry, ensure adoption of better quality standards, reorganization of sericulture related institutions in Central and State Governments and also to provide suitable policy interventions to create better conducive environment to achieve the Tenth Plan target for production, employment and exports.

Handicrafts

51. The Handicrafts sector is making significant contribution to employment generation and foreign exchange earning through exports as well as retaining heritage and tradition. Performance of the sector is given in the Annexure.

52. Various developmental schemes are being implemented by the Office of Development Commissioner (Handicrafts) to supplement the state activities in the handicrafts sector. The Plan schemes cover mainly areas like training, design development, technology upgradation, market promotion, exhibitions and publicity, exports etc. Under the Ambedkar Hastashilpa Vikas Yojana (AHVY) focus is given on empowerment of artisans, providing marketing inputs, encouragement to artisans in formulating Self Help Groups (SHGs)/Cooperatives and cluster development. During

2003-04, 91 new projects were sanctioned, benefiting 38,224 artisans and an expenditure of Rs.14.10 crore has been incurred.

53. Training is being provided to artisans for upgrading the skills of existing craftsmen as well as to un-skilled ones with a view to expand employment and production base of crafts for economic growth. Training also includes areas like post weaving operations like washing and finishing of carpets. Training is also provided in the areas like art metal ware, cane and bamboo, wood wares, stone, etc. Training is also imparted to trainers through reputed institutions.

54. Regional Design and Technical Development Centres (RDTDCs) are functioning at New Delhi, Mumbai, Bangalore, Calcutta and Guwahati. The activities carried out include making crafts a success in the contemporary market, and preserving traditional beauty of the crafts on the basis of strong design inputs. Various institutes like Institute for Hand Printed Textiles at Jaipur, Development Centre for Musical Instruments at Madras, Cane and Bamboo Development Institute at Agartala, Institute of Carpet Technology at Bhadohi (U.P.) and Metal Handicrafts Centre at Muradabad are helping handicraft units through research and design, develop technology, improve tools and equipment, develop new designs, prototypes, etc.

55. Under the scheme of marketing and Market Development efforts are made to have a better and meaningful interaction with artisans, non-governmental organisations (NGOs), State Govts, exporters and traders. During 2003-04, 135 marketing programmes have been organized against the target of 114. These programmes helped in generating sales worth Rs.25.45 crore which benefited 13385 artisans.

56. Under the scheme of Setting up Urban Haats, infrastructure is being created at prime locations of market interest. So far, eight urban haats at Agra, Ahmedabad, Bhubaneshwar, Ranchi, Karnal, Jammu, Tirupati and Kolkata have been approved.

57. Export promotion efforts of office of DC (Handicrafts) and Export Promotion Council for Handicrafts include participation in international fairs in foreign countries, sponsoring Sales/Technical cum Study teams to various countries. Exports from handicrafts includes craft items of zari and zari goods, art metal ware, wood ware, hand printed textiles and scarves and embroidered and crochet goods. Exports of handicrafts during 2003-04 were Rs. 12, 765 crore .

Food Processing Industries

58. The Ministry of Food Processing Industries is looking after formulation and implementation of policies and plans within the overall national priorities and objectives for promotion and development of this sector. Food Processing Industries (FPI) has sub-sectors like grain processing, fruits and vegetable products, milk products, meat and dairy products, fish and fish processing, beverages, aerated drinks, etc. The Food Processing Industries sector had been identified as a sunrise industry which could play a significant role in increasing value addition in agricultural and horticultural produce, diversification and commercialisation of agriculture, reduction in wastage of agriculture/horticulture produce by increasing processing level, generating employment and enhancing exports.

59. Thirteen Regional Extension Service Centres have been set up in various states with agricultural universities/research institutions for encouraging modernisation of rice milling industry and by product utilisation. Post Harvest Technology Centre at Indian Institute of Technology (IIT), Kharagpur is conducting training programmes on Home Scale Food Processing and Preservation

Techniques and Processing of Minor Millet. Production of bakery products is estimated to be in excess of 30 lakh tonnes. Organised sector is producing about 65 per cent of breads and biscuits, which account for 82 per cent of the total bakery products. Besides these, soft drinks, beer and alcoholic drinks are also a part of the food processing industry.

60. A strong and effective food processing sector would play a significant role in diversification of agricultural activities, improving value addition and exports of agro-products and sharing of horticulture produce. Horticulture produce estimated to be worth around Rs.50000 crore which is being wasted due to non-availability of post-harvest processing facilities, cold storages and cold chains. This sector has vast potential for increasing production, exports and employment. In the Tenth Plan, it has been envisaged to increase the food processing level to 10 per cent from the present level of 2 per cent. This increase is negligible and fresh investment is necessary. There is an urgent need to reduce taxes on finished food products so as to make them attractive and available within the reach of masses. Reduction of excise duty on finished/packed food products would make the FPI more attractive to get private sector investments. India is first in milk production and second in the production of fruits and vegetables in the world. India's milk production is expected to touch 81 million tonnes in 2000-01 from 78 million tonnes in 1999-2000. While about 80 per cent of the fruits and vegetables are processed in countries like Brazil, in India only about two per cent of horticultural produce is processed. The schemes and programmes being implemented by the Ministry of Food Processing Industries include schemes like infrastructure development, technology upgradation and modernization of FPI units, backward and forward integration and other prominent activities, quality assurance, codex standards and R&D, human resource development and strengthening of institutions under MFPI.

61. Special emphasis is being laid on supporting research and development activities for food processing and funds would be provided for development of traditional foods, new products/processes/packaging materials, utilisation of bye-products, etc. R&D projects funded by the MFPI are provided grants to universities/technological research institute include upgradation of traditional food technologies to enable greater productivity, energy saving, import substitution for packaging materials and food additives, development of intermediate products and dehydrated products with superior self-life development of cost effective and efficient food processing industries, frozen foods, etc. In the areas of packaging development to be provided more attention has to be paid for hot filling of food products in plastic containers, development of appropriate packages for ready to eat foods, traditional Indian khoya based sweets, meat and meat products, micro-oven suitable packages, retortable pouches for food items and bio-degradable packaging materials.

62. The existing infrastructural facilities are inadequate and need upgradation and modernisation. Facilities of quality testing and certification are not upto the standards required for meeting the demands of the domestic as well as the highly competitive export markets. Encouragement was given to set up food parks by State/Promotional organizations. So far 47 food parks have been sanctioned, out of which 9 parks are partly functional and rest are at various stages of completion. Some of the food parks in Kerala, and Tamilnadu, have been completed and new FPI units are being set up in these food parks. Under the scheme for technology upgradation, establishment and modernization of food processing industries, 469 projects have been assisted of which 144 have been approved in 2004-05.

63. Codex Alimentarius Commission is an international body constituted by Food and Agriculture Organisation (FAO) and World Health Organisation (WHO) to help in developing standards for food manufacturing and international trade by bringing together scientists, technical experts, government

bodies, consumers and industry representatives. Codex standards are being used for safety and quality of food world-wide for international trade negotiations as well as for settling of disputes related to food processing. The MFPI is closely associated with the activities of Codex Elimentaries and five Shadow Committees are under the Ministry. The Hazard Analysis and Critical Control Point (HACCP) quality assurance system and ISO: 9000 Quality Management is extremely desirable. The Ministry is providing grants upto 50 per cent, with a maximum of Rs. 10 lakh, towards cost of implementation of HACCP, Total Quality Management (TQM) and obtaining ISO:9000 certification, etc.

64. The Ministry of FPI has prepared a draft Integrated Food Law (IFL) which envisages covering all old laws, Acts, etc. and once passed by Parliament will replace old laws. Other connected laws would also be modified in the light of the new IFL. A GOM under the Chairmanship of Minister for Agriculture is engaged in formulating the new draft for IFL.

Sub-Sector-wise/Physical targets/Achivements

S. No	Industry/sub-Sector	Unit	2002-03 Actual	2003-04		2004-05	
				Target	Anti. Achi.	Target	Archive Upto Nov.04
1	2	3	5	6	7	8	9
I	Production						
1	Small Scale Ind.	Rs. crore	311993	330000	351133	429548	358000
2	Khadi Cloth	Rs. crore	443	474.75	451.93	511.61	425
3	Village Industries	Rs. crore	8126.30	9377.10	9263.98	10886.45	8000
4	Coir Fibre	000 tons	353.70	410	364	400	280
5	Handloom Cloth	Mill Sqm	5980	6200	5518	5500	2628
6	Powerloom Cloth	Mill Sqm	24360	25406	26800	30000	25000
7	Raw Silk	MT	16319	19900	15842	17920	N.A.
8	Handicrafts	Rs. crore	19565	20356	20356	26774	16058
9	Raw wool	Mill. Kg.	52.10	53.60	53.00	55.10	50.00
II	Employment						
1	Small Scale Ind.	Lakh Persons	261.38	209.03	203.97	217.80	210
2	Khadi & Village Ind.	-do-	66.45	71.38	71.17	76.82	72
3	Coir Industries	-do-	5.78	5.98	5.86	6.06	6
4	Handlooms	-do-	120	120	120	120	120
5	Powerlooms	-do-	42.50	Not fixed	Not fixed	Not fixed	52
6	Sericulture	-do-	56.00	57.50	56.50	58.40	55
7	Handicrafts	-do-	60.16	62	61.96	63.81	63
8	Wool Development (Unorganised Sector)	-do-	5.5	5.5	5.5	5.5	5.5
III	Exports						
1	Small Scale Ind.	Rs. crore	86013	NA	N.A.	93653	N.A.
2	Coir Industry	Rs. crore	352	500	407.50	560	N.A.
3	Silk	Rs. crore	2130	2556	2523	2940	N.A.
4	Handicrafts	Rs. crore	10934	11604	12765	14900	5972

Annexure -7.6.2

Sub-Sector-wise/Schemewise Outlays/Expenditure Annual Plan 2004-05

(Rs. Crore)

S. No	Industry/Sub Sector	2002-03 Actual Expd.	2003-04 (BE)			2003-04 Antic. Exp.			2004-05		
			Outlay	BS	IER	Exp.	BS	IER	Outlay	BS	IER
1	2	3	4	5	6	7	8	9	10	11	12
	Ministry of SSI										
1	SIDO	249.30	298.31	298.31		294.27	294.27		315.55	315.55	—
2	NSIC	97.26 (IEBR-71.61)	90.00	40.00	50.00	72.41	38.13	34.28	34.28	40.00	62.00
3	Other Schemes	8.58	11.69	11.69	—	7.22	7.22	—	10.45	10.45	—
	Total of M/o SSI	355.14 (IEBR-71.61)	400.00	350.00	50.00	373.90	339.62	34.28	428.00	366.00	62.00
	Ministry of A&RI										
1	KVIC	340.55	392.00	392.00	—	423.60	423.60	—	437.00	437.00	—
2	Coir	13.77	18.00	18.00	—	14.52	14.52	—	18.00	18.00	—
3	PMRY	168.10	169.00	169.00	—	167.83	167.83	—	182.50	182.50	—
4	NPRI	0.00	1.00	1.00	—	0.18	0.18	—	0.50	0.50	—
	Total of M/o ARI	552.42	580.00	580.00	—	606.13	606.13	—	638.00	638.00	—
	Ministry of Textiles				—						
1	Handlooms	130.66	156.77	156.77	—	137.27	137.27	—	154.56	154.56	—
2	Powerlooms	4.52	14.00	14.00	—	8.47	8.47	—	12.28	12.28	—
3	Handicrafts	64.98	103.55	103.55	—	64.32	64.32	—	103.00	103.00	—
4	Sericulture	90.59	92.68	92.68	—	89.68	89.68	—	102.46	102.46	—
5	Wool	6.29	13.00	13.00	—	10.00	10.00	—	12.00	12.00	—
	Total M/o	297.04	380.00	380.00	—	323.58	323.58	—	384.30	384.30	—
	Textiles (VSE)										
	Total M/o FPI	72.99	75.00	75.00	—	65.00	65.00	—	110.00	110.00	—
	Total of VSE	1247.59 (IEBR-71.61)	1435.00	1385.00	50.00	1368.61	1334.33	34.28	1560.30	1498.30	62.00

7.7 RURAL WATER SUPPLY AND SANITATION

1. The Tenth Five Year Plan envisages provision of safe drinking water on a sustainable basis to every settlement in the country and to take all possible measures for rapid expansion and improvement of sanitation facilities in rural areas with local participation.

2. National Common Minimum Programme recommends to lay highest priority to the development and expansion of physical infrastructure of water supply, sewage treatment and sanitation. Providing drinking water to all sections in urban and rural areas and augmenting availability of drinking water sources has been identified as an issue of top priority. To put an end to the acute drinking water shortage in cities specially in the southern-states, it also recommends that desalination plants will be installed all along the Coromandel Coast starting with Chennai.

Review of Annual Plan 2003-2004

3. The Annual Plan 2003-2004 included an outlay of Rs. 10265.38 crore (including Urban Water Supply & Sanitation) - Rs. 7319.13 crore in the State and UT Plans (including UWSS) and Rs. 2750 crore in the Central Plan for rural water supply and sanitation sector. During the year, an amount of Rs. 2750 crore was spent in the Central Plan for rural water supply & sanitation and Rs 6356.04 crore in the State and UT Plans.

4. On the basis of reports, furnished by the State Governments to the Rajiv Gandhi National Drinking Water Mission, 34256 villages/ habitations have been provided with safe drinking water supply facilities during 2003-2004, against a total target of 111051 villages/habitations. The main reason for the shortfall is that the remaining NC/PC habitations are in far-flung and remote areas and also water needs to be conveyed from distant sources to many habitations.

Annual Plan 2004-2005.

Rural Water Supply

5. In keeping with the Tenth Plan objective, the Annual Plan 2004-2005 includes a large Plan outlay under water supply and sanitation sector including Rs. 3795.50 crore under Central Plan. The scheme-wise break-up of the approved outlays under Central Plan and State-wise details of the State/UT plans are indicated in Annexure-7.7.1 and Annexure-7.7.2 respectively.

6. The Annual Plan 2004-2005 includes an outlay of Rs. 3148 crore for Accelerated Rural Water Supply Programme (ARWSP). This is a Centrally Sponsored Scheme and the funding pattern is 50:50 between the Centre and the States. The allocation for ARWSP has been enhanced by Rs. 563 crore in 2004-05 as compared to 2003-04 for addressing the concerns in Rural Water Supply sector. It envisages to cover 30423 "Not covered" and 40061 "Partially-Covered" villages/habitations. State-wise details are shown in Annexure 7.7.3.

7. Operation and maintenance of rural water supply is not satisfactory at present in most of the States and therefore, is an area of concern and needs special attention with the involvement of community, particularly the women. Some States like Tamil Nadu, Karnataka, Kerala, Andhra Pradesh, Maharashtra, West Bengal etc. have transferred the responsibility of O&M to Panchayati Raj Institutions, which are working better. All other States should also decentralise O&M and hand over to PRIs. Village Water & Sanitation Committee (VWSC) should be constituted as a Standing

Committee of the Gram Panchayat and should play an active role in management of water supply schemes and sustainability of the sources. The Prime Minister on 25.12.2002 launched the 'Swajaldhara', where Panchayats/communities will have powers to plan, implement, operate, maintain and manage water supply and sanitation schemes. The funding pattern is 90:10 (Centre: Beneficiary). 20 % of the budget provision for Accelerated Rural Water Supply Programme is earmarked for this programme.

Rural Sanitation

8. Rural Sanitation programme is now gaining momentum in several States and 398 districts are covered under the Total Sanitation Campaign (TSC). This is a Centrally sponsored scheme and the funding pattern for different components are different. The funding pattern for the major component, i.e., Construction of House hold Sanitary latrines is 60:20:20 between the Centre, the States and the beneficiaries. The type of facilities to be provided is being decided, based on the need and full participation and involvement of Gram-Panchayats, the people, particularly the women and the NGOs. The programme of construction of low-cost household sanitary latrines will continue to get emphasis with priority on conversion of dry latrines into sanitary ones. The concept of total environmental sanitation needs to be adopted. For success of the programme, it may be necessary to ensure alternative delivery system also through "Rural Sanitary Marts", a commercial enterprise with social objective, which apart from being a sales outlet, also serves as a counselling-centre as well as a service-centre. The Annual Plan 2004-05 includes Rs. 400 crore for the Centrally Sponsored Rural Sanitation Programme (CRSP) against Rs. 165 crore in 2003-04 to improve the sanitation coverage in rural areas. For success of rural sanitation, effective Information, Education and Communication (IEC) campaign is very essential as evaluation studies show that there is disinclination to use constructed household toilets. Such a campaign is essential before embarking on an expansion programme to cover all the 578 districts.

Annexure 7.7.1

Water Supply & Sanitation (Rural & Urban) - Central Plan Scheme-wise outlay /Expenditure

(Rs. Lakh)

Sl. No.	Scheme	2002-2003 Actual Expenditure	2003-2004		2004-05 Approved Outlay
			Approved Outlay	Revised Outlay/ Releases	
	Ministry of Rural Development				
1	Centrally Sponsored Accelerated Rural Water Supply Programme Including Rajiv Gandhi National Drinking Water Mission Programme	182345	258500	256490	314800
2	Centrally Sponsored Rural Sanitation Programme	9432.45	16500	20500	40000
	Sub-Total (MoRD)	191777.45	275000	276990	354800
	M/o Urban Development & Poverty Alleviation				
1	Public Health Engineering Training Programme	103	125	157	125
2	Equity to HUDCO (WS Share)	2000	500	500	500
3	Pilot Project on Solid waste management and drainage in few selected IAF air field towns in the country	0	500	99	4000
4	Centrally Sponsored Accelerated Urban Water Supply Programme for small towns with population below 20,000 (as per 1991 Census)	12195	14000	14000	15125
5	Centrally Sponsored Urban Low-Cost Sanitation Scheme for Liberation of Scavengers	480	500	480	3000
6	National Scheme of Liberation and Rehabilitation of Scavengers.	4095	4000	2427	2000
	Sub Total (MoUD&PA)	18873	19625	17663	24750
	Total	21065.45	294625	294653	379550

Note: (i) The above mentioned figures do not include the funds released under the Non-Lapsable Central Pool of Resources for NE States and Sikkim.

Annexure 7.7.2

Outlay/Expenditure on Water Supply and Sanitation (Rural & Urban) - States and Uts

(Rs. Lakh)

Sl. No	State / UT	2002-03 Actual Expenditure	2003-2004 Approved Outlay	2003-04 Revised Outlay
1	2	3	4	5
1.	Andhra Pradesh	30246.86	36739	37478.07
2.	Arunachal Pradesh	2896.00	3396	3396.3
3.	Assam	6686.50	6791	6681
4.	Bihar	6446.68	7601	6374.22
5.	Chhatisgarh	110.03	13121	13121
6.	Goa	6630.53	8873	9460.78
7.	Gujarat	63233.87	79213	68074
8.	Haryana	14987.63	13103	16300
9.	Himachal Pradesh	13013.47	17138	17051.9
10.	Jammu & Kashmir	13675.38	14480	14865
11.	Jharkhand	3268.00	14250	14250
12.	Karnataka	51743.65	70367	69618.84
13.	Kerala	18587.85	16688	15019
14.	Madhya Pradesh	15214.62	16803	15920.24
15.	Maharashtra	65879.02	138007	47369.17
16.	Manipur	3907.70	5651	5651
17.	Meghalaya	2734.79	3788	3294
18.	Mizoram	2918.6	3151	3211
19.	Nagaland	3290.95	2401	2401.34
20.	Orissa	8279.32	10843	7793.00
21.	Punjab	9252.82	11409	8727.46
22.	Rajasthan	23498.66	26844	24653.17
23.	Sikkim	2158.00	2155	2155
24.	Tamil Nadu	66245.32	75235	92891.82
25.	Tripura	30246.86	4340	4343.53
26.	Uttar Pradesh	28013.00	33466	29477
27.	Uttaranchal	9530.14	12800	13767
28.	West Bengal	7805.10	10619	9464
29.	A & N Islands	1397.54	2475	2192
30.	D & N Haveli	294.50	294	294
31.	Daman & Diu	188.05	275	281.6
32.	Delhi	63176.50	65200	65200
33.	Lakashadweep	228.17	338	338
34.	Pondicherry	2657.59	2788	3218.12
35.	Chandigarh	1154.00	1271	1271.00
	Grand Total	579597.70	731913	635603.56

Annexure 7.7.3

Status of Drinking Water Supply in Rural Habitations

Sl. No	State/UT	Status as on 1.4. 2003				Coverage during 2003-2004					
						Target			Acheivement		
		NC	PC	FC	Total	NC	PC	Total	NC	PC	Total
1	2	3	4	5	6	7	8	9	10	11	12
1.	Andhra Pradesh	0	12799	56933	69732	0	12799	12799	0	12067	12067
2.	Arunachal Pradesh	301	807	3190	4298	301	807	1108	38	65	103
3.	Assam	376	16088	54205	70669	376	16088	16464	71	4463	4534
4.	Bihar	0	0	105340	105340	0	0	0	0	0	0
5.	Chhatishgarh	0	0	50379	50379	0	0	0	0	0	0
6.	Goa	4	37	355	396	3	37	40	0	8	8
7.	Gujarat	29	1213	29027	30269	29	1213	1242	15	644	659
8.	Haryana	0	0	6745	6745	0	0	0	0	0	0
9.	Himachal Pradesh	574	8877	35916	45367	574	8877	9451	574	1077	1651
10.	Jammu & Kashmir	1511	3476	6197	11184	985	2869	3854	60	40	100
11.	Jharkhand	105	21	99970	100096	105	21	126	105	21	126
12.	Karnataka	0	13637	43045	56682	0	13637	13637	0	3243	3243
13.	Kerala	228	7444	2091	9763	228	7444	7672	228	220	448
14.	Madhya Pradesh	0	0	109489	109489	0	0	0	0	0	0
15.	Maharashtra	1879	23120	60931	85930	525	26121	26646	116	674	790
16.	Manipur	0	101	2690	2791	0	101	101	0	15	15
17.	Meghalaya	187	617	7835	8639	184	617	801	171	198	369
18.	Mizoram	0	371	540	911	0	267	267	0	164	164
19.	Nagaland	72	744	709	1525	72	744	816	32	34	66
20.	Orissa	0	0	114089	114099	0	0	0	0	0	0
21.	Punjab	1189	1808	10452	13449	1189	1808	2997	262	484	746
22.	Rajasthan	4960	0	88986	93946	4960	0	4960	1986	0	1986
23.	Sikkim	0	216	1463	1679	0	216	216	0	18	18
24.	Tamil Nadu	0	0	66631	66631	0	0	0	.0	0	0
25.	Tripura	93	0	7319	7412	0	0	0	0	0	0
26.	Uttar Pradesh	0	0	243633	243633	0	0	0	0	0	0
27.	Uttaranchal	63	562	30383	31008	51	550	601	7	79	86
28.	West Bengal	0	6752	72284	79036	0	6752	6752	0	6752	6752
29.	A & N Islands	0	111	393	504	0	111	111	0	1	1
30.	D & N Haveli	30	241	245	516	30	241	271	11	202	213
31.	Daman & Diu	0	0	32	32	0	0	0	0	0	0
32.	Delhi	0	0	219	219	0	0	0	0	0	0
33.	Lakashadweep	0	10	0	10	0	10	10	0	0	0
34.	Pondicherry	40	69	158	267	40	69	109	40	71	111
35.	Chandigarh	0	0	18	18	0	0	0	0	0	0
	Total	11641	99121	1311902	1422664	9652	101399	111051	3716	30540	34256

Annexure 7.7.3 (Cont'd)

Status of Drinking Water Supply in Rural Habitations

Sl. No.	States/UTs	Target (2004-05)		
		NC	PC	Total
1	2	13	14	15
1.	Andhra Pradesh	2800	1424	4224
2.	Arunachal Pradesh	107	194	301
3.	Assam	878	5791	6669
4.	Bihar	10	5	15
5.	Chhatisgarh	3000	1500	4500
6.	Goa	1	1	2
7.	Gujarat	5	271	276
8.	Haryana	0	525	525
9.	Himachal Pradesh	0	1750	1750
10.	Jammu & Kashmir	117	261	378
11.	Jharkhand	94	23	117
12.	Karnataka	0	7636	7636
13.	Kerala	34	268	302
14.	Madhya Pradesh	14353	4327	18680
15.	Maharashtra	120	820	940
16.	Manipur	105	126	231
17.	Meghalaya	196	191	387
18.	Mizoram	12	162	174
19.	Nagaland	6	91	97
20.	Orissa	95	36	131
21.	Punjab	340	380	720
22.	Rajasthan	1000	8000	9000
23.	Sikkim	0	44	44
24.	Tamil Nadu	4000	2500	6500
25.	Tripura	157	417	574
26.	Uttar Pradesh	4	88	92
27.	Uttaranchal	80	304	384
28.	West Bengal	2900	2906	5806
29.	A & N Islands	0	0	0
30.	D & N Haveli	9	20	29
31.	Daman & Diu	0	0	0
32.	Delhi	0	0	0
33.	Lakashadweep	0	0	0
34.	Pondicherry	0	0	0
35.	Chandigarh	0	0	0
	Total	30423	40061	70484