

**16**

**STANDING COMMITTEE  
ON EXTERNAL AFFAIRS**

**(2006-2007)**

**FOURTEENTH LOK SABHA**

**MINISTRY OF OVERSEAS INDIAN AFFAIRS**

**DEMANDS FOR GRANTS  
(2007-2008)**

**SIXTEENTH REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

***April, 2007/Vaisakha, 1929 (Saka)***

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*Presented to Lok Sabha on 26 April, 2007  
Laid in Rajya Sabha on 26 April, 2007*



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NEW DELHI**

***April, 2007/Vaisakha, 1929 (Saka)***

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**STANDING COMMITTEE ON EXTERNAL AFFAIRS**  
**(2006-2007)**

**LOK SABHA**

**Chairman**

Dr. Laxminarayan Pandey

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3. Prof. S.P. Singh Baghel
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20. Vacant
21. Vacant

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2. Shri A. Louis Martin - Joint Secretary
3. Shri C.V. Gadgil - Director
4. Shri P.V.L.N. Murthy- Deputy Secretary
5. Shri Lalkithang - Under Secretary

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## **INTRODUCTION**

I, the Chairman of the Standing Committee on External Affairs, having been authorised by the Committee to present the Report on their behalf, present this Sixteenth Report of the Standing Committee on External Affairs (2006-2007) on Demands for Grants (2007-2008) of the Ministry of Overseas Indian Affairs

2. The Committee took oral evidence of the representatives of the Ministry of Overseas Indian Affairs on 13<sup>th</sup> April, 2007.

3. The Committee considered and adopted this report at their sitting held on 25<sup>th</sup> April, 2007. Minutes of the sittings held on 13<sup>th</sup> and 25<sup>th</sup> April, 2007 are given in Annexure I and II to the Report.

4. The Committee wish to express their thanks to the Ministry of Overseas Indian Affairs for placing before them the material and information which they wanted in connection with examination of the Demands for Grants (2007-2008). They also wish to thank in particular the representatives of the Ministry of Overseas Indian Affairs who gave evidence and placed their considered views before the Committee.

**NEW DELHI**  
**25 April, 2007**  

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**5 Vaisakha, 1929 (Saka)**

**DR. LAXMINARAYAN PANDEY,**  
**Chairman,**  
**Standing Committee on External Affairs**

## **CHAPTER I**

### **IMPLEMENTATION OF THE COMMITTEE'S RECOMMENDATIONS**

The 10<sup>th</sup> Report of the Standing Committee on External Affairs on “Demands for Grants- 2006-2007 of the Ministry of Overseas Indian Affairs” was presented to the Lok Sabha on 18<sup>th</sup> May, 2006. The Report contained 12 recommendations/ observations.

1.2 In compliance of the Direction 73-A of the Directions by the Speaker, the Minister of Overseas Indian Affairs made a statement in the House on 13<sup>th</sup> December, 2006 giving the status of the implementation of various recommendations/ observations made by the Committee in their 10<sup>th</sup> Report. An analysis of the Minister's statement showed that the Government has accepted all the 12 recommendations. Out of these, 3 recommendations (Nos. 1, 2 and 9) were implemented by the Government and 9 recommendations (Nos. 3, 4, 5, 6, 7, 8, 10, 11 and 12) were under process for implementation.

1.3 On the basis of Action Taken replies received from the Ministry of Overseas Indian Affairs on the above-mentioned Report, the Committee presented their 12<sup>th</sup> Report (Action Taken Report) to Parliament on 18<sup>th</sup> December, 2006. The Committee in their 12<sup>th</sup> Report have commented on the Action Taken Replies furnished by the Ministry in respect of recommendations Nos. 1, 2, 3, 5 and 6 contained in the 10<sup>th</sup> Report. The final replies have already been received from the Ministry which will be laid in Parliament.

## CHAPTER II

### BUDGETARY ALLOCATION AND UTILISATION

The Ministry of Overseas Indian Affairs, established in May 2004 as the 'Ministry of Non-Resident Indians' Affairs' was renamed the 'Ministry of Overseas Indian Affairs' (MOIA) in September 2004. The emigration division of the Ministry of Labour and Employment was attached to the new ministry in Dec 2004. The erstwhile NRI division of the MEA now functions as the Diaspora division in the Ministry is organized into four functional service divisions: Diaspora Services, Financial Services, Employment Services, and Social Services. The Budget of the MOIA is primarily Non-Plan in nature.

2.2 The Demand for Grants of the Ministry Of Overseas Indians Affairs (Demand No. 66) for the year 2007-2008 is as under:

(Rs. in crore)			
Section	Revenue	Capital	Total
Charged	-	-	-
Voted	40	10	50
Total	40	10	50

2.3 The total budgetary allocation of the MOIA in 2006-2007 was Rs.38 crore which was reduced to Rs.26 crore at RE stage. The proposed allocation of Rs.50 crore for 2007-08 is an enhancement by Rs.24 crore over the Revised Estimate of 2006-07.

2.4 When asked why programme/scheme-wise details are not shown in the Detailed Demands for Grants except for celebration of Pravasi Bharatiya Divas, the Secretary, MOIA responded during evidence by saying that at present the Demands for all programmes/schemes except for celebration of Pravasi Bharatiya



Divas are being presented in one generic head and that they are trying to give the break-up of it this year.

2.5 Budget allocation and actual utilization by the Ministry during the last 3 years are as follows:

(Rs. in crore)

Year	BE	RE	Actuals	Shortfall in utilization of RE
2004-05	7.00	10.00	6.16	3.84
2005-06	35.00	19.10	17.46	1.64
2006-07	38.00	26.00	25	1.00

2.6 When asked the reasons for shortfall in utilization of even the revised estimates during 2005-2006, the Ministry in their written reply stated that the Ministry was in its formative stage and the programmes and activities of the Ministry were under formulation, which took some time. During 2006-2007, however, as against the RE of Rs. 26 crores the actual expenditure is estimated at Rs. 25 crores.

2.7 On being asked as to what necessitated reduction of the budgetary allocation from Rs. 38 crore to Rs. 26 crore during 2006-2007 and how actual utilization compared with revised estimate, the Ministry submitted in a written reply as follows:

“During the review of supplementary estimates, though several programmes/ schemes including the Skill Up gradation Programme, the Scholarship Scheme for Diaspora Children, Overseas Citizenship Scheme, Know India Programme, etc were under implementation the revised estimates were fixed at Rs. 26 crores by the Ministry of Finance. The actual expenditure as at the end of the year is estimated at Rs. 25 crores. The shortfall in expenditure of Rs. 1 crore is in the following two heads:

- i) Construction of PBK – The funds could not be utilized for want of adequate number of Expression of Interest from the firms in the field.
- ii) Celebration of PBD – Pending finalization of the audit of the bills submitted by Confederation of Indian Industries

(CII), Rs. 62 lakhs have been withheld from final payment.”

2.8 When asked about the programmes which were adversely affected due to reduction in allocation at the Revised Estimates stage in 2006-2007, the Secretary, MOIA, responded as under:

“.....Though there has been a little bit reduction in the allocation, it has not affected our activities that much because even in the Revised Estimate, we have spent Rs. 25 crore. After a considerable discussion, the Ministry had agreed to RE of Rs. 26 crore against the allocation of Rs.38 crore because we had a mid-term appraisal that we would be able to spend only this much in respect of certain Schemes, and we were able to formalize it in the middle of the year. That is why, we were not able to spend it but it has not in any way affected the Schemes of the Ministry.”

2.9 When asked to furnish the pattern of release of funds by the Ministry during each quarter of the last two financial years, the Ministry stated in a written reply as under:

(Rs. in lakhs)

Major Heads	2005-2006				2006-2007			
	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter	1 <sup>st</sup> Quarter	2 <sup>nd</sup> Quarter	3 <sup>rd</sup> Quarter	4 <sup>th</sup> Quarter
2052-Secretarial-General Services	13	147	98	520	134	198	419	492
2061-External Affairs	00	05	374	568	15	62	267	900
4059-Capital Outlay on Public Works	00	00	00	21	00	00	00	04
<b>Total</b>	<b>13</b>	<b>152</b>	<b>472</b>	<b>1109</b>	<b>149</b>	<b>260</b>	<b>686</b>	<b>1396</b>

2.10 It may be seen from the table above that substantial amounts were being released only during the last quarter during the last two years. Asked about the reasons, the Ministry submitted as under:

“As most of the schemes of the Ministry are to be implemented through the State Govts./Indian Missions etc., it was necessary to

consult the various stakeholders before launching these schemes to ensure the benefits of the schemes reach the target groups. For example, a meeting with the concerned State Govt. was held regarding orientation program and skill upgradation for emigrant workers. After taking into account the deliberations during the meeting, the program was launched. The consultation process took time and funds could be released only towards the last quarter of the year. It may also be mentioned that Pravasi Bharatiya Divas is held in January each year, hence expenditure in the last quarter is considerably higher. As regards the capital outlay on public works, an amount of Rs. 4 lakhs was released to the CPWD for construction of fencing of the land allotted for the PBK. Money was placed at the disposal of CPWD on 12.6.2006 and the work was executed immediately thereafter. However, the CPWD submitted their accounts towards the last quarter of the year. Therefore, booking of this expenditure has been done in the last quarter, even though the work had been done much earlier.”

2.11 The programme-wise details of the allocations made and actual utilization during the last 3 years as observed from a written reply of MOIA are as follows:

**Allocation of Funds for Schemes/ Programmes and utilization during 2006-2007**

(Rs. In lakhs)

	<b>Name of the Scheme</b>	<b>Funds allocated</b>	<b>Actual utilization</b>	<b>Remarks</b>
1	<b>Pre departure Orientation &amp; skill upgradation for Emigrant Workers</b>	<b>400</b>	<b>400</b>	<b>Being implemented by the State Governments of Andhra Pradesh, Tamil Nadu, Karnataka, Kerala and Punjab.</b>
2	<b>Legal assistance for Indian women facing problems in NRI marriages</b>	<b>100</b>	<b>0</b>	<b>Funds placed at the disposal of Missions. Information on utilization awaited.</b>
3	<b>Scholarship Scheme for Diaspora Children</b>	<b>100</b>	<b>66.93</b>	
4	<b>Overseas Citizenship of India</b>	<b>50</b>	<b>101.63</b>	
5	<b>Know India Programme</b>	<b>25</b>	<b>27.71</b>	
	<b>Total</b>	<b>675</b>	<b>596.27</b>	

2.12 The Committee were also informed that during 2004-2005 and 2005-2006, no significant expenditure was incurred by the Ministry on Schemes as the Ministry was in the process of setting up its infrastructure in the formative stage.

The schemes were being planned and the actual expenditure during the two financial years under 'Other Schemes' were approximately Rs. 2 lakhs and Rs. 60 lakhs respectively. Funds utilized were mainly in Schemes like OCI, Know India Programme (earlier known as Internship Programme for Diaspora Youth) and setting up a unit of Migration Research at the Centre for Development Studies.

2.13 On being asked as to when the Migration Centre was set up and the actual expenditure incurred thereon during the Years 2004-2005, 2005-2006 and 2006-2007, the Ministry replied as under:

“Migration Research Center as a unit of Center for Development Studies (CDS) was set up at Thiruvananthapuram in June 2006. The budget of the unit for the five years was projected as Rs. 219.65 lakhs. Out of the MOIA share of Rs. 146.75 Lakhs for a period of 5 years, MOIA made a payment of Rs. 26 lakhs as advance to Center for Development Studies (CDS) in the financial year 2005-2006.”

2.14 When enquired if utilization certificate has been obtained from the Center for Development Studies, the Ministry responded as under:

“Center for Development Studies has not submitted utilization certificate as the Migration Research Unit was set up only in May 2006 after signing of a agreement between MOIA and CDS and CDS would be liable to give the utilization certificate for the work done during the Financial Year 2006-07 in the next Financial Year i.e. 2007-08, starting from April, 2007. However, pending the submission of Utilization Certificate no further funds have been released to the CDS.”

2.15 When further enquired about its present status, the Ministry submitted that the Migration Research Unit is active in conducting the research works and studies on Indian Emigrants and other relevant issues in various counties.

2.16 The Ministry has also informed the Committee that to ensure effective monitoring of the implementation of the programmes and schemes during the course of the year and to review physical and financial progress the Ministry

ensures regular multi-level reviews. The functional Division Heads review Scheme implementation on a monthly basis based on the expenditure statement of the Principal Chief Controller of Accounts. A bi-monthly review of the physical and financial progress of the various schemes vis-à-vis the BE allocation is undertaken at JS (FS) level and a Quarterly Budget review is done at the level of Secretary, MOIA.

2.17 A provision of Rs. 3 crore was made in the budget of 2005-2006 and Rs. 2.50 crore in the budget of 2006-2007 primarily for establishing the Pravasi Bharatiya Kendra (PBK). Again a provision of Rs.5 crore has been made for PBK in the budget of 2007-2008. Against these allocations only Rs. 20 lakh was utilized in the year 2005-2006. The PBK would become the hub of various activities aimed at harnessing the talent pool among the Indian Diaspora and developing a sense of pride in the achievements of India and the Diaspora.

2.18 The Proposed construction of the Pravasi Bharatiya Kendra (PBK) has inordinately been delayed during the last two years despite the budgetary allocation made for the purpose. It has been stated in the outcome Budget 2007-2008 that the construction of the Kendra is expected to commence in 2007-2008 and will be completed in 3-4 years. The Ministry of Urban Development is reported to have recently allotted land in New Delhi for the PBK.

2.19 When asked about the utilization of the allocated funds for construction of PBK during 2006-2007, the Ministry submitted that the utilization during 2006-2007 against the allocation of Rs. 2.5 crore was only Rs. 4.10 lakhs on account of wire fencing and watch and ward staff.

2.20 On being asked as to what was the original cost of the project and expected date of completion and whether there was any cost and time overrun on

the project on account of delay in commencement of construction, the Ministry submitted as under:

“As the Detailed Project Report (DPR) is yet to be prepared and the project is yet to be formally approved, there are no original cost estimates and therefore, the question of cost and time overrun does not arise. The Consultant will prepare the DPR.”

2.21 When asked the reasons for allocating Rs. 5 crore during BE 2007-2008 towards construction of PBK even though DPR of the project is yet to be prepared, the Ministry responded by stating that Rs. 5 crore have been allocated for activities such as Cost of preparation of DPR, Cost of Organizing Architectural Competition, Architect’s fees, Consultant’s fees, Ground work etc.

2.22 When further enquired if the consultant for the project has been appointed and the time by which the DPR is likely to be prepared and approved, the Ministry in their reply submitted as under:

“Action for appointment of consultant is already in progress and the consultants are likely to be appointed in the first quarter of the financial year. Thereafter, it would take about 6 months to finalize DPR and get necessary approval for the project.”

## CHAPTER III EMIGRATION SERVICES

### **A. Exploitation by Recruiting Agents:**

One of the functions of the Ministry for Overseas Indian Affairs is to look after all emigration under the Emigration Act, 1983 from India to overseas countries. The Emigration Act, 1983 seeks to protect emigrants from exploitation by unscrupulous agents and foreign employers and provides the framework for regulating recruitment and emigration of Indian workers seeking employment overseas on a contractual basis.

3.2 The Act does not fully address the problems faced in emigration in the present day such as exploitation by recruiting agents and foreign employers and ill treatment of emigrants by foreign employers etc.

3.3 According to the Outcome Budget, there is an urgent need to convert the Emigration Act into an effective instrument for promotion of employment related migration, prevention of irregular migration and graduation of Indian workers up the wage chain.

3.4 The Government has proposed amendment to Emigration Act, 1983 to address the present day concerns in emigration management and to provide for the promotion and regulation of overseas employment and the protection and welfare of the emigrants.

3.5 The Ministry submitted that, the draft amendment Bill is being finalized in consultation with the Ministry of Law and Justice. The salient features as proposed by the Ministry in the amendments are as follows:

1. The duties of the Protector General of Emigrants will be laid down.
2. A new chapter has been proposed in the Bill on protection and welfare of emigrants. A specific provision has been made laying down the powers and functions of the Central Government in promotion of overseas employment and protection and welfare of emigrants.

Similarly, a provision has been made to lay down the functions of the Indian Missions abroad.

3. The eligibility criteria for registration of recruiting agencies will be strengthened and the minimum-security amount to be deposited by the recruiting agencies will be raised. A provision has been added to the specific duties and performance standards in respect of Recruiting Agencies. The grounds for cancellation of registration certificate will be expanded. A provision is proposed for imposition of fine on Recruiting Agencies for malpractices or violation of terms and conditions of the registration.
4. A provision to specify the duties of the employer has been proposed.
5. The penalty for violation of the Act under section 24 will be enhanced and a new offence under the title “human smuggling” will be added to deal with intermediaries and recruiting agencies assisting or abetting a person’s illegal entry into a country and/ or his illegal residence. Enabling provisions for speedy redressal of grievances of emigrants through an Ombudsman and for constituting an Enforcement Directorate have been proposed.

3.6 As regards the present day position relating to the amendment of the Emigration Act, 1983, the Secretary, MOIA, stated during evidence as under:

“...we have firmed up our proposal and this proposal has been sent to the Ministry of Law and Justice. The main feature of the Bill is that we intend to enhance the punishment to violators of the provisions of this Act. We will also increase the fine and even in the case of recruitment stringent conditions are being laid down so that whosoever violates this law, punitive action is strongly taken. We will introduce this Bill in this Session and if it is not introduced in this Session, we will try to introduce it in the next Session.”

3.7 The Protector General of Emigrants (PGE) administers the Emigration Act, 1983. He oversees the field offices of the protectors of emigrants.

3.8 The registration of Recruiting Agents under the Emigration Act, 1983, commenced from January, 1984, and upto 31<sup>st</sup> December, 2006 Registration Certificates were issued to 4915 Recruiting Agents. However, at present about



1600 Recruiting Agents are reportedly active in this business. Major concentration of Recruiting Agents is at Mumbai, Delhi, Chennai and Kerala.

3.9 Complaints are received from various quarters, regarding non-payment/delayed payment of wages, unilateral changes in the contracts of workers, changing the jobs arbitrarily etc. In extreme cases, the workers are not given any employment at all and are left in the lurch in the foreign country. In such instances, the Protector-General of Emigrants (PGE) steps in and asks the concerned Recruiting Agent to get the workers repatriated at his expense. If he fails to do so, his Bank Guarantee is forfeited and the amount utilized to pay for the repatriation expenses.

3.10 According to MOIA, as per information received from some of the Indian Missions in countries with large population of expatriate Indians, the number of workers, who were not given any employment on reaching in the country of employment during the last three years is as follows:

<b>Year</b>	<b>No. of workers</b>
<b>2004</b>	<b>762</b>
<b>2005</b>	<b>1152</b>
<b>2006</b>	<b>1013</b>

3.11 The Ministry further submitted that, whenever such cases are reported to the Ministry of Overseas Indian Affairs, the Recruiting Agent concerned is directed to help the workers in either getting the promised job or in repatriation to India. If the Recruiting Agent fails to respond, action is taken to suspend/ cancel his Registration certificate and forfeits his security deposit available in the form of Bank Guarantee. In the meanwhile, the concerned Indian Mission is asked to arrange repatriation of the stranded workers.

3.12 It has also been stated that the complaints against Recruiting Agents (RAs) are enquired into with the help of POEs and the concerned Indian Missions and appropriate action, in each case in accordance with the provisions of the Emigration Act, 1983 and Rules framed there under is taken. Complaints against foreign employers are taken up with the Indian Missions and if need be the employer is blacklisted. Further, Departmental action is taken against the erring agents by way of suspension and cancellation of Registration Certificate and forfeiture of Bank Guarantee.

3.13 When asked to indicate the number of complaints received during the last two years against Recruiting Agents/ foreign employers and the action taken by POEs thereon including the number of complaints where final action is pending, the Ministry in their written submission stated as under:

“During the last two years number of registration certificate suspended/ cancelled and Bank Guarantee (BG) forfeited is as under:

Year	No. of complaints	No. of RCs cancelled	No. of complaint/ dropped/ settled	Cases pending final action
2005	41	24*	17	Nil
2006	167	28**	106	33

\* Bank Guarantee forfeited in 5 cases

\*\* Bank Guarantee forfeited in 3 cases

3.14 The Ministry further submitted that, the POE is asked to file a report urgently and in any case within a fortnight. However, in certain cases, more time is taken due to the complexity or nature of the case.

3.15 During the evidence of the Ministry, the Secretary, MOIA, in this regard, submitted that:

“...The Ministry is aware of it (the problems of agents and recruiting agents who are harassing the innocent workers) and has been considering an amendment to the Act for a couple of years. In 2000 itself, a proposal was mooted and even a Bill was drafted and introduced in Lok Sabha. Since the Lok Sabha got dissolved, the Bill lapsed. After that, we had again further examined the whole issue *de novo*. Now, we have finalized a proposal. It has gone to the Law Ministry’s Legislative Wing to draft the Bill....”

3.16 When pointed out about the malpractices of the corrupt officials who are encouraging those agents, the Secretary, MOIA, responded as:

“...I accept that there is a nexus between the recruiting agents and my officials working at that level. That is why such malpractices are there. Whenever such cases are coming to our notice, we are taking action against our officers. There are a number of officers under suspension. The CBI had raided the office in Trivandrum. In Hyderabad also there was a case in which an official was absconding. Now, he has been arrested. So, we are taking very drastic action against the officers whenever complaints are being received by us.”

3.17 When asked further if such corrupt officials having a nexus with the recruiting agents have ever been dismissed from service, the Secretary, MOIA, responded as under:

“In most of these cases the officers are being prosecuted by the CBI, and the court has to take a view on all these cases.... In most of the corruption cases CBI charge-sheets the officers. The cases are taken to the court, and if he is found guilty, then he automatically loses the job. The official is kept under suspension till the case is pending in the court. Further, some of these officers who are facing departmental proceedings are here on deputation basis. Therefore, we chargesheet them, and the concerned Ministry takes action against them.”

3.18 In the context of malpractices by RAs, the Secretary, MOIA, during the evidence also submitted as under:

“...for violation of any provision of the Act, the penalty has been increased substantially in the Bill, which is under drafting, from 2 to 7 years. Similarly, the fine has been enhanced from Rs. 2,000 to Rs. 1 lakh. This is a proposal which is presently being considered. Our endeavour is to place it in this Session itself, if possible; otherwise, we will introduce this Bill definitely in the Monsoon Session....”

## **B. Bilateral Labour Agreement**

3.19 At present, India has bilateral labour agreements with two countries – Qatar and Jordan. These agreements were signed in the later eighties. The Ministry is pursuing bilateral agreements or MoUs with all major labour receiving countries for the promotion of overseas employment of Indian workers and for their protection and welfare. An MoU was signed with the UAE in December 2006. The Ministry has initiated the process with five other countries – Malaysia, Saudi Arabia, Kuwait, Oman and Bahrain.

3.20 Referring to the bilateral agreement signed with the UAE Government, the Secretary, MOIA said:

“... The scope of the terms of this bilateral agreement is that both the Governments are agreeing that they will protect the rights of the workers in the country where they are working. Presently, they have no right at all by virtue of which they could proceed against their employer. Now they have formally accepted it. Under the system, we are setting up a mechanism, where they will review it on quarterly basis, which will consist of officers from the Ministry as well as officers from the Labour Department of UAE Government. If any complaint comes from the workers or there is any other issue, that mechanism will discuss it and take appropriate action. Now, the Ambassador will have the right to take up formally the issue if any worker’s right is violated there. Earlier, this provision was not there. This bilateral agreement ensures that both the Governments have agreed to see that the workers’ rights are protected and the legal provisions have been made that if any employer has recruited the worker and if there is any violation of the contract which he has signed, he can be legally proceeded against in the country where the worker has gone....”

3.21 The Secretary, MOIA, further added:

“...The Minister of Labour of UAE, during his visit, mentioned that they have strengthened their regulatory mechanism because of this type of an agreement, so that if there is any violation, then they will take action against their employers. They were mentioning that they were recruiting about 800 inspectors who will visit the factory and inspect the premises of the factories. If they find that it is not as per the law, then they will shut it down. They have mentioned to us that they have already shut down a certain number of factories because they were not satisfying the law of that land....”

### **C. Computerization/ E-Governance**

3.22 In order to bring greater transparency efficiency and accountability in the emigration process and to support the legislative framework, the Ministry has planned comprehensive computerization of its emigration function. This initiative comprises two projects: automation of Protector of Emigrants (POE) offices and e-governance in emigration.

3.23 When asked to what extent the process of automation and e-governance to bring about transparency in the function of the emigrant offices and by when the projects are scheduled to be completed, the Ministry submitted that:

“The process of automation and e-governance will create day to day database which will be available on line to the Protector General of Emigrants to ascertain the authenticity of the clearances given by the POE offices. The automation process will also create a single pool of information of interest to the Ministry, general public, Recruiting Agents (RAs) and International Organization. The pilot project for automation of POE, Delhi office is expected to be operational very soon. After assessing the outcome of the pilot project, the project will be rolled out at other offices of POEs. The online processing of emigration clearances is expected to provide desired transparency in the system.”

3.24 In this context, the Secretary, MOIA, submitted during the evidence as under:

“...about E-Governance, we have already sanctioned computerization of the entire POE set up. That is the only office working under this Ministry’s control. Delhi office may be completed by today or tomorrow. Depending upon how successful it is, we want to replicate it so that the entire system comes online so that complaints can be minimized. After this, we want to take up the smart card project also. I think we will complete the entire computerization of the POE Office this year....”

#### **D. Pre-Departure Orientation and Skill Upgradation**

3.25 The demand for unskilled workers is rapidly declining in the overseas employment market. The future belongs to those who have skills, preferably multiple skills and are willing to upgrade their skills. Hence, it is extremely important for India to take immediate steps for preparing its young workforce to meet the challenges of future needs in the overseas employment market.

3.26 The Ministry has therefore launched a scheme in order to bring the skill level of Indian emigrants at par with the overseas market requirement and to equip them with a basic knowledge about laws, language and culture of the destination country. The scheme is being implemented through State Governments, Small Industries Service Institutes (SISIs), tool rooms and other technical training centers. The scheme finances a week-long module for refreshing the skills of potential emigrants compatible with the needs of different countries and for familiarizing them with good working practices, safety norms and use of tools. There are inputs on human behavior, recruitment, visa and emigration procedures as well as elementary inputs in bookkeeping.

3.27 Under this scheme, the Ministry bears 75% of the expenditure on training, upto a ceiling of Rs One crore per state. During 2006-07 about 40,000 workers were to be trained on a pilot basis in 5 states at a cost of Rs. 4 crore to the Ministry. Funds have been released to the state governments of Tamil Nadu, Andhra Pradesh, Punjab and Kerala and Karnataka. The scheme will be expanded to cover other major states in the ensuing financial year.

3.28 Asked if, the modules for the training programme have been prepared and any skill up-gradation and pre-departure orientation programme for emigrant workers was conducted by the five States during the last year, the Ministry in its reply has submitted that:

“The training modules have been drawn up in consultation with the Development Commissioner, Small Industries Service Institutes (SISIs), and the State Governments and has been designed to cater to the needs of overseas employment. Training programmes are organized for trades like electricians, plumbers, carpenters, welders, fitters and machine operators in existing training institutions/centers.

The training programme would involve vocational and technical training for a period of one week of 40 to 50 hours as per details given below:

S. No.	Programme	No. of Hours
1.	Familiarization with good working practices	20
2.	Use of Tools	10
3.	Safety & Standard Norms	4
4.	General needs of overseas countries	2
5.	Human Behaviour	4
6.	Procedural requirements	2
7.	Basic Accountancy & Book Keeping	8

Subject to the above guidelines, the implementing states are at liberty to design the training module as per market requirements.”

3.29 Regarding up-gradation of skills and re-orientation programme, the Secretary, has submitted during oral evidence as under:

“...We did this programme in consultation with the State Governments. This year we want to further increase the scope of the programme because the response has been very good. Workers are getting educated about their rights and that is why it is being appreciated very much. This year we propose to do it along with NGOs and some of the reputed industrial organizations. Some of the industrial organizations like FICCI and CII have shown considerable interest. We are already in dialogue with them. If it goes through, expenditure on this would substantially increase. The

main focus of the Ministry is to look after the interests of NRIs who are remitting a huge amount of money back to India....”

### **E. Social Security Agreement**

3.30 The Ministry signed the pioneering Social Security Agreement (SSA) with Belgium in 2006-2007 and similar agreements with other countries are proposed for the near future. The agreement provides for reciprocity in its application. The Ministry also signed an MoU on labour with UAE and Kuwait.

3.31 When asked about the salient features of the Social Security Agreements (SSA) and the benefits that would accrue to emigrant workers in Belgium after signing of the SSA, the Ministry submitted as under:-

“On 3<sup>rd</sup> November 2006 the Ministry has signed a bilateral social security agreement with Belgium, which provides for the following benefits to Indians working in Belgium:

- i) Those working on a short-term contract of up to sixty months will be exempted from social security contributions under the Belgian law provided they continue to make social security payments in India.
- ii) Those who live and work in Belgium for periods longer than sixty months and contribute under the Belgian law will be entitled to the export of the social security benefits should they relocate to India or a third country on completion of their contract or on retirement.
- iii) Periods of employment in both the countries will be considered in order to determine the admissibility and the quantum of pension.
- iv) As a result of this bilateral agreement Indian companies will become more competitive in Belgium since exemption from social security contribution in respect of their employees substantially reduces costs.”

3.32 When asked about the number of Indian workers who are likely to benefit from the signing of the SSA between India and Belgium, the Ministry submitted as under:



“The Indian community consists of nearly 7,000 in Belgium and most of them are in software, the diamond business and a few local industries. All these Indian professionals and self-employed persons would be benefited as per the provision of the agreement.”

3.33 The Ministry also submitted that the Indo-Belgian model is being adopted for signing similar agreements with other members of the European Union. Process has been initiated in respect of the Netherlands, France, Sweden, Germany and Norway.

3.34 With regard to the Bilateral Labour Agreement, the Secretary, submitted during evidence that:

“.....The Ministry has signed such agreements with UAE and Kuwait and discussions are on in an advanced stage with Qatar and Bahrain. These bilateral agreements envisage that both the Governments will take initiatives to protect the rights of the workers. The major feature of the Bill is that the contract signed by the parties would be honoured. The contracts will be initialed by the concerned Governments and Missions and nobody can change the contract thereafter. Presently, there have been complaints that the contracts have been altered to the disadvantage of the workers. So, on the one side, we are making a formal type of bilateral agreement with these countries and on the other side we are tightening the grip on the recruiting agencies also. I am sure that this step will considerably stop the malpractices and the exploitation of the workers will come down....”

## **F. Council for Promotion of Overseas Employment**

3.35 Although the Emigration Act, 1983 lays down the regulatory framework for protecting the worker, it does not provide an institutional mechanism for promotion and facilitation of overseas employment. In order to make Indian workers globally competitive, the Ministry has initiated a proposal for constituting a Council for Promotion of Overseas Employment.

3.36 A provision of Rs. 150 lakhs has also been provided towards constituting the council during BE 2007-2008.

3.37 When asked to give details about the proposed Council for Promotion of Overseas Employment (CPOE) and to indicate how soon the Council will be constituted, the Ministry replied that the proposal to constitute the Council is still under consideration.

## **CHAPTER IV OTHER SERVICES**

### **A. Financial assistance for women deserted by overseas Indian spouses**

In their bid to assist Indian women who have either been deserted or divorced by their overseas Indian spouses within two years of marriage, the Ministry of Overseas Indian Affairs has introduced a scheme in February 2007 to provide them financial assistance for obtaining legal and counseling services, through Indian Missions abroad.

4.2 The scheme has been introduced as a welfare measure to provide free counseling and legal services to women of Indian origin deserted by their overseas Indian spouses and facing divorce proceedings. The scheme has been implemented through credible Indian Women Organisations and NGOs empanelled by Indian Missions in USA, UK, Canada, Australia, New Zealand and the Gulf, which are countries from where several such cases are being reported.

4.3 It is observed from the outcome Budget that Rs. 2 crore was made for the scheme during the year 2006-2007 and a budgetary allocation of Rs. 3 crore has been made for 2007-2008.

4.4 When asked to furnish the details of the funds provided under the scheme Mission-wise, the Ministry replied as follows:

“Under the scheme to provide legal and counseling assistance to Indian women deserted or divorced by their Overseas Indian spouses through Indian Missions, the Ministry had placed Rs. 40.00 lakhs each at the disposal of Indian Missions in USA, UK, Canada and Australia and Rs. 8.00 lakh each at the disposal of the Missions in New Zealand, UAE, Qatar, Kuwait and Bahrain. The Indian High Commission in Australia has reported that they have released funds totaling to A\$ 12,847/- (equivalent to US\$ 10,000/- or Rs. 4,58,821/-) to the Federation of Indian Association of Victoria for providing legal and counseling assistance through their welfare wing, Indian Welfare and Resource Centre (IWRC). The feedback from other Missions on the implementation of the scheme is yet to be received.”

4.5 Elaborating further on the scheme, the Secretary, MOIA, during the evidence submitted that:

“...some of the NRIs marry the women folk here and after their marriage they leave their wives back here and do not take them along with them. Consequently most of them are left behind and they get *ex parte* divorce from those countries. The Government is very keen to correct this social evil and provide remedial measures to those girls who cannot afford such expenses, particularly from the vulnerable sections of the society. The Ministry has provided a sum of Rs. 2 crore under this scheme. This scheme was launched recently in February 2007. Under this scheme, we are placing limited funds under the disposal of Indian Missions in some selected country. Under the scheme a sum of 1,000 dollars per case is given and the Missions have been authorized to short list suitable NGOs through which they can help such women. Dollar 1,000 is only for the documentation, etc. because the fee otherwise of the advocates in these countries is very high and it is not possible to afford that. We are sure, this year, the scheme will make headway. Some cases have already been sanctioned, particularly, from Australia.”

## **B. Overseas Indian Centres**

4.6 The Ministry has approved setting up one Overseas Indian Centre at Dubai to provide medical, legal and financial counseling to the overseas Indian workers in the Gulf countries. The Centre headed by a Counsellor will provide professional assistance and requisite guidance to the needy workers.

4.7 When asked as to when the Overseas Indian Centres is expected to be set up in Dubai and whether there is any proposal for opening such centres in other countries having substantial Indian emigrant workers, the Ministry in their written submission stated that the Cabinet has approved setting up one Overseas Indian Centre at Dubai to provide medical, legal and financial counseling to the overseas Indian workers in the Gulf countries. The Centre would be set up during the financial year, 2007-2008. A proposal for posting of counselor, Overseas Indian

Affairs in our Missions at Washington (USA) and Kuala Lumpur (Malaysia) to deal with matters relating to overseas Indians is under examination.

### **C. PIO University**

4.8 The High Level Committee on Indian Diaspora, appointed by the Government in 2000 visited various countries with large concentration of Indian Diaspora and recommended, among other things, the setting up of new Universities and professional institutions offering courses of international standards in Management, Information Technology, Media, Agricultural Research, Medicine, Food processing, etc.

4.9 Further, the policy framework to set up a NRI/PIO University within the Special Educational Zone (SEdZ) in the Special Economic Zone (SEZ) is being examined and will be finalized shortly.

4.10 Elaborating further on the setting up of PIO University, the Secretary, MOIA, submitted during evidence that:

“....Another pending issue of the NRIs has been to set up a university for their wards studying in India. This has been pending for some time. You will be happy to know that the Government has approved the setting up of this university in India. We have received the Cabinet approval last week and we will start working on this very soon. We will be notifying the guidelines so that the interested parties could apply to the Government and their approval thereafter will be examined by the Government and suitable parties will be selected. The focus of this will be basically that the wards of the PIOs who are there and who cannot afford their children to be sent to some of the advanced countries for higher studies can study here. This is a long felt need of the PIOs, which the Government has taken to fulfill it....”

4.11 When enquired as to whether this university is going to be a physical university set up in India to which the Overseas Indians will come or will it be an

Open University like the Indira Gandhi National Open University (IGNOU), the Secretary, responded to the query as under:

“...what we have envisaged is that presently, it will be a physical location in India. It would be a full-fledged university having campuses of its own, of medical, engineering, management and other new specialties. University may be located in a place, but the campuses can be in other parts of the country also. Like, a medical college can be in one part of the country and the engineering college can be in the other part of the country. We have broadly conceived that. But we are leaving the final choice to the investor, who is going to invest as to what type of a structure he would like to have. We are going to call an offer from the prospective investor as to what he has in his mind. It is because land is going to become a very critical issue. Availability of land, the size of the campuses etc. are to be seen....”

4.12 The Secretary, further submitted on the issue during the evidence as under:

“... What we have proposed is that 50 per cent students will be from abroad, NRI, PIO and 50 per cent will be from India as per the approval of the Cabinet within the parameter. He has to prepare a project, which should be acceptable to the Ministry. There is an Inter-Ministerial Group, chaired by the Secretary, Overseas Indian Affairs, who will decide finally as to which offer meets the requirement of the country, and then take it to the Cabinet.”

4.13 When asked, if the Ministry have worked out details of the proposal and consulted experts/intellectuals etc on the subject, the Secretary, MOIA, responded as under:

“...we are aware that this is a very complex issue. That is why this issue has been under debate for a number of years. The Government has not laid a very tight type of a structure for this university. We have left it to the prospective investor because there are a number of offers, which the Ministry has already received. And, it is not that the Ministry or the Government has laid down certain structure that you fix it. I want to further submit that an extensive discussion has already gone with the concerned Ministries and with the concerned institutions. Even I have discussed it with the Chairman, UGC. We have said that it has to be the best in the world. They can benchmark to the best in the world. I have seen the proposal of the SAARC University also. The Government approval is only in principle. We are already on the lookout for appointing a suitable consultant, who will conceive

the whole project, which the Ministry will keep it in mind while giving the approval of the project....”

4.14 The Secretary, MOIA, further submitted on the issue as under:

“...The issue here is that the Government is not investing or funding here. The entire funding has to come from the investor. The Ministry is acting only as a catalyst agent to see that the project goes through. There is an Inter-Ministerial Group, which consists of all the concerned Ministries, all the concerned institutions, and it will be headed by a renowned academician. No bureaucrat is there. We are already on the lookout for the renowned academician. The Chairperson of that Group will screen this and go ahead with it. I submit that an in-depth discussion has gone into this since a long number of years. Only the principal approval is there, which will be put on the website; the investor would give the contour of this. So, everything has to come from the prospective investor....”

#### **D. Pravasi Bharatiya Divas (PBD)**

4.15 The fifth edition of Pravasi Bharatiya Divas was held in New Delhi from 7-9 January 2007. Ministry of Overseas Indian Affairs organized the conclave of the Indian diaspora in partnership with the Confederation of Indian Industry and the Government of National Capital Territory of Delhi as the State partner. 1200 Overseas Indians from over 50 countries participated in the event.

4.16 The theme of the Fifth edition of PBD was ‘Rooting for the roots – Meeting India’s Social development Challenges’ with the objective of inspiring Overseas Indians to be part of the socio-economic development of India. The focus areas were Education, Healthcare, Women, Youth, and Investment.

4.17 The outcome/ recommendations of the discussions held on the issues of education, health, women, youth and investment during PBD-2007 are as under:

- Extend a wider range of benefits to overseas citizens of India including allowing overseas Indian doctors to practice in India.

- Establish an overseas Indian Facilitation Center to provide need based services to overseas Indians.
- The NRI community must become a knowledge partner in India's development. To facilitate this, the government should establish an institutional mechanism to receive such knowledge.
- Establish a PIO University.
- Design appropriate financial instruments and products to promote Overseas Indian investments over the long term.
- Different locations around the world should be selected to hold mini PBD conferences where the lesser-privileged PIOs could participate.
- There is a need to engage talented Overseas Indians youth in the task of knowledge acquisition, knowledge imparting, knowledge creation and knowledge sharing.
- To address the issue of abandoned brides, aspects of private international law to bring justice to the victims are to be focused and the procedure of NRI marriages is to be made more transparent. Capacity building of women through training and skilled-development programmes to be initiated and the process of child adoption facilitated.
- An interactive website to be built through which the Indian Diaspora could relate with women organizations and ministry officials in India. This website would serve as a major empowerment tool and platform for sharing of knowledge and experiences.

An MoU was reportedly signed between MOIA and AAPI (Association of American Physician of Indian Origin) on 7<sup>th</sup> January 2006 at Pravasi Bharatiya Divas 2006 for initiating pilot projects in two Indian States – Andhra Pradesh and Bihar in the field of primary healthcare in the rural areas. The initiative will help in extending the primary healthcare and creating a health hub around the cluster of villages for better health facilities. AAPI will provide technical and financial support to implement these projects with the help of the State Governments.

4.18 The outlay for PBD celebration has been increased from Rs. 4 crores in BE 2005-2006 to Rs. 6 crores in BE 2006-2007 and BE 2007-2008, while the actual expenditure in 2005-2006 was Rs. 8.83 crores. When asked about the actual expenditure incurred on the celebration during 2007, the Ministry responded as under:

“The auditing of the expenditure made during PBD 2007 is under process and the finalized expenditure will be ascertained after the audit. The Finance committee has however, decided that no



payment over and above the approved budget of Rs. 4.75 crores would be made to CII. Similarly the expenditure on the PBSA awards will be well within the budget of Rs. 1 crore. The Ministry has generated Rs. 3.85 crores as revenue for PBD 2007.”

4.19 When asked about the quantum of revenue generated by way of sponsorships etc. during PBD 2005, 2006 and 2007, the Ministry submitted the following details:

<b>Particulars</b>	<b>PBD 2005(Rs. in Lakhs)</b>	<b>PBD 2006(Rs. in Lakhs)</b>	<b>PBD 2007(Rs. in Lakhs)</b>
<b>Revenue Generated</b>	<b>388.63</b>	<b>357.30</b>	<b>384.82</b>
<b>Revenue received by MOIA</b>	<b>Nil (as per revenue sharing agreement with FICCI)</b>	<b>357.30</b>	<b>384.82</b>

4.20 When asked the reasons for the Ministry not receiving anything from the revenues generated during PBD 2005 the Ministry responded as under:

“During PBD 2005 FICCI was the institutional partner. Under the then existing arrangement which was in place from the first PBD held in 2003 the total expenditure on PBD 2005 was shared between MOIA and FICCI. However, under the same arrangement FICCI was permitted to take full revenue generated for PBD 2005 to meet its expenses and agency cost.”

4.21 On being asked about the details of revenue sharing agreement made with its institutional partners during PBD 2006 and 2007, the Ministry responded as under:

“Under the arrangement made for organizing PBD 2005 FICCI, which was the institutional partner, was to bear 50% of the cost incurred on organization of the event excluding the expenditure on PBSA and the Road shows, which was to be borne by the Ministry. FICCI was permitted to keep all the revenue generated to meet its expenses and agency cost....PBD 2006 was organized by the Ministry, by engaging event managers who were to be paid the event management fee and there was no revenue sharing with the event manager. PBD 2007 was organized by the Ministry with CII as the institutional partner. Under the sharing arrangement with

the institutional partner CII was allowed 15% of the revenue generated as agency fee.”

**(i) Overseas Indians Facilitation Center (OIFC)**

4.22 The Ministry stated that India is already the highest recipient of remittances from overseas Indians (\$23bn in 2005). However, given the profile of the Indian Diaspora, the investment by overseas Indians has been far short of its potential. While there is high interest amongst overseas Indians to invest in India, there is a need for a market driven institutional platform that will facilitate a two-way flow of overseas Indian investment into India as well as promote B-to-B partnerships of Indian businesses with overseas Indians.

4.23 When asked to briefly explain the initiative taken by the Ministry in promoting investing by Overseas Indians, the Ministry in their replies submitted as under:

“The Ministries of Commerce, Industry and Finance have put in place a liberal and progressive FDI policy. Most sectors have been placed under the automatic route. To supplement these efforts, the Ministry of Overseas Indian Affairs has published a compendium of policies, incentives and investment opportunities for Overseas Indians and the handbook for Overseas Indian providing information on investment opportunities. The compendium and the handbook was released by the Prime Minister during Fifth PBD held in New Delhi from 7-9 January 2007.”

4.24 On the issue of overseas Indian investments in India, the Secretary, MOIA, during evidence submitted as under:

“...So far as NRI subject is concerned, they are handled by 3-4 Ministries; it is not the exclusive domain of this Ministry; consequently, as far as our system goes, the investment policy is handled by the Ministry of Industries and the Ministry of Finance and presently, the investment policy is not handled by this Ministry; and even for the Diaspora which is working abroad, we are operating through the Missions which are under the direct control of the Ministry of External Affairs....”

4.25 A need has been felt for a trusted and neutral body with state of the art facilities to provide a host of investment advisory services efficiently and on a real time basis. The Ministry of Overseas Indian Affairs is in the process of establishing such a center as a not-for-profit trust, in partnership with one of the apex industry associations in the country. The center will serve as a “one stop shop” for the Indian Diaspora.

4.26 An outlay of Rs. 30 lakhs has been made during BE 2007-2008 for the purpose of setting up the Overseas Indians Facilitation Center(OIFC).

4.27 With regard to the establishment of Overseas Indian Facilitation Center (OIFC), the Ministry submitted as under:

“The proposal of the Ministry to establish a not –for- profit trust titled ‘Overseas Indian Facilitation Center’ in partnership with Confederation of Indian Industry (CII), as a single stop shop for dissemination of investment related information and for providing handholding services to the potential overseas investors, has been approved by the Cabinet. The Ministry in partnership with the UTI Bank also launched an electronic investment information service for Overseas Indians on taxation, real estate and capital market.”

4.28 When further enquired from if any assessment has been made of the potential and pattern of investments by Overseas Indians, the Ministry in their written submission stated as under:

“The proposed ‘Overseas Indian Facilitation Center’ will undertake studies to understand the potential and pattern of investment by the Overseas Indians. It may be mentioned that India is the highest recipient of remittances estimated at US\$ 23.6 billion during 2005. The challenge is to transform these savings into investment.”

4.29 In this context, the Secretary, MOIA, further submitted during evidence as under:

“...the aspirations of this Ministry are much more than the instrument available at our disposal; unless it is given certain infrastructure, it may not be possible to deliver its objective. It is agreed that in 15-16 countries where Indian Diaspora is having a

large population, we will be positioning our office, after the Cabinet approves it and in these countries, to take care of the interests of the Diaspora. It may take some time. Till then, the Ministry is working with very limited resources – though aspirations are very high, we are making sincere effort with our limited resources. I agree that there is problem. The Ministry was set up just two years before and with the type of system that we have, developing this type of infrastructure is difficult; it should have been done, no doubt; I am not saying that we could not have done, but we are making sincere efforts to set up the infrastructure and to remove the handicaps....”

**(ii) AAPI-India Rural Health Initiative**

4.30 The Ministry signed a MoU with Association of American Physicians of Indian Origin (AAPI) in 2006 to take up initiatives in healthcare all over the country starting with pilot projects in two States i.e. Andhra Pradesh and Bihar. The partnership with AAPI and the States provides a framework to tap Diaspora knowledge resources to promote and implement innovative and best practices in healthcare in Indian States. The objective of this project is to create a template in rural healthcare through pilot projects, which can then be replicated in other States. The States of Andhra Pradesh and Bihar are the pilot States.

4.31 When enquired about the progress in regard to implementation of this project, the Ministry in their written submission stated as under:

“The pilot projects which are to be implemented in the State of Andhra Pradesh and Bihar under the MoU signed between MOIA and AAPI, have now been prepared by the AAPI in consultation with the two State Governments and are ready for implementation. MOIA has taken up the issue of funding of the projects with Ministry of Health and Family Welfare who have indicated their willingness to provide necessary funding. Details of the estimates have been forwarded to Ministry of Health and as soon as the funding is confirmed the projects will be implemented.”

4.32 Elaborating further on the project, the Secretary, MOIA, during the evidence as stated under:

“...we have launched a pilot project with AAPI of the USA. We have sought funds from the Health Ministry. We have discussed it with the Health Secretary and sought funds from the Health Ministry. We are awaiting their approval. The moment their approval comes, that pilot project will move. Once this project goes through, we may be taking similar projects with such Associations abroad, who can participate in this programme. They are willing to participate by providing their knowledge, but they say that they cannot do much on funding. We have insisted that they should also bear some cost and the Indian Government cannot bear the entire cost. Depending upon the success of this programme, we will try to extend it to other States which are interested....”

4.33 On being asked about the rough estimates of the expenditure on the two pilot projects as assessed by the Ministry and the amount of funding sought from the Ministry of Health and Family Welfare, the Ministry responded to the queries of the Committee as under:

“(i) The rough estimates of the expenditure on the two pilot projects are as follows:-

<b>Currency</b>	<b>GOI Contribution (Equipment &amp; Int. Travel)</b>	<b>AAPI Contribution (In the form of expertise, skill, man hours)</b>	<b>State Contribution (Local hospitality and awareness)</b>
<b>US \$</b>	<b>477, 000</b>	<b>157, 500</b>	<b>140, 000</b>
<b>INR</b>	<b>2,14,65,000</b>	<b>70,87,500</b>	<b>63,00,000</b>

(ii) Ministry of health and Family Welfare has been requested to fund the Cost of equipments required to implement the project which is estimated as Rs. 1,65,60,000/-.

**RECOMMENDATIONS/ OBSERVATIONS OF THE COMMITTEE**

1. The assertion of the Ministry of Overseas India Affairs that no scheme or activity of the Ministry was affected due to the downward revision of the original budget estimates from Rs.38 crore to Rs.26 crore during 2006-07 clearly points to the fact that the initial demand for grant for the year was far in excess of actual requirement. The Committee hope that the current year's demand for grant of Rs.50 crore is based on realistic estimates. The Committee expect the Ministry to ensure effective implementation of all programmes and activities without surrendering funds and depriving the beneficiaries of the intended benefits.

2. The Committee regret to observe that there has hardly been any progress regarding construction of Pravasi Bharatiya Kendra (PBK), the proposal of which was mooted in 2004 and for which funds were earmarked in 2005-06 and 2006-07. All that the Ministry could do so far was wire fencing of the land allotted for PBK in New Delhi. Action for appointment of consultant is stated to be still in progress. Such slow progress reflects poorly on the Ministry. It is essential to ensure in the formative years of the Ministry that an efficient and dynamic administrative system is in place to speedily achieve its main objectives. The Committee hope that necessary action will be taken in this regard. Considering that two precious years have already been lost without any substantial progress on the work of PBK, the Committee desire the Ministry to focus on accomplishing the establishment of PBK in a reasonable time frame with a view to harnessing the talent pool among the Indian Diaspora.

3. It is a matter of concern that with the creation of a separate Ministry having a key function of preventing irregular migration, the number of workers who were not given any employment on reaching in the country of employment has sharply increased from 762 in 2004 to 1152 in 2005 and to

1013 in 2006. Similarly, the number of complaints against recruiting agents has shot up from 41 in 2005 to 167 in 2006. The Secretary, MOIA was candid enough to admit that, there has been a nexus between the recruiting agents and officials of the Ministry. It is a sad reflection on the quality of supervision of the Ministry over its officials. It is not clear whether the Ministry have evolved any mechanism for taking effective preventive measures, including frequent surprise checks followed by swift and deterrent action against delinquent officials to break the nexus between officials and recruiting agents. The Committee would like to be informed of the mechanism in this regard and its functioning.

4. Incidentally, as many as 33 cases of complaints filed against recruiting agents in 2006 are reported to be still pending final action. The Committee desire that the causes for delay in finally disposing of complaints should be looked into and suitable remedial measures taken to ensure expeditious action on complaints. As regards 106 complaints dropped/ settled in 2006, the Committee be intimated of the number of complaints actually settled and the nature of such complaints.

5. Admittedly, there is an urgent need to convert the Emigration Act, 1983 into an effective instrument for prevention of irregular migration. The Committee are at a loss to understand why the bill for amending Emigration Act, 1983 to address the present day concerns in emigration management has not been introduced even one year after the Committee made a recommendation to this effect in their 10<sup>th</sup> Report (14<sup>th</sup> Lok Sabha). The Committee urge that the amendment Bill should be introduced in parliament without further loss of time.

6. The Committee are glad to note that the pilot project for automation of Protector of Emigrants (PoEs) office, Delhi is almost operational which would usher in greater transparency, efficiency and accountability in the

emigration process. The Committee desire that after gaining experience from the pilot project, automation of the other PoE offices should be taken up in a time bound manner with a view to realizing the merits of e-governance.

7. Another programme embarked on pilot basis by the Ministry was Pre-departure orientation and skill up-gradation programme for emigrant workers which was reportedly well received in five States (Tamil Nadu, Andhra Pradesh, Punjab, Kerala, and Karnataka) where the programme was experimented on cost sharing basis in 2006-2007. The Committee are of the view that adequacy of the programme in terms of inputs, duration and accrual of benefits needs to be assessed and the programme restructured, if need be, on the basis of outcome of such an assessment. The Committee feel that such an exercise will give sound basis for extending the programme to other States.

8. The Committee would like to know whether any feedback was received/ obtained from the intended beneficiaries of the Social Security Agreement (SSA) with Belgium in November, 2006 and would like to be apprised of the same. The Committee hope that such a feedback will help the Ministry to arrive at appropriate decision on the question of signing similar agreements with other countries.

9. One of the appreciable measures initiated by the Ministry is pursuing bilateral agreements or MoUs with all major labour receiving countries aimed at promotion of overseas employment of Indian workers and their protection and welfare. The Ministry has recently signed an MoU with the UAE and have initiated the process with five other countries – Malaysia, Saudi Arabia, Kuwait, Oman and Bahrain. The Committee have no doubt that these bilateral labour agreements will go a long way in ameliorating the problems of Indian workers abroad. The Committee hope that the Ministry



will simultaneously strive to enter into such agreements with other major labour receiving countries.

10. The plight of Indian women deserted or divorced by their overseas Indian spouses is a matter of concern to the Committee. The Committee observe that a scheme has been introduced recently to extend financial assistance for obtaining legal and counseling services through Indian Missions abroad. The scheme reportedly envisages payment of \$ 1,000 merely for documentation and no payment is envisaged by way of fees to advocates. The Committee feel that this scheme should be extended to Indian women who are deserted by their spouses abroad.

11. The Committee note that the Cabinet has given in-principle approval to the setting up of a University which will have 50% students from abroad and 50% from India. The modalities of setting up the University are yet to be firmed up and notified. Needless to point out that the University will be first of its kind. All efforts should, therefore, be made to ensure that it is a University of excellence with international academic standards and world-class environment. The Committee desire that a detail note regarding this university should be placed before the Committee for discussion before finalization of the proposal.

12. The Committee find there has been considerable progress in implementing some of the major recommendations of the Pravasi Bharatiya Divas held in January 2007. These include establishment of PIO University, establishment of Overseas Indian Facilitation Centre and implementation of pilot projects in Andhra Pradesh and Bihar for extending the primary health care in pursuance of an MoU signed between the MOIA and the Association of American physicians of Indian origin. The Committee desire that other major recommendations of PBD such as establishment of institutional mechanism to enable NRI community to become a knowledge partner in

**India's Development, designing of appropriate financial instruments and products to promote overseas Indian investments, etc. be given expeditious consideration for appropriate action.**

**NEW DELHI**  
**25 April, 2007**  

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**5 Vaisakha, 1929 (Saka)**

**DR. LAXMINARAYAN PANDEY,**  
**Chairman,**  
**Standing Committee on External Affairs**

**ANNEXURE-I**

**MINUTES OF THE FIFTEENTH SITTING OF THE STANDING  
COMMITTEE ON EXTERNAL AFFAIRS HELD ON 13 April, 2007**

The Committee sat from 1100 hrs. to 1300 hrs. in Room No. 62, Parliament House.

**Present**

**Dr. Laxminarayan Pandey – Chairman**

**Members**

**Lok Sabha**

2. Shri A.V. Bellarmin
3. Shri Narayan Chandra Borkataky
4. Shri S.K. Kharventhan
5. Shri Somabhai G. Patel
6. Dr. Sebastian Paul
7. Shri Suresh Prabhakar Prabhu
8. Dr. (Col.) Dhani Ram Shandil
9. Shri M. Shivanna
10. Shri Vanlalzawma
11. Shri Madhu Goud Yashki

**Rajya Sabha**

12. Shri S.M. Laljan Basha
13. Shri Jana Krishnamurthy K
14. Shri Arjun Kumar Sengupta
15. Dr. Karan Singh

**Secretariat**

1. Shri S.K. Sharma - Additional Secretary
2. Shri P.V.L.N. Murthy - Deputy Secretary
3. Shri Lalkithang - Under Secretary

## **Representatives of Ministry of Overseas Indian Affairs**

- |    |                           |   |
|----|---------------------------|---|
| 1. | Shri Nirmal Singh         | - Secretary                               |
| 2. | Dr. (Mrs.) Sheela Bhide   | - Special Secretary(FA)                   |
| 3. | Shri Malay Mishra         | - Joint Secretary (DS)                    |
| 4. | Shri G. Gurucharan        | - Joint Secretary (FS)                    |
| 5. | Shri Jagadananda Panda    | - Protector General of<br>Emigrants (PGE) |
| 6. | Dr. Ranbir Singh          | - Director (EP)                           |
| 7. | Smt. Sandhya Shukla       | - Director (SS)                           |
| 8. | Dr. (Mrs.) Shailja Sharma | - Director (ES)                           |
| 9. | Shri S.P. Tripathi        | - Deputy Secretary (Budget & Vig.)        |

2. At the outset, the Chairman welcomed the Members of the Committee and the representatives of the Ministry of Overseas Indian Affairs to the sitting of the Committee. The Chairman then drew attention of the witnesses to Direction 55(I) of the Directions by the Speaker, Lok Sabha.

3. The Committee then took evidence of the representatives of the Ministry of Overseas Indian Affairs in connection with examination of the Demands for Grants of the Ministry of Overseas Indian Affairs for the year 2007-2008.

4. A verbatim record of the proceedings has been kept.

*The Committee then adjourned.*

**ANNEXURE-II**

**MINUTES OF THE SIXTEENTH SITTING OF THE STANDING  
COMMITTEE ON EXTERNAL AFFAIRS HELD ON 25<sup>TH</sup> APRIL, 2007**

The Committee sat from 1100 hrs. to 1200 hrs. in Committee Room 'C',  
Parliament House Annexe.

**PRESENT**

**Dr. Laxminarayan Pandey – Chairman**

**MEMBERS**

***Lok Sabha***

2. Prof. S.P. Singh Baghel
1. Shri Sukhdev Singh Dhindsa
2. Shri Somabhai G. Patel
3. Dr.(Col.) Dhani Ram Shandil
4. Shri Vanlalzawma

***Rajya Sabha***

5. Smt. S.G. Indira
6. Shri Jana Krishnamurthy K
7. Dr. Mahendra Prasad
8. Shri Arjun Kumar Sengupta
9. Dr. Karan Singh

***Secretariat***

1. Shri S.K. Sharma - Additional Secretary
2. Shri A. Louis Martin - Joint Secretary
3. Shri C.V. Gadgil - Director
4. Shri P.V.L.N. Murthy - Deputy Secretary

2. At the outset, the Chairman welcomed Members to the sitting of the Committee.

3. XXXX XXXX XXXX XXXX

4. The Committee then took up for consideration the draft Report on Demands for Grants of the Ministry of Overseas Indian Affairs for the year 2007-2008. The Committee adopted the same, subject to the following additions/modifications:

(i) The last sentence in Recommendation No.10 to be substituted with the following: “The Committee feel that this scheme should be extended to Indian women who are deserted by their spouses abroad.”

(ii) In Recommendation No.11, the following sentence to be added at the end: “The Committee desire that a detailed note regarding this university should be placed before the Committee for discussion before finalization of the proposal”.

5. The Committee then authorized the Chairman to finalize the Report and present the same to Parliament.

*The Committee then adjourned.*