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**STANDING COMMITTEE  
ON FINANCE  
(1998-99)**

**TWELFTH LOK SABHA**

**MINISTRY OF PLANNING AND  
PROGRAMME IMPLEMENTATION**

**DEMANDS FOR GRANTS  
(1999-2000)**

**NINETEENTH REPORT**

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**LOK SABHA SECRETARIAT  
NEW DELHI**

*April, 1999/Chaitra, 1921 (Saka)*

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STANDING COMMITTEE ON FINANCE  
(1998-99)

(TWELFTH LOK SABHA)

MINISTRY OF PLANNING AND  
PROGRAMME IMPLEMENTATION

DEMANDS FOR GRANTS  
(1999-2000)

*Presented to Lok Sabha on 22 April, 1999  
Laid in Rajya Sabha on 19 April, 1999*



LOK SABHA SECRETARIAT  
NEW DELHI

*April, 1999/Chaitra, 1921 (Saka)*

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COMPOSITION OF THE STANDING COMMITTEE ON FINANCE  
(1998-99)

Shri Murli Deora — *Chairman*

MEMBERS

*Lok Sabha*

2. Shri Dharendra Agarwal
3. Shri Mohanbhai Sanjibhai Delkar
4. Shri Haribhai Parathibhai Chaudhary
5. Shri Uttam Singh Pawar
6. Shri Girdhari Lal Bhargava
7. Shri Chetan Chauhan
8. Shri Bhagwan Shanker Rawat
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10. Shri T. Subbarami Reddy
11. Shri Kavuru Sambasiva Rao
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15. Shri R. L. Jalappa
16. Shri Magunta Sreenivasulu Reddy
17. Shri Rupchand Pal
18. Shri Varkala Radhakrishnan
19. Shri Beni Prasad Verma
20. Shri S. Murugesan
- \*21. Shri M. Sahabuddin
22. Dr. S. Venugopalachary

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\*Ceased to be Member of the Committee w.e.f. 12.4.1999.

23. Shri Tathagata Satpathy
24. Kum. Kim Gangte
25. Dr. Bikram Sarkar
26. Shri S. Jaipal Reddy
27. Shri Joachim Baxla
28. Shri P. Chidambaram
29. Shri Buta Singh
30. Shri Ch. Vidyasagar Rao

*Rajya Sabha*

31. Dr. Manmohan Singh
32. Shri Krishna Kumar Birla
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42. Shri R. K. Kumar
43. Shri Gurudas Das Gupta
44. Shri Satishchandra Sitaram Pradhan
45. Shri Suresh A. Keswani

SECRETARIAT

- |                            |   |                             |
|----------------------------|---|-----------------------------|
| 1. Dr. A. K. Pandey        | — | <i>Additional Secretary</i> |
| 2. Dr. (Smt.) P. K. Sandhu | — | <i>Director</i>             |
| 3. Shri S.B. Arora         | — | <i>Under Secretary</i>      |
| 4. Shri D.R. Shekhar       | — | <i>Committee Officer</i>    |

## INTRODUCTION

1. I, the Chairman of the Standing Committee on Finance having been authorised by the Committee to submit the Report on their behalf, present this Nineteenth Report on Demands for Grants (1999-2000) of the Ministry of Planning and Programme Implementation.

2. The Demands for Grants of the Ministry of Planning and Programme Implementation were laid on the Table of the House on 17 March, 1999. Under Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha, the Standing Committee on Finance is required to consider the Demands for Grants of the Ministries/ Departments under its jurisdiction and make Reports on the same to both the Houses of Parliament.

3. The Committee took oral evidence of the representatives of the Ministry of Planning and Programme Implementation at their sitting held on 23 March, 1999 in connection with examination of the Demands for Grants.

4. The Committee considered and adopted the Report at their sitting held on 9 April, 1999.

5. The Committee wish to express their thanks to the Officers of the Ministry of Planning and Programme Implementation for cooperation extended by them in furnishing written replies and for placing their considered views and perceptions before the Committee.

NEW DELHI;  
15 April, 1999  

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25 Chaitra, 1921 (Saka)

MURLI DEORA,  
Chairman,  
Standing Committee on Finance.

## REPORT

The Budgetary proposals of the Ministry of Planning and Programme Implementation are contained in the following three Demands for Grants:—

Demand No. 66 — Planning Commission

Demand No. 67 — Department of Statistics

Demand No. 68 — Department of Programme Implementation

2. While examining the Demands for Grants (1999–2000) of the Ministry of Planning and Programme Implementation, the Committee examined demands under the following Heads:—

Planning Commission

- (i) Grants-in-Aid
- (ii) Payment for Professional and Special Services
- (iii) Institutionalisation of Agro-Approach
- (iv) NICNET Connectivity
- (v) Human Development Report

Department of Statistics

Conducting Fourth Economic Census

Department of Programme Implementation

- (i) Member of Parliament Local Area Development Scheme (MPLADS)
- (ii) Management of Projects under Implementation



DEMAND NO. 66

PLANNING COMMISSION

3. The Budgetary allocations for Planning Commission for 1997-98, 1998-99 and 1999-2000 is shown as under:—

Section	Budgeted Estimates 1997-98		Revised Estimates 1997-98		Actuals 1997-98		Budget Estimates 1998-99		Revised Estimates 1998-99		Budget Estimates 1999-2000	
Revenue	82,95,00	19,90,00	1,02,31,00	32,29,00	98,16,04	30,05,54	1,13,38,00	26,00,00	1,10,51,00	25,90,00	1,28,90,00	26,87,00
Capital	46,05,00		41,36,000		41,34,00		46,62,00		43,50,00		81,10,00	
<b>Total</b>	<b>1,29,00,00</b>	<b>19,90,00</b>	<b>1,43,67,00</b>	<b>32,29,00</b>	<b>1,39,50,04</b>	<b>30,05,54</b>	<b>1,60,00,00</b>	<b>26,00,00</b>	<b>1,54,01,00</b>	<b>25,90,00</b>	<b>2,10,00,00</b>	<b>26,87,00</b>

DEMAND NO. : 66

## PLANNING COMMISSION

Object Head : 31

**Grants-in-Aid**

4. Grants for Labour and Employment Division (LEM) grant under the plan sanction of IAMR was for the purpose of building a new campus at Narela. Under Socio-Economic Research (SER) scheme grants-in-aid is provided to Universities, Research Institutions etc., for carrying out research in order to encourage an informed debate on social and economic development issues and role of planning. NIC is mainly providing Grants-in-Aid for (a) organisation of Workshops/Conferences/Exhibitions in the area of Information Technology; (b) Information Technology Development Programme; and (c) Regional Computer Centre, Calcutta.

5. Budget allocation under this Head are as follows:—

Year	Budget Estimates	Grants-in-Aid	
		Revised Estimates	(Plan) Actuals
1995-96	23,26,00,000	12,16,00,000	3,39,73,000
1996-97	19,04,00,000	10,99,50,000	3,29,00,000
1997-98	9,98,00,000	22,47,00,000	20,42,98,000
1998-99	10,34,00,000	9,93,00,000	1,42,00,000 upto Feb., 1999
1999-2000	10,47,00,000		

6. Explaining reasons for variation either between Budget Estimates and Revised Estimates or between Revised Estimates and Actuals, the Ministry have stated as follows:—

“Under Socio-Economic Research (SER) scheme the variation that exists now in 1998–99 either in Budget, Revised Estimates or Actuals is mainly on account of research studies and seminars not being completed in stipulated period, for which the provisions were made, due to problems encountered in data collection and need to investigate further because of suggestion made by Planning Commission on the draft of reports. To enable better monitoring the period of duration of a study has now been sharply reduced from about 2 years earlier to 6 to 12 months now.

NIC has been making provision on lump sum basis and then release Grants-in-Aid to the respective organisations after examining each proposal with reference to its relevance to Information Technology and National Informatics Centre. It is not possible to make precise budget provisions as proposals are processed as and when received. As Information technology is a fast changing area, therefore, budget provision has to be made by taking into account sponsoring of more number of projects and which are more relevant to the requirement of NIC. Due to this, during the year, there can be marginally less or more expenditure.

With respect to Regional Computer Centre (RCC) even though budget provision during 1997–98 was made at the last year level, while releasing the fund, it was found that RCC, Calcutta has recovered from their technological obsolete nests in respect of Computer infrastructure and thereafter only Rs. 1,00,000 was granted to it as found essential.

Budget provision of Rs. 1 crore was made during the year 1996-97 for providing grants-in-aid to various autonomous and NGOs to implement the project in various districts. However, no expenditure could be incurred during implementation. NIC could not find appropriate organisation who could undertake the assignment. This mainly happened because the project needed high technological inputs by such organisations."

7. The Committee regret to observe that there had always been substantial underutilisation of budgetary provisions under the head 'Grants-in-Aid' meant for Labour and Employment Division, Social Economic Research Schemes and National Informatics Centre. The reasons adduced in support of under utilisation which range from research studies and seminars not being completed in stipulated time to that of inability to identify and find appropriate organisations which were capable of undertaking the assignment on account of high technological inputs required, are far from satisfactory. What further dismays the Committee is the fact that even when the estimates were reduced drastically at revised estimates stage (except in 1997-98) the actual expenditure was still no where near the revised estimates. This is indicative of lack of farsightedness and prudent planning on the part of the Planning Commission. It also shows that no serious attempt was made either in projecting the demand or in making efforts towards its utilisation.

8. The Committee therefore take a strong exception to such a casual approach on the part of the Planning Commission and desire that the budgetary exercise should be undertaken with due seriousness so that the budget estimates and the revised estimates are made more realistically and the amount allocated does not remain underutilised.

DEMAND NO. : 66

PLANNING COMMISSION

Object Head : 28

**Payment for Professional and Special Services**

9. A consultancy Scheme on the basis of payment of Professional and Special Services is being operated in the Planning Commission in consultation with the Department of Personnel & Training and the Ministry of Finance. The Main objective of this Scheme is to engage experts to utilise their expertise in different fields for studies entrusted to be accomplished within limited/specified periods and for specific plan studies of complex nature which are of current interest to Planning Commission and which can not ordinarily be undertaken by the Divisions of the Planning Commission.

The Agro-Climatic Regional Planning Project (ACRP) was initiated by the Planning Commission in mid 1988 to provide technical and scientific support to agriculture and allied sectors during the VIII Plan period. The Scheme is being continued during 9th Plan period also. The ACRP made a departure from the existing sectorial/schematic approach to agriculture planning by advocating an area based approach which gave explicit recognition to local resources, institution, delivery systems and socio-economic situations. This approach has attempted to resolve the apparent conflict between a resource based planning and a decentralised planning approach.

NIC has set up centres in various Government departments, State Centres in the State Government Secretariats and District Informatics Centres in the Office of District Administration. The Computers installed there are connected through a satellite based network called NICNET. NIC also provides connectivity to various users through leased lines/ data circuits and dial up telephones.

NIC has hired satellite transponders for providing the network to the above users. Budget provision for payment of hire charges for

transponders, data circuits and dial up telephones is made under this budget head.

10. Budget allocations under this head are as follows:—

Year	(Plan)		
	Budget Estimates	Revised Estimates	Actuals
1995-96	20,40,00,000	20,90,00,000	10,69,86,000
1996-97	15,82,00,000	13,03,00,000	8,30,75,000
1997-98	14,70,00,000	15,03,00,000	12,32,57,000
1998-99	26,23,00,000	23,76,00,000	12,69,58,031 upto Feb., 1999
1999-2000	34,17,00,000		

11. When asked about the underutilisation of funds since 1995-96, the Planning Commission in their reply have stated as follows:—

“Underutilisation, under this head has been due to fewer studies undertaken than anticipated and also non-compliance of required formalities by the Institutions.”

12. The Committee desired to know the reasons for steep increase in the budgetary allocation during 1999-2000. In their written reply, the Planning Commission have stated as under:—

“Steep increase in the budgetary allocations under this head is mainly on account of provision made by NIC for the year 1999-2000

to meet the increased requirement of various NIC users for using NICNET Services. To provide the increased services, NIC has to increase transponder capacity and dial up telephones and also capacity of the International gateway. NIC is also hiring an additional transponder on PANAM SAT to meet the requirement of the North-Eastern States as other satellites do not have their foot print there."

13. The Committee note that there has been underutilisation of funds since 1995-96 and particularly during 1995-96 and 1998-99. The underutilisation since 1995-96 has been explained on the ground that fewer studies were undertaken than anticipated and non-compliance of required formalities by the institutions. The Committee are not inclined to accept such an unexplicit reply from the Ministry.

14. The Committee are, however of the opinion that under-utilisation has taken place mainly due to the very fact that authorities did not properly conduct appraisal of the activities which could be taken up during the year. They, therefore, desire that explicit reasons for underutilisation over the years together with efforts made by the Planning Commission for ensuring optimum utilisation of funds may be furnished to them.

15. As regards steep rise in the budgetary allocations for the year 1999-2000, the Committee are given to understand that higher provisions have been made to meet the increased requirement of various NIC users including North-Eastern States for using NICNET Services. In view of the very fact that the amount allocated has remained underutilised for the past several years, the Committee are of the opinion that there is a need of exercise close watch on the expenditure with a view to minimise the gap between the Budgeted Estimates/Revised Estimates and the Actuals.

The Committee, therefore, desire that expenditure pattern may be watched carefully and revised accordingly at RE stage so as to minimise the gap between RE and Actuals.

## DEMAND NO. 66

## PLANNING COMMISSION

**Institutionalisation of Agro Approach**

16. Institutionalisation of Agro-climatic Regional Planning (ACRP) component under the Project emphasise on creation of awareness of the concept among administrators, planners, development workers at State, District and down below levels. Assistance from Planning Commission is given to State Govts. and agencies nominated by the State Govts. for organising trainings, seminars, field visit and other related activities. The institutionalisation of ACRP concept of planning is under implementation in 12 States. The ultimate goal of this exercise is to initiate the planning and development of agriculture at District and down below level by preparation of the district and block level plans on ACRP concept.

17. Budget allocations and Actuals under the head since 1995-96 are as follows:—

(Rs. in Lakhs)

Year	Budget Estimates	Revised Estimates	Actuals
1995-96	127.00	75.00	54.60
1996-97	75.00	50.00	7.66
1997-98	75.00	50.00	32.099
1998-99	75.00	80.677	9.00
1999-2000	90.00		

18. When asked about the reasons for variation either between BE and RE or between RE and Actuals since 1995-96, the Planning Commission replied as follows:—

“Variations between budget estimates, revised estimates and actual expenditure under the component of Institutionalisation of ACRP



approach have been due to the fact that the funds released during earlier years could not be utilised by the States. Since all the State Governments have assured completion of on-going programme by 1996-97 higher provision of BE was kept. However, funds could not be released in full as the States could not complete the activities envisaged under the programme. Again during the programme by some more States particularly the North-Eastern States Rajasthan, Andhra Pradesh and Madhya Pradesh in addition to 12 States, where the programme implementation suffered as most the States could not submit or finalise the Action Plans."

19. The Committee take a serious note of the fact that there had all along been gross underutilisation of funds since 1995-96 and more particularly during 1996-97 and 1998-99 inspite of the fact that the allocations were reduced drastically at RE stage during all these years (except during the year 1998-99). They are at a loss to understand as to when the actuals in 1998-99 were only to the tune of Rs. 9 lakhs, why the amount was at all revised upwards to an astonishing figure Rs. 80.677 lakhs at RE stage and again higher allocations at Rs. 90 lakhs have been made for the current year i.e. 1999-2000. Such large scale variations in the budget estimates, revised estimates and the actuals leave the Committee with the impression that neither actual requirement of funds is being assessed with due seriousness nor appraisal of ongoing activities is being undertaken before projecting the demand.

20. The Committee, therefore, recommend that the budgetary exercise should be undertaken keeping in view the actual requirement for which the close appraisal of the ongoing scheme is very essential. They hope that in future at least due care will be taken to make realistic estimates.

## DEMAND NO. 67

## PLANNING COMMISSION

**NICNET Connectivity**

21. NIC has been providing NICNET support to large number of users from Central Government, State Governments, District Administrations and other Government bodies since 1985-86. Over the years, the traffic on NICNET had been increasing exponentially. To cope with the increasing load NIC initiated upgradation on NICNET. During the year 1994-95 the expenditure was incurred mainly for installing Video Conferencing on NICNET XPADs in the districts, EMAIL Servers and installations of routers for providing NICNET connectivity to large number of users, and upgradation of NICNET with KU-BAND based overlay Network. This upgradation continued during 1995-96 and 1996-97. Besides to meet increased requirement of computerisation, NIC upgraded computers with latest technology and provided large number of terminals.

22. The Standing Committee on Finance in their Second Report on Demands for Grants (1998-99) had desired that:—

“Grass Root Inputs Districts (GRID) Programme which has so far been made operational in two districts *viz.* Mysore and Faridabad should also be extended to other districts of the country.”

23. When asked about the progress made in extending NIC connectivity to block levels, the Special Secretary, NIC, during evidence stated as under:—

“Based on last year’s deliberations, a recommendation was made by this august body that the GRID programme, so far operational in Faridabad, should be extended to other parts of the country. We are very glad to inform you that we have made a technology breakthrough. Last year I mentioned that we would need money of the order of Rs. 265 crore in order to cover all the development

blocks. Now, we have developed certain technologies—we have borrowed technology and developed over that—and we have developed all the software required for it. The State of Kerala was taken as a model. I am glad to inform that we have reduced the cost from that level to Rs. 50. crores.

It is a very major reduction and it is possible because of technology. Sir, the National Task Force on Information Technology and Software Development has also enabled us to do so.”

He, however, added:—

“What happened was that we found that the information technology is not percolating down to the Tehsil level and block level. We examined the problem as to why it is not percolating down. We found that there were two–three major reasons. One is the Department of Telecommunication’s connectivity. If you dial from the Development Blocks to any of the NIC centres then you have to pay like STD charges. So, we insisted that the entire situation has to be changed and it should be made a local call as long as it is covered within one particular electronic exchange. Once that was done immediately about 12 States and in another four to six months time virtually all the States would be covered. From the Development Block it is possible to link the District Centres now in Kerala. We have taken a few districts and we have covered all the Development Blocks. The connectivity at this kind of a low cost has been achieved. Now, we will be extending it to all the States. There is only one small problem. Sir, being in the Planning Commission, as part of the Planning Commission had said that they should have the same level as last year. So we cannot claim anything extra. This time we projected Rs. 10 crore extra. But then, that could not be given. So, there can be a slight delay in the implementation. However, the cost have come down from Rs. 265 to Rs. 50 crore.”

24. With regard to other problems being faced in transmitting the information and maintenance of computers, the Special Secretary, NIC

deposed as follows:—

“Power is a very major problem. However, even if power is available let us say for two hours or three hours a day, the kind of information that will be there at the block level can be transmitted to the district level in time. So, the problem of power can be solved for the time being. Whenever it is available during the time, we can do it. However, we are having the problem of maintaining the computers. We are not in a position to give annual contracts for maintenance throughout the country. People are refusing to go to the grassroot level and this is a very major problem that we are facing. So, we have to increase the cost because they say that there are travelling costs and so many other expenses are involved there. In other words, the cost of maintenance at the grassroot level is much more than that of maintaining computers in metropolitan areas and urban areas. I think this is one important point which we have to keep in view. But a number of State Governments have told us that they will bear this cost. They have requested us to just put a linkage and give them complete connectivity to the Development Blocks. For example, Andhra Pradesh, Orissa and many other States have said that they would bear the cost. We are trying to get Rs. 50 crore. If we get Rs. 50 crore now, in 12 months’ time we will give connectivity for the whole country. If we phase it out, let us say to three years, then we will be able to do it in the next three years. But the entire technology exists today. What is required is the kind of investment that is needed at the moment. If that is there, it can be done now.

One possibility is that Rs. 50 crore has been separately put in the plan implementation of the IT task force recommendation that has been set aside in the Planning Commission Budget. Now if a part of this could be earmarked for this particular project, that would be helpful. In this connection, the Hon. Committee had made a strong recommendation last year and now the Hon. Member has mentioned this once again. So even if Rs. 10 crore could be given for this project, we will start the process in the

States which have already shown willingness to put this. They will take the complete responsibility for maintenance and so on."

25. When asked about the steep rise in budget estimates under the head of Grants-in-Aid from Rs. 13,45,00,000 (budget estimates) in 1998-99 to Rs. 63,58,00,000 Planning Commission in their reply has stated as follow:—

"The actual Budget Estimates for the year 1998-99 and 1999-2000 are as follows:

1998-99	Rs. 10,34,00,000
1999-2000	Rs. 10,47,00,000

The figure of Rs. 63,58,00,000 for the year 1999-2000 includes a provision of Rs. 50 crore for the new scheme of Information Technology."

26. The Committee note that in pursuance of their earlier recommendation to extend Grass Roots Inputs Districts (GRID) Programme to all the Districts of the country, steps have already been initiated by NIC in this direction. They are, however, distressed to find that it has not been made possible to provide connectivity at all the States. Financial constraints are reported to be the main hurdle coming in the way of implementation of the programme. Keeping in view the vital importance of the Information Technology in the present times and also the fact that NIC has been able to make a technology break-through by developing the required software and has appreciably reduced the cost from Rs. 265 crore to Rs. 50 crore only, the Committee desire that the progress of the work should not be allowed to suffer on account of fund constraints. They, therefore, desire that the Planning Commission may consider allocating at least a sum of Rs. 10 crore to NIC out of Rs. 50 crore which has been separately earmarked for the new scheme of Information Technology in the current budget.

DEMAND NO. 66

## PLANNING COMMISSION

**Human Development Report**

27. Human development and improvement in quality of life are the ultimate objectives of all planning. This is to be achieved through policies and programmes aimed at promotion of both equity and excellence. Planning takes into account the resources required for human development and human resources available for carrying out the Plan. India, the second most populous country in the world, has no more than 2.5% of global land but is the home of 1/6th of the world's population. Living in a resource poor country with high population density, planners perceived in the figures of 1951 census the potential threat posed by rapid population growth to the developmental activities, efforts to improve per capita income, availability of food, clothing, education and employment, prevention of environmental deterioration and enhancement of the quality of life.

28. When asked about not preparing National Human Development Report in India, Secretary Planning Commission during the evidence held on 23 March, 1999 stated as follows:—

“About the human development report, we, in the Planning Commission, are very keen to bring out a report for the entire country which will show what is the status of human development in our country. But you will agree with me that human development means infant mortality, primary education, health, etc., and these are all subjects with which States are concerned. Therefore, although there should be an All-India report, what is more important is that the States should write their own reports and have a sense of ownership about that report so that they can then take necessary action.”

29. When asked on preparing the human development report by Planning Commission, Secretary Planning Commission stated as under:—

“I entirely agree with you. We are very soon going to have a workshop on this to decide the modality and the time frame. But already we have created a fund and we are liberally giving money to the States. A number of States have shown interest after the Madhya Pradesh report and the ‘Andhra Pradesh — Vision 2020’. In addition to giving money liberally, the Dy. Chairman announced in the recent meeting of the NDC that there would be such a Human Development Report for the entire country. So we are working on that.

30. The Committee are distressed to note that even after more than 50 years of Independence, the country has not been able to bring out a National Human Development Report to improve status of human development i.e. Infant mortality, primary education, health and employment etc. The Committee are further pained to note that Planning Commission have yet to decide about the modality and time frame in this regard. Committee note that in pursuance of the Report prepared by Madhya Pradesh some more States have also shown interest in preparation of National Human Development Report and Dy. Chairman, Planning Commission in the recent meeting of the NDC has announced to prepare a human development Report for the entire country in addition to allocating funds to State Governments in this regard.

31. The Committee keeping in view the vital importance of the Human Development Report, desire that Planning Commission should take up the matter in the right earnest and prepare Report for the entire country on top priority without further delay.

The Committee would like to be apprised about the steps taken and progress made by the Planning Commission in this regard.

## DEMAND NO. 67

## DEPARTMENT OF STATISTICS

**Conducting Fourth Economic Census**

32. The conduct of Fourth Economic Census was approved by the Government at a total cost of Rs. 55.93 crores during the period 1997–2000 of the Ninth Five Year Plan.

33. This Scheme envisages organisation of complete enumeration of all enterprises engaged in economic activities in the rural and urban areas of the country covering both agricultural and non-agriculture sectors of the economy with a view to providing basic information on location, type of activity, nature of operation, employment etc. of enterprises. The field work has been completed in all States except in Andhra Pradesh and data entry and validation work is under progress during the year. The Department apprehends that the amount earmarked for the States would not be fully utilised.

34. According to Department of Statistics, "a provision of Rs. 1022 lakhs (against Rs. 4500 lakhs during 1997–98) had been made during 1998–99 for the ongoing Scheme, namely, Conducting the Fourth Economic Census.

As the field work of the Fourth Economic Census is completed in most of the States and data processing and dissemination work is proposed during the current year, an amount of only Rs. 300 lakhs is proposed for the Scheme during 1999–2000 as against Rs. 1022 lakhs provided during 1998–99. An amount of Rs. 227 out of it will be released to States/UTs as grants under the Scheme.

35. When asked about target fixed for completion of the scheme and reasons for not completing field work in Andhra Pradesh, Department of Statistics has stated as follows:—

“(i) For completion of the Fourth Economic Census, a time schedule was drawn. Time targets for various pre-field



operation activities like, identification of field personnel, training, translation of census material into regional languages, printing, distribution of schedules, publicity measures, preparation of rural/urban directories, etc., field operations including scrutiny and coding and post field operations like data entry, validation, processing and report writing were prescribed. The activities like fieldwork, scrutiny and coding, data entry and validation and processing are to be undertaken by the States and they are expected to complete the entire work by November 1999. The Central Statistical Organisation (CSO), Department of Statistics, is responsible for overall coordination and consolidating all-India estimates based on State-wise information and finalisation of the All-India report. The activities at the level of CSO are proposed to be completed by April 2001.

- (ii) The fieldwork of Fourth Economic Census was originally planned to be conducted during February, 1998. However, due to General Lok Sabha Elections, the fieldwork was rescheduled to start from 23rd March 1998 and was expected to be completed by May 1998. The fieldwork was proposed to be got done by engaging school teachers as was done during last Economic Census. However, this time most of the States including Andhra Pradesh informed that school teachers were not willing to take up this exercise. This necessitated State Governments to look for alternative avenues for getting the fieldwork done and it resulted in the delays in starting the fieldwork. Adverse weather conditions in some of the States also contributed to delay. Specifically in the State of Andhra Pradesh, boycott of fieldwork by school teachers was the main factor that delayed the commencement of fieldwork considerably.”

36. When inquired about the utilisation of funds by the State/UT Govt., the Govt. in a note furnished to the Committee, stated as under:—

“The States/UTs were given a total fund of Rs. 42.01 crores of which 70 per cent was to be given to field staff as honorarium. The amount of honorarium was to be disbursed after satisfactory completion of fieldwork. Initiation of fieldwork of Fourth Economic Census was delayed on account of Parliamentary Elections in February, 1998. Further, non-cooperation by teachers in States and weather conditions prevailing in the field also caused delay in starting and completion of fieldwork. Delay in completion of fieldwork has resulted in delayed payments/booking honorarium. Administrative difficulties faced by the Directorates of Economics and Statistics in getting the Central Grants released from the State Government also delayed payment/booking of funds.”

37. The Committee note that a provision of Rs. 5593 lakhs had been made for conducting the Fourth Economic Census during the period 1997–2000. The scheme envisages organisation of complete enumeration of all enterprises engaged in economic activities in rural and urban areas of the country covering both agricultural and non-agricultural sectors of the economy with a view to providing basic information on location, type of activity, nature of operation, employment, etc. of enterprises. The year-wise allocations have been Rs. 4500 lakh for 1997–98, Rs. 1022 lakh for 1998–99 and Rs. 300 lakh for 1999–2000 which comes to Rs. 5800 lakh so far as against Rs. 5593 lakh envisaged at the time when the scheme was formulated. As the activities like fieldwork, scrutiny and coding, data entry etc. are being undertaken by State Govts. an amount of Rs. 4201 lakh has been released to them out of which 70% has to be given to field staff as honorarium.

38. The Committee are pained to note that despite the fact that the fieldwork of Fourth Economic Census was expected to be completed by May, 1998, the same has yet not been completed in

some of the States including Andhra Pradesh. Unwillingness of teachers as well as adverse weather conditions are stated to be the main reasons for non-completion of the fieldwork. No reasons however have been mentioned on account of which the teachers have refused to undertake the work. The Committee are, however, not inclined to accept such flimsy reasons and are of the considered view that had serious efforts been made, it would not have been difficult to identify the willing workers particularly in view of the fact that there continues to be unemployment and under employment among the educated youth of our country. The Committee have also been informed that the activities like fieldwork, scrutiny and coding, data entry and validation and processing are expected to be completed fully by all the States by November, 1999. The Committee, therefore, desire that all efforts must be made to get the work completed as per the revised schedule after which the Central Statistical Organisation, which is responsible for overall coordination may consolidate and finalise the All India report by April, 2001 as already proposed. The Committee would like to be apprised of the progress achieved from time to time.

39. The Committee also note that as against a sum of Rs. 5593 lakhs envisaged at the time the scheme was formulated, a sum of Rs. 5800 lakhs already stands allocated during the years 1997-98, 1998-99 and 1999-2000. As the scheme is likely to be completed by April, 2001 the Committee apprehend that some more funds may also have to be allocated during the next financial year. Expressing their displeasure over the delay involved in conducting the Census as well as the fact that an amount of Rs. 207 lakhs has already been allocated in excess of the amount which was originally earmarked, the Committee desire that earnest efforts be made with a view to ensuring that the entire work pertaining to the census is completed within the stipulated time frame so that further increase in the expenditure could be avoided and the country could be benefited with the latest data. Further, since the amount of expenditure incurred so far on this account has not been intimated to the Committee, they desire that an upto-date expenditure statement (item-wise and year-wise) including grants released to the States (State-wise) may also be furnished to them within a period of one month.

## DEMAND No. 68

## DEPARTMENT OF PROGRAMME IMPLEMENTATION

**Member of Parliament Local Area Development Scheme (MPLADS)**

40. Member of Parliament Local Area Development Scheme (MPLADS) was announced in Parliament on 23 December, 1993 by the Prime Minister. Under the scheme each M.P. had the choice to suggest to the Head of the District works to the tune of Rs. 1 crore per year, to be taken up in his/her constituency. Elected Members of Rajya Sabha, representing the whole of the State as they do, may select works for implementation in one or more district(s) as they may choose. Nominated Members of the Lok Sabha and Rajya Sabha may also select works for implementation in one or more district(s), but within one State of their choice.

41. Detailed guidelines indicating the objectives of the Scheme, salient features of the Scheme, list of works that may be taken up, works which shall not be allowed under the Scheme, procedures for sanction and execution of works, monitoring arrangements, release of funds and special provisions were issued in February, 1994 by the Ministry of Rural Areas and Employment. After the Scheme was transferred to the Department of Programme Implementation, revised guidelines were issued in December, 1994.

The guidelines were further revised in February, 1997. The revised guidelines are given in the Appendix I.

As per statement laid on behalf of the Prime Minister in Lok Sabha and MOS (P&PI) in Rajya Sabha on 23.12.1998, the following decisions on MPLADS were announced:—

- (a) The allocation of Rs. 1 crore per year per MP under the MPLAD Scheme stands increase to Rs. 2 crores per year per MP.
- (b) The interest accrued on MPLADS funds may be used for the same purpose for which the basic amount has been allocated.

- (c) In respect of Rajya Sabha Members, the unspent balance left by the predecessor Rajya Sabha, MP in a particular State will be equally distributed amongst the successor Rajya Sabha Member from that particular State.

42. When asked regarding steps taken in timely release of instalment and submission of monitoring reports, the Secretary, DPI stated as follows:—

“The aspect which the hon. Members has raised is regarding the amount of Rs. 50 lakhs. You would kindly recollect that initially when the scheme was started, we were releasing the amount in one lumpsum. The experience showed that most of the cases only a part of it could be spent and the rest was lying there in the banks earning interest. Therefore, in 1997 when we revised the guidelines, it was decide and of course, you are aware that any changes that we make in the guidelines are usually made with the full concurrence of the hon. Speaker, Lok Sabha and hon. Chairman, Rajya Sabha that is the established pattern, that it should be released in instalments of Rs. 50 lakh.

The point and the fact pointed out by the hon. Member is that in some areas the District Collectors are not sending the reports timely. It is precisely to get over that problem which you would kindly recollect that last year this august Committee had expressed its slight dissatisfaction and it had wanted us to streamline the monitoring mechanism even further. It is for this reason that what we have now started doing is that we ourselves take the position every week. In fact, I have just now with me available an updated position up to 22 March. This is one way of monitoring.”

43. The Standing Committee on Finance in their Second Report on Demands for Grants (1998-99) in regard to undertaking sample survey by the Deptt. of Programme Implementation had desired that:—

“A sample survey which is proposed to be undertaken by the Ministry of Planning and Programme Implementation for finding out the efficacy of the member of Parliament Local Area Development Scheme should be undertaken without any further delay.”

44. As regard sanction of project recommended by MPs and completion thereof, the Secretary, Department of Programme Implementation submitted during evidence:—

“We have issued a circular to the District Collectors under my signatures saying that there is a clear cut provision that once an hon. Member submits the project, it has to be sanctioned, unless of course, it is beyond the guidelines. Then we have also issued a directive to the Collectors saying that when they give the contract to any of the implementing agencies, they must fix a time limit and adhere to it, so that it does not happen that a project takes ten months to complete.”

45. When asked regarding requirement of increasing limit of individual work from 10 to 20 lakh after increasing allocations of Rs. 1 crore to Rs. 2 crore per year per MP under the MPLAD Scheme Secretary DPI stated as follows:—

“If you kindly permit me, I will read out para 4.1 of a set of guidelines which we issued in 1997:

Ideally, it would be desirable to the MPs to suggest individual works costing not more than Rs. 10 lakhs per work. However, the limit of Rs. 10 lakhs per work should not be too rigidly construed. Amounts higher than Rs. 10 lakhs can be spent depending upon the nature of the work. For example, a single check dam may cost more than Rs. 10 lakhs in which case more than 10 lakh can be spent.

This provision is already there.”

46. Asked about the interest accrued on MPLADS Fund and its utilisation, the Secretary, DPI stated as follows:

“It could be approximately about Rs. 100 crore, Sir, now that a decision has been taken in terms of the statement made by the hon. Prime Minister that the interest accrued would also be used for the same purpose for which the initial money was given, which means for the same sort of MPLAD programme, therefore, the Collectors are being asked by us to work out the interest and to let us know and also to let the hon. MPs know what is the amount of interest in their account.”

47. In regard to the non-compliance of MPLADS guidelines and action to be taken in the matter he informed that:

“As I mentioned in my opening remarks, we have now modified the system. I am now trying to get the information every week.

There are still some districts like in the North-East, as rightly pointed out by one of the hon. lady Members, from where the Collectors do not either respond or the connections may not be that good. But from the rest of India, we are now getting information. We have also included the conclusions reached in three review meetings held by the Minister in some of the instructions that we have issued recently to the Collectors. Like holding a bi-monthly meeting, with the MPs, then giving the hon. Member of Parliament, every month, a progress report regarding how many works were sanctioned, what is the progress, how much money is available etc. All these are arrived as a result of that. In one way, I would also make a request that even though the district collectors are not under the direct administrative control of this Department because they are under the control of the State Government, if there are problems of lack of interest or if a Collector is being recalcitrant or being somewhat inefficient, then I would request, in all sincerity, the hon. Member of Parliament to kindly let me know about it so that I can take up the matter with the Chief Secretary of that particular State and, through him, I am in a position to get the Collectors thoroughly gingered up. In fact, Sir, in the cadre to which I belong, that is Uttar Pradesh recently, two of the Collectors are in a very hot soup regarding this sort of non-compliance. I am afraid, one of them will probably also face a breach of privilege in the Lok Sabha. We had tried to take action wherever it was brought to our notice. I am available on fax; my Joint Secretary who deals with this is also available on another fax.

So, it is not as if that my office is busy and you cannot fax to us. All these numbers are available. I will be very grateful even if you give me a ring because I am prepared to take up the matter."

**48. The Committee note that the guidelines on the MPLAD Scheme have been revised a number of times with a view to ensure effective implementation and close monitoring of the scheme. They are, however, distressed to point out that despite clear guidelines and repeated recommendations made by them from time to time, District Collectors who are the main implementing Authorities continue to violate the guidelines with impunity. As already admitted by the Secretary, Department of**

**Programme Implementation, the problem seems to be more serious particularly in the North-Eastern States. Despite the claims made regarding streamlining and monitoring of the Scheme, by the Department, the Committee continue to receive a large number of complaints from MPs pertaining to either delay or non-release or delay in release of funds. Complaints have also been received to the effect that though the guidelines provide that the Head of the District should furnish Monitoring Report once in two months to the concerned MP and hold meetings involving MPs once in a year, these guidelines are being implemented more in breach than in practice. As per the guidelines, Department of Programme Implementation, which is the nodal agency for monitoring the scheme, is also required to issue instructions to all the Planning and Implementing Agencies at the district level and send copies of the same to the MPs at their Constituencies as well as Delhi addresses. Though it has been claimed by the Department that the instructions are issued from time to time yet the fact remains that these are hardly received by the MPs.**

**49. The Committee, therefore, are of the considered opinion that much still needs to be done so far as monitoring and implementation of the Scheme is concerned. Not only there is a need to fix responsibility on the Authorities for showing laxity in strictly following the guidelines, but the Department of Programme Implementation also needs to gear up and devise suitable and effective mechanism for close monitoring of the scheme. With a view to ensure expeditious completion of the sanctioned projects, time limit should also be fixed within which the projects have to be completed and punitive action be taken against the defaulting agencies.**

**50. The Committee are also pained to note that although a period of one year is going to elapse, yet no action has been taken on their recommendation regarding conducting a sample survey on the efficacy of the scheme. The Committee desire that no further time should be lost on this account and the sample survey as already recommended may be undertaken and completed expeditiously under intimation to them. They also recommend that in view of the fact that the limit of Rs. one crore per Member of Parliament per year has now been enhanced to Rs. Two crore, the Department of Programme Implementation may consider enhancing the limit pertaining to release of first instalment which is presently Rs. 50 lakh to Rs. one core.**



## DEMAND No. 68

## DEPARTMENT OF PROGRAMME IMPLEMENTATION

**Management of Projects under Implementation**

51. The Department of Programme Implementation, formerly known as Ministry of Planning and Programme Implementation was set up in 1985 with the sole purpose of independently monitoring Central Sector projects and key infrastructure including the social sectors.

52. Project Monitoring Division is one of the division of the Department of Programme Implementation which monitors all central projects of the Government costing Rs. 20 crores and above and review the impact of Accelerated Irrigation benefit programme Since 1996-97. The division has also been charged with the responsibility of monitoring major infrastructure projects in private/joint sector. The Division makes appraisal of the Projects from the point of view of the state of preparedness, examining causes of time and cost overrun of the projects and identifies the bottlenecks in the implementation thereby playing an important role as coordinator and facilitator. Evaluation of compilation report and carrying out system study also fall within its purview. Sometimes this Division is called upon to examine the causes of time and cost overrun in specific projects for fixing the responsibility. Through its studies and evaluation reports the Division has contributed in identifying strengths and weaknesses in the entire system of projects formulation, appraisal, implementation, monitoring and evaluation. Besides, the constraints of the resources, the other serious weaknesses identified by the Division, are incomplete feasibility study, delays in land acquisition, delays in the tie up of technology, delays in preparation of engineering design and drawing etc. It has been observed that pace of implementation of many projects could be improved by better management as is shown by some projects in PSUs which have been implemented within the gestation period. In the light of experience gained in different sectors of economy, this Division has been suggesting various remedial measures to be adopted by the administrative Ministries and Project Authorities.

53. When asked to provide details with regard to the projects running behind the schedule, the Department of Programme Implementation in their written reply furnished to the Committee stated as under:—

“As on December 1998, there are 428 projects on the monitor of the DPI. Out of these 220 projects are delayed with respect to latest approved schedule. The total anticipated cost of these 220 projects has increased from Rs. 79,547 crore to Rs. 97,314 crore which gives an escalation of Rs. 17,767 crore.”

54. According to the analysis carried out by the DPI, the reasons for delay in completion of projects can be summarised as follows:—

- (i) Delay in land acquisition.
- (ii) Delay in obtaining forest/environment clearance and lack of supporting infrastructure facilities.
- (iii) Delay in tie-up of adequate funds and sources of funds (Budgetary and internal resources, extra budgetary and external aid).
- (iv) Delay in finalisation of detailed engineering, release of drawing and delay in availability of funds.
- (v) Changes in scope.
- (vi) Delay in tendering, ordering and equipment supply.
- (vii) Industrial relation and law & order problems.
- (viii) Pre-commissioning teething troubles.
- (ix) Technology problems.
- (x) Geological surprises.

55. In reply to another question on the factors taken into account for clearing new projects, the Department of Programme

Implementation in a note furnished to the Committee stated as under:—

“The PMD examines whether land and environmental clearance is available. The availability of the land in certain cases is to be ensured in phases to meet the requirement of the project as it progresses. The PMD does not recommend the approval of project unless there is a clear cut tie up of financial resources and their timely flow for the gestation period of the project. The PMD has no means of the verifying the cost estimates but wherever relevant, it compares the cost estimates of similar projects implemented in the past, considers the gestation period of the project and the nature of the technology as well as other important factors for estimating the reliability of cost estimates and time schedule. The time schedules of the projects are examined by the PMD by going into the feasibility reports and looking into the various pre-sanction activities which have already been completed earlier and those which have planned to be completed in the given time schedule. On the basis of its past experience, the PMD looks into the possibility of the completion of the major activities/packages of the projects, which are critical further completion of the project in a given time frame. In case the project has a longer gestation period, the PMD examines the possibility of implementation of project in phases so that the benefit form the project starts flowing earlier.”

56. The Committee are concerned to note that as on December, 1998 there were 428 projects on the monitor of the DPI out of which 220 projects were running behind the schedule as per latest approved schedule. The total anticipated cost of these 220 projects has increased from Rs. 79,547 crore to Rs. 97,314 which gives an escalation of Rs. 17,767 crore. Major contributory factors for delay in completion of projects include; (i) delay in land acquisition; (ii) delay in obtaining forest/environment clearance; and (iii) delay in tie-up of adequate funds and resources. They are pained to note that despite a number of collective steps claimed to have been taken to contain time cost over-run in the projects still a large number of projects continue to suffer from the same old Malady of cost escalation and delay in completions.

57. The Committee opine that had pre-sanction scrutiny and post-sanction appraisal of projects were carried out with due seriousness; the administrative Ministries/Departments had been forced to adhere to time and cost stipulations, and implementing authorities were made accountable for any lapse, most of the projects could have been completed as per schedule resulting thereby in barings of substantial amount.

58. The Committee recommend that the progress of all the ongoing projects may be reviewed and revised schedule for their completion may be drawn. The schedule so drawn, may be communicated to all the administrative Ministries/Departments for strict compliance.

The Committee may be informed of the action taken and achievements made in this regard.

NEW DELHI;  
15 April, 1999  

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25 Chaitra, 1921 (Saka)

MURLI DEORA,  
Chairman,  
Standing Committee on Finance.

**STATEMENT OF CONCLUSIONS/RECOMMENDATIONS  
OF THE STANDING COMMITTEE ON FINANCE IN  
THE NINETEENTH REPORT (1999-2000)**

Sl. No.	Para No.	Ministry/ Department Concerned	Conclusion/ Recommendation
1	2	3	4
1.	7	Planning Commission	<p>The Committee regret to observe that there had always been substantial underutilisation of budgetary provisions under the head 'Grants-in-Aid' meant for Labour and Employment Division, Social Economic Research Schemes and National Informatics Centre. The reasons adduced in support of underutilisation which range from research studies and seminars not being completed in stipulated time to that of inability to identify and find appropriate organisations which were capable of undertaking the assignment on account of high technological inputs required, are far from satisfactory. What further dismays the Committee is</p>

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the fact that even when the estimates were reduced drastically at revised estimates stage (except in 1997-98) the actual expenditure was still no where near the revised estimates. This is indicative of lack of farsightedness and prudent planning on the part of the Planning Commission. It also shows that no serious attempt was made either in projecting the demand or in making efforts towards its utilisation.

8.                    Planning  
                         Commission

The Committee therefore take a strong exception to such a casual approach on the part of the Planning Commission and desire that the budgetary exercise should be undertaken with due seriousness so that the budget estimates and the revised estimates are made more realistically and the amount allocated does not remain underutilised.

2.                    13.                    —do—

The Committee note that there has been under-utilisation of funds since 1995-96 and particularly during 1995-96 and 1998-99. The underutilisation

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since 1995-96 has been explained on the ground that fewer studies were undertaken than anticipated and non-compliance of required formalities by the institutions. The Committee are not inclined to accept such an unexplicit reply from the Ministry.

14.                    Planning  
                          Commission

The Committee are, however of the opinion that underutilisation has taken place mainly due to the very fact that authorities did not properly conduct appraisal of the activities which could be taken up during the year. They, therefore, desire that explicit reasons for underutilisation over the years together with efforts made by the Planning Commission for ensuring optimum utilisation of funds may be furnished to them.

15.                    —do—

As regards steep rise in the budgetary allocations for the year 1999-2000, the Committee are given to understand that higher provisions have been made to meet the increased requirement of various NIC





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			<p>to understand as to when the actuals in 1998–99 were only to the tune of Rs. 9 lakhs, why the amount was at all revised upwards to an astonishing figure Rs. 80.677 lakhs at RE stage and again higher allocations at Rs. 90 lakhs have been made for the current year i.e. 1999–2000. Such large scale variations in the budget estimates, revised estimates and the actuals leave the Committee with the impression that neither actual requirement of funds is being assessed with due seriousness nor appraisal of ongoing activities is being undertaken before projecting the demand.</p>
	20.	Planning Commission	<p>The Committee, therefore, recommend that the budgetary exercise should be undertaken keeping in view the actual requirement for which the close appraisal of the ongoing scheme is very essential. They hope that in future at least due care will be taken to make realistic estimates.</p>
4.	26.	—do—	<p>The Committee note that in pursuance of their earlier</p>

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recommendation to extend Grass Roots Inputs Districts (GRID) Programme to all the Districts of the country, steps have already been initiated by NIC in this direction. They are, however, distressed to find that it has not been made possible to provide connectivity at all the States. Financial constraints are reported to be the main hurdle coming in the way of implementation of the programme. Keeping in view the vital importance of the Information Technology in the present times and also the fact that NIC has been able to make a technology break-through by developing the required software and has appreciably reduced the cost from Rs. 265 crore to Rs. 50 crore only, the Committee desire that the progress of the work should not be allowed to suffer on account of fund constraints. They, therefore, desire that the Planning Commission may consider allocating at least a sum of Rs. 10 crore to NIC out of Rs. 50 crore which has been separately

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earmarked for the new scheme of Information Technology in the current budget.

5.            30            Planning Commission
- The Committee are distressed to note that even after more than 50 years of Independence, the country has not been able to bring out a National Human Development Report to improve status of human development i.e. Infant mortality, primary education, health and employment etc. The Committee are further pained to note that Planning Commission have yet to decide about the modality and time frame in this regard. Committee note that in pursuance of the Report prepared by Madhya Pradesh some more States have also shown interest in preparation of National Human Development Report and Dy. Chairman, Planning Commission in the recent meeting of the NDC has announced to prepare a Human Development Report for the entire country in addition to allocating funds to State Government in this regard.

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31.	Planning Commission	<p>The Committee keeping in view the vital importance of the Human Development Report, desire that Planning Commission should take up the matter in the right earnest and prepare Report for the entire country on top priority without further delay.</p> <p>The Committee would like to be apprised about the steps taken and progress made by the Planning Commission in this regard.</p>	
6.	37.	Department of Statistics	<p>The Committee note that a provision of Rs. 5593 lakhs had been made for conducting the Fourth Economic Census during the period 1997-2000. The scheme envisages organisation of complete enumeration of all enterprises engaged in economic activities in rural and urban areas of the country covering both agricultural and non-agricultural sectors of the economy with a view to providing basic information on location, type of activity, nature of operation, employment, etc. of</p>

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enterprises. The year-wise allocations have been Rs. 4500 lakh for 1997-98, Rs. 1022 lakh for 1998-99 and Rs. 300 lakh for 1999-2000 which comes to Rs. 5800 lakh so far as against Rs. 5593 lakh envisaged at the time when the scheme was formulated. As the activities like fieldwork, scrutiny and coding, data entry etc. are being undertaken by State Governments an amount of Rs. 4201 lakh has been released to them out of which 70% has to be given to field staff as honorarium.

38. Department of  
Statistics

The Committee are pained to note that despite the fact that the fieldwork of Fourth Economic Census was expected to be completed by May, 1998, the same has yet not been completed in some of the States including Andhra Pradesh. Unwillingness of teachers as well as adverse weather conditions are stated to be the main reasons for non-completion of the fieldwork. No reasons however have been mentioned on account of which the teachers have

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refused to undertake the work. The Committee are, however, not inclined to accept such flimsy reasons and are of the considered view that had serious efforts been made, it would not have been difficult to identify the willing workers particularly in view of the fact that there continues to be unemployment and under-employment among the educated youth of our country. The Committee have also been informed that the activities like fieldwork, scrutiny and coding, data entry and validation and processing are expected to be completed fully by all the States by November, 1999. The Committee, therefore, desire that all efforts must be made to get the work completed as per the revised schedule after which the Central Statistical Organisation, which is responsible for overall coordination may consolidate and finalise the All India report by April, 2001 as already proposed. The Committee would like to be apprised of the progress achieved from time to time.

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	39. Department of Statistics		<p>The Committee also note that as against a sum of Rs. 5593 lakhs envisaged at the time, the scheme was formulated, a sum of Rs. 5800 lakhs already stands allocated during the years 1997-98, 1998-99 and 1999-2000. As the scheme is likely to be completed by April, 2001 the Committee apprehend that some more funds may also have to be allocated during the next financial year. Expressing their displeasure over the delay involved in conducting the Census as well as the fact that an amount of Rs. 207 lakhs has already been allocated in excess of the amount which was originally earmarked, the Committee desire that earnest efforts be made with a view to ensuring that the entire work pertaining to the census is completed within the stipulated time frame so that further increase in the expenditure could be avoided and the country could be benefited with the latest data. Further, since the amount of expenditure incurred so far on this</p>

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and monitoring of the Scheme, by the Department, the Committee continue to receive a large number of complaints from MPs pertaining to either delay or non-release or delay in release of funds. Complaints have also been received to the effect that though the guidelines provide that the Head of the District should furnish Monitoring Report once in two months to the concerned MP and hold meetings involving MPs once in a year, these guidelines are being implemented more in breach than in practice. As per the guidelines, Department of Programme Implementation, which is the nodal agency for monitoring the scheme, is also required to issue instructions to all the Planning and Implementing Agencies at the district level and send copies of the same to the MPs at their Constituencies as well as Delhi addresses. Though it has been claimed by the Department that the instructions are issued from time to time yet the fact remains that these are hardly received by the MPs.

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49.	Department of Programme Implementation	<p>The Committee, therefore, are of the considered opinion that much still needs to be done so far as monitoring and implementation of the Scheme is concerned. Not only there is a need to fix responsibility on the Authorities for showing laxity in strictly following the guidelines, but the Department of Programme Implementation also needs to gear up and devise suitable and effective mechanism for close monitoring of the scheme. With a view to ensure expeditious completion of the sanctioned projects, time limit should also be fixed within which the projects have to be completed and punitive action be taken against the defaulting agencies.</p>	
50.	—do—	<p>The Committee are also pained to note that although a period of one year is going to elapse, yet no action has been taken on their recommendation regarding conducting a sample survey on the efficacy of the scheme. The Committee desire that no</p>	

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8.	56.	Department of Programme Implementation	<p data-bbox="607 365 969 1106">further time should be lost on this account and the sample survey as already recommended may be undertaken and completed expeditiously under intimation to them. They also recommend that in view of the fact that the limit of Rs. one crore per Member of Parliament per year has now been enhanced to Rs. two crore, the Department of Programme Implementation may consider enhancing the limit pertaining to release of first instalment which is presently Rs. 50 lakh to Rs. one crore.</p> <p data-bbox="607 1139 969 1676">The Committee are concerned to note that as on December, 1998 there were 428 projects on the monitor of the DPI out of which 220 projects were running behind the schedule as per latest approved schedule. The total anticipated cost of these 220 projects has increased from Rs. 79,547 crore to Rs. 97,314 which gives an escalation of Rs. 17,767 crore. Major</p>

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contributory factors for delay in completion of projects include: (i) delay in land acquisition; (ii) delay in obtaining forest/ environment clearance; and (iii) delay in tie-up of adequate funds and resources. They are pained to note that despite a number of collective steps claimed to have been taken to contain time cost over-run in the projects still a large number of projects continue to suffer from the same old Malady of cost escalation and delay in completions.

57. Department of Programme Implementation

The Committee opine that had pre-sanction scrutiny and post-sanction appraisal of projects were carried out with due seriousness the administrative Ministries/ Departments had been forced to adhere to time and cost stipulations and implementing authorities were made accountable for any lapse, most of the projects could have been completed as per schedule resulting thereby in barings of substantial amount.

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58. Department of  
Programme  
Implementation

The Committee recommend that the progress of all the ongoing projects may be reviewed and revised schedule for their completion may be drawn. The schedule so drawn, may be communicated to all the administrative Ministries/Departments for strict compliance.

The Committee may be informed of the action taken and achievements made in this regard.

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## **APPENDIX I**

### **MEMBER OF PARLIAMENT LOCAL AREA DEVELOPMENT SCHEME (MPLADS)**

#### **GUIDELINES ON SCHEME CONCEPT, IMPLEMENTATION AND MONITORING (FEBRUARY, 1997)**

##### **The Scheme**

1.1 The Prime Minister on the 23rd of December, 1993 announced the "MPs Local Area Development Scheme (MPLADS)" in the Parliament. Detailed guidelines on the scheme concept, implementation and monitoring of MPLADS were issued subsequently in 1994. Pursuant to these guidelines the Department of Programme Implementation has been issuing circulars, from time to time, on matters relating to operational details. Several Members of Parliament, based on their field experience, have raised a number of doubts and pointed out several difficulties as regards the implementation of the Scheme. In the meantime, on account of transition from the Tenth to the Eleventh Lok Sabha, several issues have been raised in regard to the modalities of funding and implementing works started/approved/envisaged during the term of the Tenth Lok Sabha. After detailed discussions and taking into account the various view points and suggestions, the following guidelines are being issued in supersession of the earlier ones.

1.2 Under this Scheme, each MP will have the choice to suggest to the Head of the District works to the tune of Rs. 1 crore per year, to be taken up in his/her constituency. Elected Members of Rajya Sabha representing the whole of the State as they do, may select works for implementation in one or more district(s) as they may choose. Nominated Members of the Lok Sabha and Rajya Sabha may also select works for implementation in one or more district(s), but within one State of their choice.

## Features of the Scheme

2.1 Each MP will give a choice of works to the concerned head of the district who will get them implemented by following the established procedures, that is, he may be guided by the procedure laid down by the State Government subject to these Guidelines. In regard to works in urban areas their implementation can be done through Commissioners/Chief Executive Officers of Corporations, Municipalities, etc., or through the Heads of district concerned as per the option of the MPs. Implementation agencies can be either Government or Panchayati Raj institutions or any other reputed non-governmental organisation who may be considered by the District Head as capable of implementing the works satisfactorily. Engagement of private contractors is prohibited, wherever extant Guidelines do not permit such engagement. For purposes of execution of works through Public Works Department (PWD), wings not necessarily exclusively dealing with civil construction, but having competence in civil construction can be engaged—like for example, Public Health Engineering, Rural Housing Departments/Wings, Housing Boards, Electricity Boards, Urban Development Authorities etc. The Head of the District shall identify the agency through which a particular work recommended by the MP should be executed.

2.2 The works under the Scheme shall be developmental in nature based on locally-felt needs. The emphasis is on creation of durable assets. Funds provided under the Scheme should not be used for incurring revenue expenditure. However, the funds can be used for purposes such as provision of service support facilities. However, they will not include any recurring expenditure like on staff to maintain such facilities.

2.3 It will also be appropriate if the Scheme funds are used for partly meeting the cost of a larger work like for example for partly meeting the cost of a micro-hydel work only in case it would result in completion of the works. Where such part costs are met under this para, it should be with reference to clearly identifiable part of the work.

2.4 Sometimes execution of work, by their very nature, may span into more than one year. In such circumstances, funds under the Scheme could be made available to the executing agency either in advance or over more than one year, phasing of execution of work being clearly kept in view.

2.5 The site selected for execution of the work by the MP shall not be changed except with the concurrence of the MP himself.

2.6 It should not be insisted that the land selected for execution of works should necessarily be Government land. It can be land surrendered by Municipal/Panchayat bodies, private trusts, private individuals, etc. The only care that needs to be taken is that the institution or the person surrendering the land has the title over it to so surrender. And the District authorities should ensure that within the quickest possible time, the surrendered/transferred land is relinquished under the local land relinquishment laws. Locally recognized practices such as surrender of lands as per "No Objection Certificates" may also be considered adequate so long as they are legally valid and the assets created on the land shall be available for public use for which they were created.

2.7 An illustrative list of works that may be taken up under the scheme is presented in List 1. A list of works which shall not be allowed under the Scheme is presented in List II.

2.8 Payment of advances of any type to the contractors/suppliers under any work falling within this Scheme is prohibited.

2.9 The Heads of districts should ensure that provision for maintenance and upkeep of the works to be taken up under this Scheme is forthcoming from the concerned local body or the relevant agency, that is, Government-aided institution, registered society etc.

### **Sanction and Execution of Works**

3.1 In identifying and selecting works and giving administrative sanction for the same, the Head of the district should invariably get the concurrence of the Member of Parliament. Normally, the advice of the MP should prevail unless it be for technical reasons such as land selected for work not being suitable for execution etc. Where the Head of the district considers that a work suggested by a Member of Parliament cannot be executed, he should send a comprehensive report with reasons to the MP under intimation to the Department of the State Government dealing with the subject and to the Department of Programme Implementation, Government of India.



3.2. As far as possible, all sanctions for works should be accorded within 45 days from the date of receipt of proposal from the concerned MP.

3.3 So far as technical and administrative sanctions are concerned, decision making should be only at the district level. If need be for the purpose of implementation of this Scheme, full and final powers should be delegated to the District technical and administrative functionaries.

3.4 In case, a constituency falls in more than one district, the Head of the district who receives the money released by the Government of India shall make the required funds available to the other concerned district(s) in keeping with MP's choice so that the Head(s) of such other district(s) could implement the works suggested by the MP in his/her district(s).

3.5 Since the works under this Scheme would be implemented by different State Government agencies such as PWD, Rural Development, Irrigation, Agriculture, Health, Education, Area Development Authorities, Water Supply and Sewerage Boards, Housing Corporation etc. the Heads of the respective districts would be responsible for the coordination and overall supervision of the works under this Scheme at the district level. The implementing agencies may not collect any administrative charges, centage etc. for their services of preparatory work, implementation, supervision, etc.

3.6 The Department of Programme Implementation, Government of India, would have the nodal responsibilities for this Scheme at the Centre. The Department concerned of the State Government will issue general instructions to all the planning and implementing agencies at the district level to cooperate, assist and implement the works referred to them under this Scheme by the Heads of the districts. Copies of such instructions shall also be sent to the MPs at their constituencies and at their Delhi addresses.

3.7 The normal financial and audit procedures would apply to all actions taken under this Scheme subject to these Guidelines, especially Guidelines contained in para 3.3.

3.8 Allocation of Rs. 1 crore per year under the Scheme is for the constituency. Though there may be change in the Member of Parliament representing a constituency, whatever may be the reason for such

change, the allocation being for the constituency, continuity of action in implementing works under the scheme should be maintained. The Head of the District should play a coordinating role in this regard between the past and the present Member of Parliament and the implementing agencies concerned.

3.9 When there is a change in the MP, for whatever reason it may be, the following principles should be followed, as far as possible in executing works:

- \* If the work identified by the predecessor MP is under execution, it should be completed.
- \* If the work identified by the predecessor MP is pending sanction due to administrative reasons beyond a period of 45 days from the date on which advice was received for taking up the work, it should also be executed provided the work is otherwise as per norms.
- \* If the predecessor MP had identified the work, but it was not taken up for execution because of reasons other than those mentioned in the preceding sub-para, it can be executed subject to the confirmation of the successor MP.

### **Release of Funds**

4.1 Ideally it would be desirable to the MPs to suggest individual works costing not more than Rs. 10 lakhs per work. However, the limit of Rs. 10 lakhs per work should not be too rigidly construed. Amounts higher than Rs. 10 lakhs per work can be spent depending upon the nature of the work. (For example a single check dam to provide minor irrigation or water supply or a sports stadium may cost more than Rs. 10 lakhs. In the case of such works more than Rs. 10 lakhs can be legitimately spent).

4.2 Funds shall be released to the Districts each year immediately after the Vote on Account/Budget is passed. The funds released by the Govt. of India under the Scheme would be non-lapsable. Funds released in a particular year, if they remain unutilised can be carried forward to the subsequent year without detracting from the allocation of rupees one crore per year per constituency. However, release of

funds will be made with reference to the actual progress achieved in expenditure and execution of works. In other words, funds would be available in the budget to the extent of rupees one crore per year per Member of Parliament and works will not suffer for want of provisions. At the same time releases will be regulated according to progress. The idea is that at any given time no more money should remain outside the Government treasury than is reasonably expected to be spent within a year. For example, if out of Re. 1 crore allotted for a Constituency in a year, Rs. 75 lakhs are spent, the balance of Rs. 25 lakhs can be carried over for the year when this amount together with fresh allocation of Re. 1 crore (total of Rs. 1.25 crore) would be the entitlement of the year and could be spent. But actual physical release of funds will be with reference to the amount expected to be spent. It should be seen, however, that unspent amounts do not excessively snowball into huge entitlements.

4.3 The release of funds by the Department of Programme Implementation will be done twice a year on the basis of the physical and financial progress of the works under implementation and further requirement of funds for works.

4.4 At the time of release of funds, the Department of Programme Implementation in consultation with the Heads of the concerned Districts will make an assessment of the funds required to complete the on-going works. Such requirements of funds will be met first and then only the balance allocation will be considered for new works.

4.5 Funds for individual works should be promptly released. 75% of the cost of the works can be released in the first instalment itself, the balance of 25% being released watching progress. To the maximum extent possible, release of funds should be arranged through the administrative authority available nearest to the work spot—like for example a Block Development Officer. The objective should be that release of funds also is made through decentralised administrative mechanisms already available on the ground and that implementing agencies have the quickest feasible access to such decentralised authorities.

4.6 In case the concerned MP is not interested in utilising the funds, he/she may write to the Department of Programme Implementation so that the release of funds is withdrawn.

## **Monitoring Arrangements**

5.1 For effective implementation of the works taken up under this Scheme, each State Government/UT Administration shall designate one nodal Department for physical monitoring through field inspection and for coordination with the Department of Programme Implementation, Government of India. The Heads of Districts shall visit and inspect atleast 10% of these works every year. Similarly, it should be the responsibility of the senior officers of implementing agencies of these works to regularly visit the work spots and ensure that the works are progressing satisfactorily as per the prescribed procedures and specifications. Likewise, officers of district at the sub-divisional and block level shall also closely monitor implementation of these works through visits to work sites. The Head of the District should also involve the Members of Parliament in such inspections and monitoring to the maximum extent feasible. They should also furnish monitoring reports once in two months to the MPs and the Department of Programme Implementation, Government of India. A schedule of inspections which prescribes the minimum number of field visits for each supervisory level functionary of the implementing agencies may be drawn up by the Department of Programme Implementation.

5.2 The Department of Programme Implementation would always have with it a complete and updated picture of the works under implementation.

5.3 Monitoring formats and other issues of details relevant to this Scheme would be decided by the Department of Programme Implementation from time to time within the framework of the Scheme.

5.4 The District Heads should also communicate information on the progress of works under the Scheme on the Internet for which connectivity is available in the Parliament. Copies of such reports shall also be forwarded to the MPs. Software required for reporting on the Internet will be furnished by the Department of Programme Implementation in co-ordination with the Lok Sabha Secretariat and the Rajya Sabha Secretariat. This will also facilitate instantaneous monitoring of the progress of the scheme constituency-wise in the Parliament and the Department of Programme Implementation.

5.5 A Senior Commissioner level Officer at the State headquarters should conduct an annual Meeting involving the Heads of Districts and MPs to assess the progress of works under the Scheme once in a year.

5.6 Periodic teleconferences may also be organised, availing of the infrastructure and expertise available with the Indira Gandhi National Open University (IGNOU) and the Indian Space Research Organisation (ISRO). In these conferences to be organised by the Department of Programme Implementation, instantaneous contact could be established with the Heads of Districts and other local functionaries to clarify doubts and remove bottlenecks. MPs also should be associated with such conferences.

5.7 In order to bring about continuous improvement in the implementation of the Scheme, the Bureau for Parliamentary Studies and Training (BPST) may arrange training of district officials in batches, involving, and bringing about interaction with MPs.

### **General**

6.1 In order that local people become aware that particular works have been executed with MPLADS funds, signboards carrying the inscription "MPLADS WORK" may be prominently erected at the sites.

6.2 In execution of works, MPs may face special problems/situations not envisaged to be covered under these guidelines. Such cases may be taken up with the Department of Programme Implementation for suitable clarification.

6.3 When there is a change of a Member of Parliament for whatever reason it may be, if the predecessor MP has not identified any works at all, allocation or releases of funds to such processor MP will not be additionally given to the successor MP over and above Rupees one crore, being the entitlement of the latter MP for the year concerned.

**ILLUSTRATIVE LIST OF WORKS THAT CAN  
BE TAKEN UP UNDER MPLADS**

1. Construction of buildings for schools, hostels, libraries and other buildings of educational institutions belonging to Government or local bodies. Such buildings belonging to aided institutions also can be constructed.
2. Construction of tube wells and water tanks for providing drinking water to the people in villages, towns or cities, or execution of other works which may help in this respect.
3. Constructions of roads including part roads, approach roads, link roads etc. in villages and towns and cities. Very selectively kutchra roads can be constructed where the MP concerned and the District Head agree to meet the local felt need.
4. Construction of culverts/bridges on the roads of above description and of open cut or tube wells.
5. Construction of common shelters for the old or handicapped.
6. Construction of buildings for local bodies for recognised District or State Sports Associations and for cultural and sports activities or for hospitals. (provision of multi-gym facilities in gymnastic centres, sports associations, physical education training institutions etc., is also permissible).
7. Special forestry, farm forestry, horticulture, pastures, parks and gardens in Government and community lands or other surrendered lands.
8. Desilting of ponds in villages, towns and cities.
9. Construction of public irrigation and public drainage facilities.

10. Construction of common gobar gas plants, non-conventional energy systems/devices for community use and related activities.
11. Construction of irrigation embankments, or lift irrigation or water table recharging facilities.
12. Public libraries and reading rooms.
13. Creches and anganwadis.
14. Construction of public health care buildings, including family welfare sub-centres together with the ANM residential quarters. Such buildings belonging to aided institutions also can be constructed.
15. Crematoriums and structures on burial/cremation grounds.
16. Construction of public toilets and bathrooms.
17. Drains and gutters.
18. Footpaths, pathways and footbridges.
19. Provision of civic amenities like electricity, water, pathways, public toilets etc. in slum areas of cities, town and villages and in SC/ST habitations, provision of common worksheds in slums and for artisans.
20. Residential schools in tribal areas.
21. Bussheds/stops for public transport passengers.
22. Veterinary aid centres, artificial insemination centres and breeding centres.
23. Procurement of hospital equipment like X-Ray machines, ambulances for Government Hospitals and setting up of

mobile dispensaries in rural areas by Government Panchayati Institutions. (Ambulances can be provided to reputed service organisations like Red Cross, Ramakrishna Mission etc.).

24. Electronic Projects : (Para 2.2 may also be referred to)

- (i) Computer in every High School
- (ii) Information footpath
- (iii) Ham Club in high schools
- (iv) Citizen band radio
- (v) Bibliographic data-base projects.



**LIST OF WORKS NOT PERMISSIBLE UNDER MPLADS**

1. Office buildings, residential buildings, and other buildings relating to Central or State Governments, Departments, Agencies or Organisations.
2. Works belonging to commercial organisations, trusts, registered societies, private institutions or co-operative institutions.
3. Repair and maintenance works of any type other than special repairs for restoration/upgradation of any durable asset.
4. Grants and loans.
5. Memorials or memorial buildings.
6. Purchase of inventory or stock of any type.
7. Acquisition of land or any compensation for land acquired.
8. Assets for an individual benefit, except those which are part of approved schemes.
9. Places for religious worship.

## APPENDIX II

### MINUTES OF THE SITTING OF THE STANDING COMMITTEE ON FINANCE HELD ON 23 MARCH, 1999.

The Committee sat from 1500 hrs. to 1745 hrs. in Committee Room 62, Parliament House, New Delhi.

#### PRESENT

Shri Murli Deora — *Chairman*

#### MEMBERS

#### *Lok Sabha*

2. Shri Girdhari Lal Bhargava
3. Shri Chetan Chauhan
4. Shri Bhagwan Shanker Rawat
5. Shri Rayapati Sambasiva Rao
6. Shri T. Subbarami Reddy
7. Shri Kavuru Sambasiva Rao
8. Shri Sandipan Bhagwan Thorat
9. Shri Praful Manoharbhai Patel
10. Shri Prithviraj D. Chavan
11. Shri Magunta Sreenivasulu Reddy
12. Shri Rupchand Pal
13. Shri Varkala Radhakrishnan
14. Shri S. Murugesan
15. Dr. S. Venugopalachary
16. Kum. Kim Gangte
17. Dr. Bikram Sarkar
18. Shri S. Jaipal Reddy
19. Shri Joachin Baxla

*Rajya Sabha*

20. Dr. Manmohan Singh
21. Shri M. Rajsekara Murthy
22. Shri Narendra Mohan
23. Shri O.P. Kohli
24. Shri Raghavji
25. Dr. Biplab Dasgupta
26. Shri C. Ramachandraiah
27. Shri Prem Chand Gupta
28. Shri R.K. Kumar
29. Shri Gurudas Das Gupta
30. Shri Satischandra Sitaram Pradhan
31. Shri Suresh A. Keswani

## SECRETARIAT

1. Smt. P.K. Sandhu — *Director*
2. Shri S.B. Arora — *Under Secretary*

## WITNESSES

*Planning Commission*

- |                     |   |                                   |                        |
|---------------------|---|-----------------------------------|------------------------|
| Dr. N.C. Saxena     | — | Secretary,                        | Planning<br>Commission |
| Dr. N. Seshagiri    | — | Special Secretary & DG (NIC)      |                        |
| Shri Arun Bhatnagar | — | Principal Adviser (PC & Admn./NE) |                        |
| Shri K.B. Saxena    | — | Principal Adviser (SP)            |                        |
| Shri M.K. Kaw       | — | Principal Adviser (EDN & SP)      |                        |
| Shri N.P. Bagchee   | — | Principal Adviser (S&T, C&I)      |                        |
| Shri S. Narendara   | — | Principal Adviser (S&T, C&I)      |                        |
| Mrs. Krishna Singh  | — | Principal Adviser (HUD & WS, SP)  |                        |
| Dr. Pronab Sen      | — | Adviser (PP)                      |                        |

Dr. N.J. Kurian	— Adviser (FR)
Dr. (Mrs.) Rohini Nayyar	— Adviser (RD)
Shri B.N. Navalawala	— Adviser (I&CAD)
Dr. (Mrs.) Prema Ramachandran	— Adviser (H&FW)
Mrs. T.K. Sarojini	— Adviser (SD&WP)
Dr. S.P. Pal	— Adviser (PEO)
Shri R. Srinivasan	— Economic Adviser (DP)
Shri Shailendra Sharma	— Adviser (DEM)
Dr. Ahman Masood	— Adviser (PAMD)
Shri Pradeep Kumar	— JS (SP)
Shri Rakesh	— JS (FA)
Mrs. Vibha Pandey	— Director (F)
Shri M. Lal	— Director (Agriculture)
Shri Lokhe Lal	— Consultant (Agriculture)
Shri Rajeev Malhotra	— Deputy Adviser (PC)
Shri M.L. Majumdar	— Adviser (P&E)
Shri A.S. Lamba	— Additional Adviser (Admn.)

*Department of Statistics*

Shri M.D. Asthana	— Secretary, Department of Statistics
Dr. N.S. Sastry	— DG & CEO, NSSO
Dr. S. Ray	— Addl. DG (Trg.), CSO
Shri Jagdish Singh	— Addl. DG (NABS), CSO
Shri R.L. Narasimhan	— DY. DG, CSO
Dr. A.C. Kulshreshtha	— DY. DG, NAD, CSO
Shri M. Neelakantan	— DY. DG, FOD, New Delhi
Shri Rakesh	— JS & FA, Department of Statistics
Professor S.B. Rao	— Director, I.S.I.

*Department of Programme Implementation*

Shri N.R. Banerji	—	Secretary, (PI)
Dr. V.K. Agnihotri	—	Addl. Secy. (P)
Shri Rakesh	—	Financial Adviser (PI)
Shri R. Datta	—	Joint Secretary
Shri V.K. Arora	—	Director
Shri J.L. Narayan	—	Joint Adviser

2. At the outset, the Chairman welcomed the representatives of the Ministry of Planning and Programme Implementation (Planning Commission, Department of Statistics and Programme Implementation) to the sitting of the Committee and invited their attention to the provisions contained in Direction 55 of the Directions by the Speaker.

3. The Committee then took oral evidence of the representatives of the Ministry of Planning and Programme Implementation on the Demands for Grants of the Ministry for the year 1999–2000 and other matters relating to the Budget.

4. The evidence was concluded.

*(The witness then withdrew)*

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6. A verbatim record of proceedings has been kept.

*The Committee then adjourned.*

### APPENDIX III

#### MINUTES OF THE THIRTY-SIXTH SITTING OF THE STANDING COMMITTEE ON FINANCE

The Committee sat on Friday, 9 April, 1999 from 1530 hours to 1600 hours.

#### PRESENT

Shri Murli Deora — *Chairman*

#### MEMBERS

#### *Lok Sabha*

2. Shri Dhirendra Agarwal
3. Shri Chetan Chauhan
4. Shri Bhagwan Shankar Rawat
5. Shri Kavuru Sambasiva Rao
6. Shri Sandipan Bhagwan Thorat
7. Shri R.L. Jalappa
8. Shri Magunta Sreenivasulu Reddy
9. Shri Varkala Radhakrishnan
10. Shri M. Sahabuddin

#### *Rajya Sabha*

11. Dr. Manmohan Singh
12. Shri N.K.P. Salve
13. Shri M. Rajsekara Murthy
14. Dr. Biplab Dasgupta
15. Shri C. Ramachandraiah
16. Shri Prem Chand Gupta

17. Shri R.K. Kumar
18. Shri Gurudas Das Gupta
19. Shri Suresh A. Keswani

## SECRETARIAT

1. Dr. (Smt.) P.K. Sandhu — *Director*
2. Shri S.B. Arora — *Under Secretary*
3. Shri N.S. Hooda — *Assistant Director*

2. The Committee resumed the meeting at 1530 hours.

3. The Committee took up for consideration the following draft reports:

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|-------|----|----|----|----|
| (i)   | ** | ** | ** | ** |
|       | ** | ** | ** | ** |
| (ii)  | ** | ** | ** | ** |
|       | ** | ** | ** | ** |
| (iii) | ** | ** | ** | ** |
|       | ** | ** | ** | ** |

(iv) Draft Report on Demands for Grants of Ministry of Planning and Programme Implementation for the year 1999-2000.

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|------|----|----|----|----|
| (v)  | ** | ** | ** | ** |
|      | ** | ** | ** | ** |
| (vi) | ** | ** | ** | ** |
|      | ** | ** | ** | ** |

4. The Committee after deliberations considered and adopted the above mentioned reports without any modification/amendments. The Committee thereafter authorised the Chairman to present the Reports to both the Houses of Parliament.

*The Committee then adjourned.*