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

**TWELFTH LOK SABHA**

**MINISTRY OF PLANNING AND  
PROGRAMME IMPLEMENTATION**

**DEMANDS FOR GRANTS  
(1996-97)**

*[Action taken by the Government on the recommendations contained  
in the First Report of the Standing Committee on Finance  
on Demands for Grants (1996-97)]*

**FIFTH REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

*July, 1998/Asadha, 1920 (Saka)*

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

Shri Murli Deora — *Chairman*

MEMBERS

*Lok Sabha*

2. Shri Dhirendra 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
9. Shri Rayapati Sambasiva Rao
10. Shri T. Subbarami Reddy
11. Shri Kavuru Sambasiva Rao
12. Shri Sandipan Bhagwan Thorat
13. Shri Praful Manoharbhai Patel
14. Shri Prithviraj D. Chavan
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

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\*Nominated w.e.f. 25 June, 1998 *vice* Sh. Jang Bahadur Singh Patel, M.P., who was nominated to Standing Committee on Transport and Tourism.

22. Dr. S. Venugopalachary
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 C. H. Vidyasagar Rao

*Rajya Sabha*

31. Dr. Manmohan Singh
32. Shri Krishna Kumar Birla
33. Shri N.K.P. Salve
34. Shri M. Rajsekara Murthy
35. Shri Narendra Mohan
36. Shri ~~O. P.~~ Kohli
37. Shri Raghavji
38. Dr. Biplab Dasgupta
39. Shri C. Ramachandraiah
40. Shri Amar Singh
41. Shri Prem Chand Gupta
42. Shri R. K. Kumar
43. Shri Gurudas Das Gupta
44. Vacant
45. Shri Suresh A. Keswani

SECRETARIAT

1. Dr. A. K. Pandey — *Additional Secretary*
2. Smt. P. K. Sandhu — *Director*
3. Shri S. B. Arora — *Under Secretary*
4. Sh. D. R. Shekhar — *Committee Officer*

## INTRODUCTION

• I, the Chairman, Standing Committee on Finance (1998-99) having been authorised by the Committee to submit the Report on their behalf, present this Fifth Report on action taken by Government on the recommendations contained in the First Report of the Committee (Eleventh Lok Sabha) on Demands for Grants (1996-97) of the Ministry of Planning and Programme Implementation.

2. The First Report was presented to Lok Sabha/laid in Rajya Sabha on 9 September, 1997. Deptt. of Statistics, Deptt. of Programme Implementation and Planning Commission furnished the replies indicating action taken on all the recommendations on 13 and 17 December, 1996 and 17 January, 1997 respectively. The Draft Action Taken Report was considered and adopted by the Standing Committee on Finance at their sitting held on 21 July, 1998.

3. An analysis of action taken by Government on recommendations contained in the First Report (Eleventh Lok Sabha) of the Committee is given in the Appendix.

NEW DELHI;  
22 July, 1998  

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31 Asadha, 1920 (Saka)

MURLI DEORA,  
Chairman,  
Standing Committee on Finance.



# CHAPTER I

## REPORT

1.1 The Report of the Standing Committee on Finance deals with action taken by the Government on the recommendations contained in their ~~First~~ <sup>Second</sup> Report (Eleventh Lok Sabha) on Demands for Grants (1996-97) of the Ministry of Planning and Programme Implementation which was presented to Lok Sabha on 9 ~~September, 1996.~~ <sup>10 July, 1995</sup>

1.2 The ~~First~~ <sup>Second</sup> Report contained ~~(twelve)~~ <sup>fourteen</sup> recommendations/observations. Action taken notes have been received from the Government in respect of all ~~(twelve)~~ <sup>fourteen</sup> recommendations contained in the Report. These have been categorised as follows:—

- (i) Recommendations/observations that have been accepted by Government:

Sl. Nos. 1 (para ~~17~~ <sup>7</sup>), 2 (para ~~20~~ <sup>8</sup>), 3 (para ~~25~~ <sup>11</sup>), 4 (para ~~28~~ <sup>4</sup>), 5 (para ~~31~~ <sup>15</sup>), 6 (para ~~39~~ <sup>6</sup>), 7 (para ~~43~~ <sup>18</sup>), 8 (para ~~46~~ <sup>18</sup>), 9 (para ~~37~~ <sup>20</sup>), 10 (para ~~39~~ <sup>25</sup>), 11 (para ~~43~~ <sup>25</sup>) and 12 (para ~~46~~ <sup>25</sup>).

(Chapter II, Total ~~8~~ <sup>14</sup>)

- (ii) Recommendation/observation which the Committee do not desire to pursue in view of Government's replies:

Sl. No. ~~4~~ <sup>8</sup> (para ~~17~~ <sup>21-25</sup>).

(Chapter III, Total ~~1~~ <sup>3</sup>)

- (iii) Recommendations/observations in respect of which reply of the Government has not been accepted by the Committee:

Sl. Nos. ~~7~~ <sup>3</sup> (para ~~14~~ <sup>13</sup>) and ~~8~~ <sup>9</sup> (para ~~16~~ <sup>36-38</sup>), 10 (para ~~45~~ <sup>45</sup>), 11

(Chapter IV, Total ~~2~~ <sup>6</sup>)

- (iv) Recommendation/observation in respect of which reply of the Government is still awaited:

Sl. No. ~~8~~ <sup>7</sup> (para ~~23~~ <sup>20</sup>).

(Chapter V, Total 1)

1.3 The Committee desire that final replies in respect of the recommendation for which only interim reply has been given by the Government and on the recommendations contained in Chapter I of the Report should be furnished to the Committee expeditiously.

1.4 The Committee will now deal with the action taken by Government on some of their recommendations/observations:—

### **Demand No. 67**

#### **Planning**

#### **Plan Scheme on Management Consultancy Development**

#### **Recommendation (Sl. No. 2, Para No. 14)**

1.5 The Committee were informed that Plan scheme on Management Consultancy Development was taken up with a view to developing institutional set up for In-house Management Consultancy Service in the selected Public Utilities which in turn were expected to lead to introduction of improved management systems/procedures and effect improvement in performance and efficient functioning of these organisations. Expressing dissatisfaction over the fact that there were significant shortfalls under this Scheme in actual expenditure incurred as compared to the provisions made in the Budget as well as revised estimates both for the year 1994-95 and 1995-96, the Committee had observed as follows:—

“The Committee note that the Plan Scheme on Management Consultancy Development envisaged developing institutional set up for In-house Management Consultancy Services in 12 selected public utilities during the Eighth Plan for improvement in performance, efficient functioning and reduction in the operational cost of these organisations. The BE for 1994-95 was made in anticipations of fresh proposals from SEBs and other institutions for conducting studies based on keen interest evinced by the representatives of SEBs and SRTCs for joining the project during top level meetings on In-house Management Consultancy Development. However, no willingness/undertaking of participants was taken in writing before making provisions for BE as also at RE stage. The Committee express their unhappiness over this manner of formulation of the programme and making budgetary provision therefor.

Further, out of the 'four activities' for which budget provision of Rs. 90 lakh was made during 1995-96, three activities could not be taken up during that year. No reasons have been furnished in this regard.

The Committee, therefore, desire that the Planning Commission should project their budgetary demands on realistic basis and proper planning.

The Committee would also like to be appraised of the justification *vis-a-vis* inadequacy and incapacities, if any of facilities that at present are available in the leading institutions of Management in the country, for undertaking training abroad of the members of participating In-house Management Consultancy Groups (IMCGs) as also of inclusion of professionals at Management Consultancy Development by providing faculty support and other expert assistance for establishing IMCGs in the State Public Utilities. Planning Commission may consider whether such activities are undertaken by the Ministries concerned".

1.6 In their Action Taken reply, the Ministry of Planning and Programme Implementation stated:—

"During the top level meeting on In-house Management Consultancy, held in July, 1994, the representatives of the SEBs/SRTC's and other participating institutions showed keen interest for joining the project, In view of such interest from by the top managements from the SEBs/SRTC's and other institutions, reflected in the proceedings of the meetings, the willingness/undertaking of the participants was not taken in writing before making the necessary provisions in the budget.

The four activities (a) studies to a number of Management Consultancy Organisation; (b) training abroad of the members of participating IMCGs and of the professionals at Management Development Institute (MDI) and Planning Commission; (c) fellowship training programmes to management professionals and (d) to organisation of top level management seminars, were proposed to be taken up during 1995-96. Only the first activity was taken up during 1995-96. Out of remaining activities, the first 2 activities could not be taken up during 1995-96, since the

Standing Finance Committee (SFC) did not give its approval for the training programmes. The spade work on the third activity *i.e.* to organise a top level management seminar was done during 1995-96, but the same could not be organised.

As regards training abroad, training in a foreign country's electric/transport utility having internal problem solving groups has envisaged for some selected members of the participating SEBs/SRTCs and one official each from the Planning Commission and Management Development Institute. It has felt that the inputs and incentives that would have been provided by the Study tour/training abroad would have resulted in better skill building for introducing improvement in problem solving approach on the job as well as in design of In-house Management Consultancy in the selected public utilities. However, when the proposal for training abroad was put up the Standing Finance Committee of the Planning Commission, it was not agreed to and hence this activity was dropped.

It is further mentioned that the concerned Ministries have not undertaken any parallel scheme for developing In-house Management Consultancy groups in public utilities".

**1.7 The Committee take serious note of the fact that no willingness/ undertaking of the participants was taken in writing before making necessary provisions in the budget under the Plan scheme. Reasons given for not undertaking three out of the four activities for which budget provision of Rs. 90 lakh was made during 1995-96 are also far from being satisfactory. Importance of developing institutional In-house Management Consultancy Service particularly in Public Utilities hardly needs to be emphasized. The Committee are of the firm view that had the study tours/training abroad been conducted as envisaged originally, it would have definitely resulted in letter skill building for effecting improvements in problem solving approach on the job as well as in design of In-house Management Consultancy in the selected public utilities. The Committee, therefore, reiterate their original recommendation and desire that not only budgeting in future be done in a more realistic manner but the money sanctioned should also be utilised for the purpose for which it was budgeted. The Committee also desire that the Planning Commission may explore the possibilities of introduction of parallel schemes for developing In-house Management Consultancy groups in public utilities by the concerned Ministries.**

### Recommendation (Sl. No. 3, Para No. 16)

1.8 Stressing the need for population control, the Committee recommended as follows:—

- “The Committee is of the opinion that 2% growth of the population has not only got to be arrested but also reversed to a manageable level of population at around 70 crore. Only then will our great nation can truly become economically independent. The Committee regrets to find that there is no clearcut programme for planned population control either in the Planning Commission or in budgetary provisions.

Committee considering the gravity of the issue recommended that Planning Commission should address itself to the problem of population control and present a report to the Committee on measures to be proposed to be taken within a month of presentation of this Report”.

1.9 The Ministry of Planning and Programme Implementation (Planning Commission) in their action taken reply have stated as follows:—

“Population growth rate reached a plateau of 2.22% in the decade 1971—81 from the growth rate of 2.20% recorded during the decade 1961—71. For the first time for growth rate showed a decline during the decade 1981-91 and the census estimates of the growth rate was 2.14% during the decade. Since then the natural growth rate has been below 2%. The Sample Registration System (SRS) Estimates of the natural growth rate as worked out by the Office of Registrar General of India since 1991 are given as under:—

Year	Birth rate	Death rate	Natural Growth rate (per thousand population)
1991	29.5	9.8	19.7
1992	29.2	10.1	19.1
1993	28.7	9.3	19.4
1994	28.7	9.3	19.4
1995	28.3	9.0	19.3

The Standing Committee on Population Projections constituted by Planning Commission has estimated population of the country as on 1st March, 1991 to be 843.3 million which was very close to population of 846.3 million as recorded in 1991 census. Thus, the methodology of population projections have undergone considerable refinement and accuracy of predictions has been adequate to be depended upon. Planning Commission has constituted a Technical Group on Population Projections under the Chairmanship of Registrar General, India with the terms of reference to review the methodology of population projections adopted in the past and to prepare the fresh population projections upto 2016 based on the information generated through 1991 census. The Report of the Technical Group has been submitted to the Members of the Technical Group for their views. The quinquennial projections of the natural growth rate as estimated by the Technical Group are as under:—

Period	Crude Birth	Crude Death	Natural Growth Rate (NGR) (per thousand population)
1996-2001	24.10	8.99	15.11
2001-2006	22.84	8.27	14.57
2006-2011	22.27	7.80	14.48
2011-2016	21.41	7.48	13.94

The above projections of Natural Growth Rate are based on the observed trends in fertility and mortality during the past years.

There can be steeper fall in fertility during the next ten years if the unmet need for contraceptive care currently estimated as being around 20% by National Family Health survey 1992-93 is fully met. Besides, the sharp decline in the IMR as observed during the past decade in another key factor which is expected to play a major instrumental role in the reduction of desired family size. This has been achieved through improvement in quality and convergence of maternal and child health services and this major intervention is likely to continue in future. The resultant further reduction in the desired family size and increased acceptance of contraceptive care will result in still greater decline in the population growth rate.

The programmes for provision of integrated reproductive and child health care services are currently being planned for implementation by the Deptt. of Family Welfare. This approach is expected to create a favourable environment for the greater acceptance of contraception and thus reduce population growth rate during the 9th Plan period and beyond. The Deptt. of Family Welfare lasted implementation of decentralised area specific micro planning approach advocated by NDC Committee on population in two States namely Kerala and Tamil Nadu and 18 districts spread over different States in 1995-96. Encouraged by the result in these States, the Deptt, has embarked on a nationwide PHC planning based on need assessment at local level and demand driven programme implementation. The emphasis of the programme will be to provide good quality care utilising client centred approach."

[Ministry of Planning and Programme Implementation, Planning Commission, O.M. No. F. 28/7/1996 Parl. dated 17 January, 1997]

**1.10** After having taken into account the gravity of the problem of increase in population, the Committee in their earlier Report has categorically desired that in order to achieve economic independence, growth of population has to be arrested. The Committee are, however, distressed to note that except for the few measures suggested, which too are at the implementation stage, the action taken reply hardly suggests the methodologies/programmes which are proposed to be taken in a planned manner with a view to achieve the desired levels in the control of population. What is more disturbing to the Committee is the fact that despite the claim made of decline in the growth of population during 1981-91 for the first time, the shortages for meeting full demand of contraceptives in the country still continue. The Committee are, therefore, of the considered view that quinquennial projection made of natural growth rate of population as estimated by the Technical Committee can hardly be realised unless a multidimensional approach is evolved. Various programmes/schemes covering all aspects including added incentives need to be formulated and executed on a war footing in a time bound manner in order to tackle this menacing problem. The Committee desire that this area should be given top priority in the Ninth Five Year Plan.

## CHAPTER II

### RECOMMENDATIONS/OBSERVATIONS THAT HAVE BEEN ACCEPTED BY THE GOVERNMENT

#### **Recommendation (Sl. No. 1, Para No. 8)**

The Committee are of the opinion that it is justified expectation of people of far flung Andaman and Nicobar Islands and Lakshdweep Group of Islands that development schemes/projects directly affecting their social and economic well-being are discussed in the meetings of Standing Committee of Island Development Authority and the such meetings are held in one of the Islands. The Committee desire that meetings of Standing Committee chaired by the Deputy Chairman of the Planning Commission should be held at regular intervals to fulfil the aspirations of population in remote parts of the country.

#### **Reply of the Planning Commission**

The Island Development Authority and its Standing Committee have been reconstituted. Efforts would be made to hold meetings of the Standing Committee under Deputy Chairman, Planning Commission at regular intervals. The next meeting of the Standing Committee is proposed to be held in the Andaman and Nicobar Islands in the near future at the convenience of the Deputy Chairman.

[Ministry of Planning and Programme Implementation, Planning Commission, O.M. No. F. 28/7/1996 Parl. dated 17 January, 1997]

#### **Recommendation (Sl. No. 5, Para No. 20)**

The Committee note that the variation between the Revised Estimates and the actuals since 1993-94 is due to the making of the budget provisions on the basis of sanctioned strength of officers and staff in the Department of Statistics. The Committee are of the opinion that realistic budgetary provisions at RE stage should be made on the basis of estimated strength after taking into consideration the actual strength and the number of vacant posts likely to be filled up during the remaining period of the year. There is no justification for making budget provision for posts which have been lying vacant during the entire year.



### **Reply of the Government**

The observations of the Committee have been noted by the Department for compliance. Proposals for RE 1996-97 have been formulated keeping in view the actual strength. In Major Head '3451' under the Head 'Salaries' against a provision of Rs. 203.95 lakhs in BE 1996-97, a provision of Rs. 204.85 lakhs has been proposed in RE 1996-97. The increase is due to enhanced DA and IR and no provision for vacant posts has been made.

[Ministry of Planning and Programme Implementation,  
Department of Statistics, O.M. No. G-20017/1/96-B&F  
Dated 18th December, 1996]

### **Recommendation (Sl. No. 6, Para No. 25)**

Since there is little actual expenditure as against the budgetary provisions since 1993-94 and that the budgetary provisions to implement the Plan schemes of procurement of equipment and filling up of Plan posts, have been steadily declining from Rs. 537 lakhs in 1993-94, Rs. 248 lakhs in 1994-95, Rs. 205 lakhs in 1995-96 to Rs. 112 lakhs in 1996-97, the Committee would like to be apprised of this position in detail.

### **Reply of the Government**

Budget provision during the respective years was made in respect of Plan schemes accepted by the Planning Commission for implementation by CSO. These schemes were staff oriented. Number of posts proposed to be created during 1993-94, 1994-95 and 1995-96 in the Plan proposals for these years were 869, 376 and 212 respectively. The schemes were however reviewed to reduce the number of posts etc. Orders for creation of 146 posts in six schemes of CSO were issued during 1995-96. These posts were allowed to be created initially only for six months pending work study. This has necessitated contract appointments at the lowest level and ad-hoc appointments/promotions at the other levels. The process of filling up of these posts was therefore time-consuming and about 20 posts could be filled in during 1995-96. In 1996-97, 129 of these posts have been filled in. A substantial portion of the Budget provision made in 1996-97 for CSO is therefore expected to be utilised during the year.

2. It will be clear from this that the Department has taken the Committee's observations seriously and has taken steps to make meaningful provisions in the Budget.

[Ministry of Planning and Programme Implementation,  
Department of Statistics, O.M. No. G-20017/1/96-B&F,  
Dated 18th December, 1996.]

### **Recommendation (Sl. No. 7, Para No. 28)**

The Committee are concerned over the steadily increasing expences on foreign travel in Central Statistical Organisation. The expenditure on any of the items of the organisation of the Department adds to the Revenue expenditure of the Govt. whereas there is imperative need for controlling Government expenditure. The Committee desire that visits abroad should be undertaken only where it is necessary. Wherever feasible, the Department may seek the assistance of Embassy staff abroad to represent their point of view. The Committee would like to know the concrete measures taken by the Department of Statistics to contain expenditure on foreign travel.

### **Reply of the Government**

The observations made by the Committee have been noted for guidance. These are being kept in view while processing proposals for foreign visits. As advised by the Committee, visits abroad will be undertaken only where it is necessary. A reduced provision of Rs. 18.73 lakhs has been proposed in RE 1996-97 under the Head "Foreign Travel Expenses" for CSO against a provision of Rs. 25.35 lakhs in BE 1996-97. Nevertheless, it has to be recognised that in the context of liberalisation and of globalisation, international interactions in the field of Statistics are also beginning to expand, more and more visits are beginning to emerge as a result of the need to participate in different forums to represent our points of view for promoting balanced decisions/approaches. It is also relevant here to state that India would soon formally subscribe to the Special Data Dissemination Standards (SDDS) sponsored by the I.F. Preparatory work for this is in full swing. This will also entitle some foreign travel.

[Ministry of Planning and Programme Implementation,  
Department of Statistics, O.M. No. G-20017/1/96-B&F,  
Dated 18th December, 1996.]

### Recommendation (Sl. No. 9, Para No. 37)

The Committee regret that despite higher allocations provided in the budgets, both at Budget Estimate and Revised Estimate stages, proper utilisation could not be made for capital out lay on other General Services. Department as a whole has not been able to push forward and operate its plan proposals. This indicates lack of urgency on the part of the Department resulting in a situation where schemes are not being formulated and implemented quickly as envisaged. The Committee therefore, urge upon the Department of Statistics to chalk out the strategies and implement their proposals quickly to avail of the budgetary provisions in that year.

Apprehension was expressed about the reduction of job opportunities because of the use of the computer. The Committee are happy with Ministry's assurance that no such reduction will take place. The Committee desire that such assurances should be communicated to the employees.

### Reply of the Government

Necessary steps have been taken for implementation of the plan schemes particularly to avail of the budgetary provision made in 'Capital Outlay on Other General Economic Services'.

The following proposals have been approved during the year:

- (i) Motor Vehicles—7 Jeeps for the Field/Zonal offices of FOD, NSSO.
- (ii) Machinery and equipment's—
  - (a) 115 PCs and Computer Software for Regional and Sub-Regional offices of FOD.
  - (b) 600 Palm-Top Computers for the field staff in Orissa and Maharashtra.
  - (c) Computer Hardware for the new Data Processing Centres at Bangalore & Ahmedabad.
- (iii) Major Works—Purchase of ready built flats for FOD's Zonal/Regional offices in Jaipur, Gwalior & Alwar.

A special meeting of the Departmental Council of Planning Commission and Deptt. of Statistics was held on 8 September, 1995 to discuss the issue relating to modernisation of Department of Statistics. Its minutes were circulated to all the members of the Departmental Council who represent various associations of the employees working in the Department of Statistics. Para 14 of the Minutes of this meeting is reproduced below:

“In the context of the proposed modernisation, the following points need to be emphasised:

- (i) There will be no retrenchment of staff.
- (ii) The attempt will be to minimise displacement re-deployment.
- (iii) Adequate training will be provided to equip the personnel to operate the new facilities.
- (iv) Every effort will be made to minimise hardships”.

It can be seen from this that the proposal to modernise is being processed with full transparency and in close consultation with the staff; and, adequate assurance has been given to the staff about protection of their career prospects.

[Ministry of Planning and Programme Implementation,  
Department of Statistics, O.M. No. G-20017/1/96-B&F,  
Dated 18th December, 1996.]

**Recommendation (Sl. No. 10, Para No. 39)**

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

Under the Scheme, each Member of Parliament (MP) has a choice to suggest to the District Collector the works to the tune of Rs. 1 crore per year to be taken up in his/her constituency/chosen district. Under the extant instructions, there is confusion about the use of left out amount. The Committee desire that the works in respect of left out amount should be taken up on the recommendations of the new M.P.

The Committee also desire that the Rajya Sabha M.Ps. may be allowed to recommend works in two contiguous districts.

### Reply of the Government

Instructions were issued by this Department *vide* letter No. C/65/96-MPLADs dated 25.7.1996 addressed to the District Collectors on the entitlement of funds under Members of Parliament Local Area Development Scheme (MPLADS) of the successor M.P., who steps in to fill the vacancy caused due to death/resignation/retirement of a Member of Parliament. These instructions clearly state that—

- (i) where an MP has died, resigned or retired without suggesting any works but where the funds were released by the Government, the successor MP can avail himself of the released funds.
- (ii) where an MP had suggested certain works prior to his death/resignation or retirement and the money has also been released by the Government, the successor MP can claim only such balance amount as would be available after meeting the cost of the works recommended by the previous MP [(Para 2(II) (ii)].

Another letter No. C/20/96-MPLADS dated 25.7.1996 was issued regarding the manner of implementation of works recommended by the erstwhile Members of Parliament (MPs) of Tenth Lok Sabha. This letter clarified the manner regarding the use of the unspent balances of the previous MPs of the Tenth Lok Sabha. According to this letter:

- (i) wherever works were on-going, they ought to be continued and completed. They will have the first charge on the unspent balances.
- (ii) if even after completion the on-going works there still remain some balances, those should be utilised to execute the works that had been sanctioned but had not been started prior to the commencement of the elections.
- (iii) if any funds remained in balance even after executing the works as mentioned above, then, in that case the balances are not to be utilised. In such cases, the list of the recommendations made by the predecessor M.P. but which had not been sanctioned should be brought to the notice of the successor MP to ascertain whether he/she would like to go ahead with the recommendations made by the predecessor

MP. If the successor MP chooses to go ahead with the works recommended by his predecessors, then, the amount available for the execution of these works would be adjusted against the funds to be released during the financial year 1996-97.

There were, however, representation against the manner in which to use the unspent balances available with the District Collectors. The matter is under consideration.

As regards the recommendation that Rajya Sabha MPs may be allowed to recommend works in two contiguous districts, it is submitted that the matter is under consideration.

[Department of Programme Implementation, Communication  
No. 20011/1196-Admn. dated 27.12.1996]

Guidelines on Members of Parliament Local Area Development Scheme which were revised by the Ministry of Planning and Programme Implementation, Government of India in February, 1997 reads as follows:—

**	**	**	**
**	**	**	**

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."

**	**	**	**
**	**	**	**

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 subjected to the confirmation of the successor MP."

#### **Recommendation (Sl. No. 11, Para No. 43)**

The Committee desire that the Department of Programme Implementation should take up the matter with the Secretaries of the Ministries/Departments concerned with implementation of the project in the key infrastructure sectors for corrective measures taken up or proposed to be taken up for completion of projects which have reported cost over runs and time over runs.

#### **Reply of the Government**

(a) The Secretary in the Department of Programme Implementation has been regularly bringing to the notice of the Administrative Ministries, Cabinet Secretariat, Planning Commission and Prime Minister's Office through monthly D.O. letters the problems coming in the way of implementation of projects in various sectors for corrective action.

(b) Copies of monthly Flash and Exception Reports are also sent to the administrative Ministries/Departments for taking corrective measures. In addition special notes on problems and suggested remedial measures are also submitted to the Committee of Secretaries.

[Department of Programme Implementation, Communication  
No. 20011/1/96-Admn. Dated December, 27 1996.]

#### **Recommendation (Sl. No. 12, Para No. 46)**

On perusal of the object-wise expenditure under the Secretariat-General Services, major items of expenditure are salaries (Rs. 73 lakhs),

office expenses (Rs. 60 lakhs) and domestic travel expenditure (Rs. 12 lakhs) in the total Budget Estimates of Rs. 160 lakhs. Against the actual expenditure of Rs. 4.25 lakhs during 1994-95, the revised Estimates for domestic travel expenditure for the year 1995-96 was Rs. 8.50 lakhs keeping in view the requirement of economy in Government expenditure, the Committee are of the opinion that the Department of Programme Implementation should check the growth in expenditure on domestic travel which is already becoming a major item of expenditure in the Budget of the Department of Programme Implementation without resulting in effective monitoring.

### **Reply of the Government**

The Department of Programme Implementation are having a close watch on the expenditure on domestic travel. As a result of constant monitoring the expenditure has been kept under control. Budget Estimates for 1995-96 was Rs. 7.00 lakhs in domestic travel & Revised Estimates was Rs. 8.50 lakhs but actual expenditure was Rs. 4.70 lakhs. Budget Estimates for 1996-97 was Rs. 12.00 lakhs. As a measure of economy and constant monitoring the Revised Estimate for domestic travel has been restricted to Rs. 7.00 lakhs for 1996-97.

[Department of Programme Implementation, Communication  
No. 20011/1/96-Admn. dated December 27, 1996]



## CHAPTER III

- RECOMMENDATIONS/OBSERVATIONS WHICH THE COMMITTEE DO NOT DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES

### Recommendation (Sl. No. 4, Para No. 17)

The Committee observed that the Planning Commission has not taken correct measures as suggested by the Parliamentary Committee in 1983. Several recommendations made by the Standing Committees in the past have also been found to be laying without being examined for implementation. In the last 40-45 years, the country have had a very miserable economic growth and no evaluation to correct this has been made. The Planning Commission has been asked to make a comparative analysis of the economies of countries like Korea and Indonesia so that a proper policy can be framed by the Planning Commission. We have just been able to double our GDP in 50 years whereas other countries have doubled the GDP in 10 years time and quadrupled it in 20 years time. The utilisation of basic natural resources like land and water have not been attempted. Adequate attention has not been given to agriculture. A vast extent of land about 90 million hectare is lying uncultivated wasteland. The stress on major and medium irrigation projects appears to be more than the stress on minor irrigation which has a greater advantage to the farmers at a lesser cost. In 1992 though the Agriculture Committee had recommended that the strategy must undergo a change, no steps seem to have been taken. The billion of dollars we borrow appear to be going for the benefit of the elitist section and not to the poor. Population control which is very important to India, has not received adequate attention. Experiments as in Kerala, China in population control need to be studied for formulating a more effective population control programme in our country.

No steps have been taken to ensure that the money meant for the poor, reach them adequately only 20 to 30 per cent money allotted, appears to be reaching for the benefit of the poor. The Planning Commission has not taken adequate remedial measures to correct this situation.

## Reply of the Planning Commission

There are a number of studies on the comparative experience of development in East-Asian countries and South-East Asian countries, including a comprehensive study of the World Bank. We have access to all those studies and the knowledge contained therein. While formulating our plans, we use their experience and evolve our plans keeping our own country's situation in mind.

It would not be correct to say that adequate attention has not been given to agriculture. Agriculture being the backbone of Indian economy, its accelerated growth is vital for overall economic development of the country. Agricultural development has been one of the main objectives of developmental planning right from the First Five Year Plan. Planning Commission has been periodically assessing the performance of the development plans in two stages. While formulating the five year plans, it undertakes an elaborate exercise of setting up various Working Groups and Steering Committees to obtain a comprehensive review of plan performance and expert opinion on policy matters. The views expressed by Standing Committee and other expert bodies are given due consideration while formulating Five Year Plans. During the mid-course of the implementation of Five Year Plan, Planning Commission, through its Mid-Term Appraisal attempts a comprehensive assessment of the plan performance, identifies areas of concern and makes appropriate suggestions for achieving the plan targets.

Planning Commission had taken initiatives to perfect the planning techniques for agriculture sector through Agricultural Sub-Model in 1975 for formulation of Fifth Five Year Plan. This model has been used in the Eighth Plan also. The Agricultural Sub-Plan captures the impact of application of certain critical inputs such as land and other infrastructure both in terms of quality and quantity on production and productivity in the long and medium term and takes into account location aspects of agricultural growth in terms of crop and input intensity which could not be captured in the input-output models used in the earlier plans. The Agricultural Sub-Model also captures several features of agriculture plan such as development of rainfed areas and agricultural planning in terms of homogenous agro-climatic regions. The sub-model assesses the production possibility of agriculture crops not only for the plan period but also for the perspective period of 15 years.

When the Mid-Term Appraisal of the Seventh Plan noted that the principal problem area in fulfilment of the plan was the shortfall in agriculture performance caused by most severe drought of 1987, the Planning Commission initiated action to prepare a 'business like plan' to achieve a target of 175 million tonnes of foodgrains in 1989-90. The Special Foodgrains Production Plan (SFPP) carefully identified priorities for the programmes being implemented and focussed attention on accelerating infrastructure development, ensuring availability of required inputs, price rationalisation and tonning up of delivery system. In the Framework Action Plan, 191 districts were identified and the strategy was to capitalise on identified sources of immediate agriculture growth at the appropriate regional level. Though the target of 175 million tonnes of foodgrains could be achieved only a year later, the increase in foodgrains production from 140 million tonnes in 1987-88 to 171 million tonnes in 1989-90 is no mean achievement.

Agriculture has been able to meet the growing food demand for the increasing population. The foodgrains production increased from 51 million tonnes in 1950-51 to 191 million tonnes in 1994-95. This has enabled the country to be by and large self-sufficient and to increase the per capita availability of foodgrains albeit slowly from 395 grams per day in 1950-51 to 502 grams per day in 1995. The food supply position has been comfortable and public stocks for food security touched a record of 37.4 million tonnes in June, 1995. Greater resilience has been achieved on foodgrains production front. Steady increases in the support prices of oilseeds with technological support, the oilseeds production nearly doubled in less than 10 years since the launch of Technology Mission in 1986. The Oilseeds Production Programme covered 331 districts in 22 States. In the temporal context, the overall performance of the agriculture sector has been very impressive.

Various crop specific special programmes launched from time to time have produced significant results. These programmes which emphasised on spread of improved technology, efficient delivery of inputs such as seed, fertiliser, pesticides and popularisation of improved agricultural equipments contributed to improved production scenario.

Crop production schemes are being implemented for the development of rice, wheat, coarse cereals, cotton, jute and mesta. The on-going schemes on cereals have been modified from the year 1994-95 with an objective of increasing overall production and productivity of cereals through development of cropping system as a

whole under specific Crop Based Cropping System. The Centrally Sponsored Schemes being implemented are:—

- (i) Integrated Cereals Development Programme in Rice Based Cropping System Areas (ICDP—Rice)
- (ii) Integrated Cereals Development Programme in Wheat Based Cropping System Areas (ICDP—Wheat)
- (iii) Integrated Cereals Development Programme in Coarse Cereals Based Cropping System Areas (ICDP—Coarse Cereals)
- (iv) Intensive Cotton Development Programme (ICDP)
- (v) Special Jute Development Programme (SJD).

For increasing productivity of sugarcane, a Centrally Sponsored Scheme on Sustainable Development of Sugarcane Based Cropping System (SUBACS) has been devised.

Expansion of area under location specific High Yielding Varieties (HYV) continued to be one of the main planks of the strategy for increasing foodgrains production in the country.

The High Yielding Varieties Programme is supported by Central Sector Scheme of Minikit Demonstrations Programme for rice, wheat, coarse cereals for popularisation of newly identified/released varieties, suitable for different agro-climatic conditions by way of replacing the older varieties. State level training programme for extension workers to disseminate latest production technology is also being organised.

Three basic foundations needed for building a sound agricultural economy namely, productive technology package, efficient delivery services and remunerative stable market prices for the produce have been ensured. When the modern farm technology was introduced in the country, the Government had simultaneously evolved a price support mechanism to advise on Agriculture Price Policy, besides creating a purchase mechanism (e.g) Food Corporation of India. A significant step up in foodgrains production clearly shows that the policy of the Government has paid rich dividends. Input subsidies and price support mechanism have been used as complementary instruments of the twin policy of promoting complementary instruments of the twin policy of promoting agriculture productivity/production and of holding the price line.

In order to ensure reasonable return to the farmers and to maintain their enthusiasm for higher agricultural production, the basket of price support mechanism was enlarged to cover as many as 22 commodities like paddy, wheat, tur, moong, groundnut, mustard, sugarcane, cotton, jute and VFC tobacco.

The policy on agricultural credit has been its progressive institutionalisation for providing timely and adequate credit to the farmers for increasing agricultural production and productivity. Providing better access to institutional credit for small and marginal farmers and other weaker sections to enable them to adopt modern technology and improve agricultural practices has been the major objective of the credit policy.

The disbursement of credit by the commercial banks and RRBs against targeted credit programmes, every year is being closely monitored by Reserve Bank of India. NABARD is monitoring the operation of the Cooperative Banks and also RRBs. NABARD has taken several steps towards preparation of Development Action Plans (DAPs) by these banks. NABARD has been providing refinance assistance to the participating banks to enable them to increase their lending for agriculture sector. The Scheduled Commercial Banks are required to extend 40 per cent of the net bank credit to the priority sector with the sub-target for agriculture fixed at 18 per cent.

Diversification of agriculture from the traditional land use systems based predominantly on cereal based cropping system to more productive and remunerative horticulture crops is a recent development. Realising the potential of horticulture sector in diversification of agriculture, generating additional employment opportunities, improving agro-industrial base, providing nutritional security and enhancing export earnings, there has been a policy shift in favour of this sector. The Plan allocation in the Central Sector for horticulture development has been increased several folds from Rs. 24 crores in the Seventh Five Year Plan to Rs. 1000 crores in the Eighth Five Year Plan. There are about 16 on-going schemes being implemented in the Eighth Plan.

One of the major objectives of export policy for farm sector is to maximise agricultural exports and foreign exchange earnings and ensuring a reasonable return to the producers, keeping in view the important consideration of domestic availability of essential commodities, particularly of mass consumption, at reasonable prices.

The Export-Import Policy provides new avenues for agricultural exports. A number of items such as oilseeds, edible oils, pulses and processed pulses, coconut and copra etc. which were banned earlier for exports are included in the licensable category of exports. The exports of marine products, cashew, spices, fresh fruits, vegetables, floriculture products, etc., is allowed freely. Export of rice is allowed freely; durum wheat has a ceiling of three lakh tonnes and non-durum wheat at 5 lakh tonnes. Domestic trade policies have also been liberalised.

With regard to degraded cultivable and non-cultivable non-forest wastelands, efforts are being made to restore their productive capacity with additional institutional financial support and external assistance also. The Ministry of Agriculture, Ministry of Rural Areas and Employment, Ministry of Water Resources and Planning Commission are endeavouring in this task. Some of the important schemes being implemented by Ministry of Rural Areas and Employment are listed below:—

#### I. Ministry of Rural Areas and Employment

##### (a) Department of Wastelands Development

- (i) Integrated Wastelands Development Project Scheme (IWDP)
- (ii) Technology Development, Extension and Training Scheme (TDET)
- (iii) Grants-In-Aid Scheme (GIA)
- (iv) Investment Promotional Scheme (IPS)
- (v) Wastelands Development Task Force

##### (b) Department of Poverty Alleviation and Rural Employment

- (i) Drought Prone Area Programme (DPAP)
- (ii) Desert Development Programme (DDP)

##### Part of the funds flow for Watershed Development

- (iii) Employment Assurance Scheme (EAS)
- (iv) Jawahar Rozghar Yojana (JRY)

A number of Soil & Water Conservation Programmes for management of land resources and prevention of land degradation are being implemented. These include the schemes of Soil Conservation in the Catchment of River Valley Projects in 31 Catchment of 18 States and Soil Conservation in the Catchment of Flood Prone Rivers in 10 Catchments of 8 States. In addition, schemes of reclamation of Alkali Soils in Haryana, Punjab, Uttar Pradesh, Gujarat, Madhya Pradesh and Rajasthan and Watershed Development in Shifting Cultivation Areas in the North Eastern States have also been taken up.

A National Watershed Development Project for Rainfed Areas has been taken up for Holistic Development of Integrated Farming System on Watershed basis to increase food production, reduce regional disparity between irrigated and rainfed areas and restore ecological balance in degraded and fragila rainfed ecological system by greening these areas through appropriate mix of trees, shrubs and grasses. The project has been taken up in 2554 Micro-Watershed in 25 States and the Union Territories of Andaman & Nicobar Island and Dadra and Nagar Haveli covering an area of 45.84 lakh ha. with an estimated cost of Rs. 1241 crores.

Planning Commission had translated the concept of orienting programmes of agriculture and rural development on area specific lines through the Agro-Climatic Regional Planning (ACRP) initiated in 1988. The ACRP adopted an holistic approach that is different from sectorial/schematic approaches to agriculture followed earlier. The basic objective of ACRP is to bring together in a coordinated manner resources, technology, people and management institutions for maximising output and income through optimisation of resource use. The area based approach of ACRP gave explicitly recognition to the local resources, institutions, delivery systems and socio-economic situations.

As regards remedial measures for ensuring resources meant for the poor reach them adequately, it may be mentioned that the Planning Commission through its critical reviews and evaluation studies of various programmes of poverty alleviation, have identified sector specific implementation problems and have also suggested remedial measures. The deficiencies noted in the implementation of the programmes include wrong selection of beneficiaries, lack of flexibility in the programmes, inadequate delivery mechanism, pilferages, malpractices and lack of coordination. In the Eighth Plan, Planning Commission have suggested measures to overcome the deficiencies

and to ensure effective implementation of the programmes, achievement of the targets and realisation of intended benefits by the beneficiaries. Some of the specific measures suggested by the Planning Commission to overcome the deficiencies include the following:—

- (i) Strengthening the people's bodies at local levels, *i.e.*, District Boards and Gram Panchayats.
- (ii) Integrated area development approach by bringing about a convergence of all the sectoral agencies concerned at micro-level.
- (iii) Involvement of beneficiaries in the implementation of the programmes through organisation of beneficiaries and/or Panchayats.
- (iv) Introducing flexibility in the programmes by giving more autonomy to the local bodies to plan according to the needs and resources available at the local area level.
- (v) Handing over the management and supervision of local service centres like health centres, schools, etc., to District Boards and Panchayats.
- (vi) Greater involvement of voluntary agencies, NGOs, who have the abilities to demonstrate and innovate, provide technology and training and act as support mechanism to local level institutions.
- (vii) Devising effective system of monitoring and evaluation.
- (viii) Introduction of better delivery system through self-managed organisations.

Besides, Planning Commission has been Undertaking concurrent evaluation of the various anti-poverty programmes such as NREP, IRDP, JRY which have identified specific areas of concern in implementation and have suggested appropriate remedial measures. Based on these the programme guidelines have been modified. The valuation studies undertaken by PEO of Planning Commission are in addition to the various valuation studies sponsored by the Ministry of Rural Areas and Employment. Therefore, it would not also be correct to say that Planning Commission has not taken remedial measures in this regard.

[Ministry of Planning and Programme Implementation—Planning Commission O.M. No. F-28/7/96 Parl dated 17 January, 1997]



## CHAPTER IV

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

#### Recommendation (Sl. No. 2, Para 14)

The Committee note that the Plan Scheme on Management Consultancy Development envisaged developing institutional set up for In-house Management Consultancy Services in 12 selected public utilities during the Eighth Plan for improvement in performance, efficient functioning and reduction in the operational cost of these organizations. The BE for 1994-95 was made in anticipation of fresh proposals from SEBs and other institutions for conducting studies based on keen interest evinced by the representatives of SEBs and SRTCs for joining the project during top level meetings on In-house management Consultancy Development. However, no willingness/undertaking of participants was taken in writing before making provisions for BE as also at RE stage. The Committee express their unhappiness over this manner of formulation of the programme and making budgetary provision therefor.

Further, out of the 'four activities' for which budget provision of Rs. 90 lakhs was made during 1995-96, three activities could not be taken up during that year. No reasons have been furnished in this regard.

The Committee, therefore, desire that the Planning Commission should project their budgetary demands on realistic basis and proper planning.

The Committee would also like to be appraised of the justification *vis-a-vis* inadequacy and incapacibilities, if any, of facilities that at present are available in the leading Institutions of Management in the country, for undertaking training abroad of the members of participating In-house Management Consultancy Groups (IMCGs) as also of inclusion of professionals at Management Development Institution (MDI), Gurgaon which was engaged by the Planning Commission to implement the scheme on Management Consultancy Development by

providing faculty support and other expert assistance for establishing IMCGs in the State Public Utilities. Planning Commission may consider whether such activities are undertaken by the Ministries concerned.

### **Reply of the Planning Commission**

During the top level meeting on In-house Management Consultancy Development, held in July 1994, the representatives of the SEBs/SRTC's and other participating institutions showed keen interest for joining the project. In view of such interest from by the top management's from the SEBs/SRTC's and other institutions, reflected in the proceeding of the meetings, the willingness/undertaking of the participants was not taken in writing before making the necessary provisions in the budget.

The four activities (a) studies to a number of Management Consultancy Organisation; (b) training abroad of the members of participating IMCGs and of the professionals at Management Development Institute (MDI) and Planning Commission; (c) fellowship training programmes to management professionals and (d) to organisation of top level management seminars, were proposed to be taken up during 1995-96. Only the first activity was taken up during 1995-96. Out of remaining activities, the first 2 activities could not be taken up during 1995-96, since the Standing Finance Committee (SFC) did not give its approval for the training programmes. The spade work on the third activity *i.e.* to organise a top level management seminar was done during 1995-96, but the same could not be organised.

As regards training abroad, training in a foreign country's electric transport utility having internal problem solving groups has envisaged for some selected members of the participating SEBs/SRTC's and one official each from the Planning Commission and Management Development Institute. It has felt that the inputs and incentives that would have been provided by the study tour/training abroad would have resulted in better skill building for introducing improvement in problem solving approach on the job as well as in design of In-house Management Consultancy in the selected public utilities. However, when the proposal for training abroad was put to the Standing Finance Committee of the Planning Commission, it was not agreed to and hence this activity was dropped.

It is further mentioned that the concerned Ministries have not under taken any parallel scheme for developing In-house Management Consultancy groups in public utilities.

**Recommendation (Sl. No. 3, Para No. 16)**

The Committee is of the opinion that 2% growth of the population has not only got to be arrested but also reversed to a manageable level of population at around 70 crores. Only then will our great nation can truly become economically independent. The Committee regrets to find that there is no clear cut programme for planned population control either in the Planning Commission or in budgetary provisions.

The Committee considering the gravity of the issue recommended that Planning Commission should address itself to the problem of population control and present a report to the Committee on measures to be proposed to be taken within a month of presentation of this report.

Reply of the Government is appended.

Population growth rate reached a plateau of 2.22% in the decade 1971—81 from the growth rate of 2.20% recorded during the decade 1961—71. For the first time the growth rate showed a decline during the decade 1981—91 and the census estimates of the growth rate was 2.14% during the decade. Since then the natural growth rate has been below 2%. The Sample Registration System (SRS) Estimates of the natural growth rate as worked out by the Office of Registrar General of India since 1991 are given as under:—

Year	Birth Rate	Death Rate	Natural Growth Rate (per thousand population)
1991	29.5	9.8	19.7
1992	29.2	10.1	19.1
1993	28.7	9.3	19.4
1994	28.7	9.3	19.4
1995	28.3	9.0	19.3

The Standing Committee on Population Projections constituted by Planning Commission has estimated population of the country as on

1st March, 1991 to be 843.3 million which was very close to population of 846.3 million as recorded in 1991 census. Thus, the methodology of population projections have undergone considerable refinement and accuracy of predictions has been adequate to be depended upon. Planning Commission has constituted a Technical Group on Population Projections under the Chairmanship of Registrar General, India with the terms of reference to review the methodology of population projections adopted in the past and to prepare the fresh population projections upto 2016 based on the information generated through 1991 census. The Report of the Technical group has been submitted to the Members of the Technical Group for their views. The quinquennial projections of the Natural Growth Rate as estimated by the Technical Group are as under:—

Period	Crude Birth Rate (CBR)	Crude Death Rate (CDR)	Natural Growth Rate (NGR) (per thousand population)
1996-2001	24.10	8.99	15.11
2001-2006	22.84	8.27	14.57
2006-2011	22.27	7.80	14.48
2011-2016	21.41	7.48	13.94

The above projections of Natural Growth Rate are based on the observed trends in fertility and mortality during the past years.

There can be steeper fall in fertility during the next ten years if the unmet need for contraceptive care currently estimated as being around 20% by National Family Health Survey 1992-93 is fully met. Besides, the sharp decline in the IMR as observed during the past decade is another key factor which is expected to play a major instrumental role in the reduction of desired family size. This has been achieved through improvement in quality and coverage of maternal and child health services and this major intervention is likely to continue in future. The resultant further reduction in the desired family size and increased acceptance of contraceptive care will result in still greater decline the population growth rate.

The programmes for provision of integrated reproductive and child health care services are currently being planned for implementation by the Deptt. of Family Welfare. This approach is expected to create a favourable environment for the greater acceptance of contraception and thus reduce population growth rate during the 9th Plan period and beyond. The Deptt. of Family Welfare tested implementation of decentralised area specific micro planning approach advocated by NDC Committee on population in two States namely Kerala and Tamil Nadu and 18 districts spread over different States in 1995-96. Encouraged by the result in these States, the Deptt. has embarked on a nationwide PHC planning based on need assessment at local level and demand driven programme implementation. The emphasis of the programme will be to provide good quality care utilising client centred approach."

[Ministry of Planning and Programme Implementation—Planning Commission, O.M. No. F. 28/7/1996 Parl. dated 17th January, 1997]

## CHAPTER V

### RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH FINAL REPLY OF THE GOVERNMENT IS STILL AWAITED

#### Recommendation (Sl. No. 8, Para No. 33)

The Committee are not satisfied with the present position as explained by the Ministry as implementation of Government instructions relating to economy measures has been delayed. The Committee desire that the Government's instructions for cut of 10% of the posts in ISI, Calcutta and in Research Institutions should be reviewed. Department may also consider the demand of ISI for additional funds for construction of International Guest House, modernisation of Press and Library sympathetically.

#### Reply of the Government

ISI has been requested in September, 1996 to convey their comments in this matter. Their response is still awaited. On receipt of their reply the matter regarding review of Government instructions for cut of 10% of posts in ISI, Calcutta, will be taken up with the Ministry of Finance.

The demand of ISI for additional funds for construction of International Guest House has been considered and recommended by the Sec. 8(1) Committee set up under the ISI Act. In consultation with the Ministry of Finance, expenditure on this new item has been approved subject to the overall budgetary ceiling of the existing provision. The proposal for modernisation of Press and Library is yet to be received from ISI. It will be considered sympathetically, as desired by the Committee, when it is received.

[Ministry of Planning and Programme Implementation, Department of Statistics, O.M. No. G-20017/1/96-B&F Dated 18th December, 1996.]

NEW DELHI;  
22 July, 1998  

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31 Asadha, 1920 (Saka)

MURLI DEORA,  
Chairman,  
Standing Committee on Finance.

## APPENDIX I

### MINUTES OF THE TWELFTH SITTING OF THE STANDING COMMITTEE ON FINANCE HELD ON 21 JULY, 1998

The Committee sat on Tuesday, 21 July, 1998 from 1500 hrs. to 1600 hrs.

#### PRESENT

Shri Murli Deora — *Chairman*

#### MEMBERS

##### *Lok Sabha*

2. Shri Haribhai Parathibhai Chaudhary
3. Shri Rayapati Sambasiva Rao
4. Shri Kavuru Sambasiva Rao
5. Shri Prithviraj D. Chavan
6. Shri Varkala Radhakrishnan
7. Shri M. Sahabuddin
8. Kum. Kim Gangte
9. Shri P. Chidambaram

##### *Rajya Sabha*

10. Dr. Manmohan Singh
11. Shri Krishna Kumar Birla
12. Shri Narendra Mohan
13. Shri O.P. Kohli
14. Shri Biplab Dasgupta
15. 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 took up for consideration the following Draft Action Taken Reports of the Committee:—

- (i) Draft Action Taken Report on the recommendations contained in the First Report on Demands for Grants (1996-97) of the Ministry of Planning and Programme Implementation.
- (ii)       \*\*       \*\*       \*\*       \*\*       \*\*
- (iii)       \*\*       \*\*       \*\*       \*\*       \*\*
- (iv)       \*\*       \*\*       \*\*       \*\*       \*\*
- (v)       \*\*       \*\*       \*\*       \*\*       \*\*

3. The Committee adopted the Action Taken Report with the following modifications:—

**Page 7, Para 1.10, Line 4-5**

*For*       “not only 2% ..... but also reversed to a manageable level of population at around 70 crore.”

*Read*     “growth of population has to be arrested.”

4. The Committee, then authorised the Chairman to finalise the Draft Action Taken Report in the light of modifications and consequential change and present it to both the Houses of Parliament.

*The Committee then adjourned.*



## APPENDIX II

*Analysis of the action taken by Government on the recommendations contained in the First Report of the Standing Committee on Finance (Eleventh Lok Sabha) on the Demands for Grants (1996-97) of the Ministry of Planning and Programme Implementation.*

	Total % of Total	
(i) Total number of Recommendations	12	
(ii) Recommendations/Observations that have been accepted by the Government. ( <i>vide</i> Rec at Sl. Nos. 1, 5, 6, 7, 9, 10, 11& 12)	8	66.66%
(iii) Recommendation/Observation which the Committee do not desire to pursue in view of the Government's reply. ( <i>vide</i> Rec at Sl. No. 4)	1	8.17%
(iv) Recommendations/Observations in respect of which the Government's reply have not been accepted by the Committee. ( <i>vide</i> Rec at Sl. No. 2 and 3)	2	16.67%
(v) Recommendation/Observation in respect of which final reply of the Government is still awaited. ( <i>vide</i> Rec. at Sl. No. 8)	1	8.17%