



47

**STANDING COMMITTEE ON
FINANCE
(2006-07)**

FOURTEENTH LOK SABHA

MINISTRY OF PLANNING

**DEMANDS FOR GRANTS
(2006-07)**

*[Action Taken by the Government on the Recommendations contained in
the Thirty-Eighth Report of the Standing Committee on Finance
on Demands for Grants (2006-07) of Ministry of Planning]*

FORTY-SEVENTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

December, 2006/Agrahayana, 1928 (Saka)



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*Presented to Lok Sabha on 14 December, 2006
Laid in Rajya Sabha on 14 December, 2006*



LOK SABHA SECRETARIAT
NEW DELHI

December, 2006/Agrahayana, 1928 (Saka)

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COMPOSITION OF STANDING COMMITTEE ON FINANCE
(2006-07)

Maj. Gen. (Retd.) B.C. Khanduri—*Chairman*

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Lok Sabha

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20. Shri M.A. Kharabela Swain
21. Shri Bhal Chand Yadav

*Nominated to this Committee *w.e.f.* 31.8.2006 *vice* Shri Raosaheb Danve Patil.

(iv)

Rajya Sabha

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3. Shri S.B. Arora — *Deputy Secretary*
4. Smt. Anita B. Panda — *Under Secretary*

INTRODUCTION

I, Chairman of the Standing Committee on Finance, having been authorized by the Committee to submit the Report on their behalf present this Forty-seventh Report on action taken by Government on the recommendations contained in the Thirty-eighth Report of the Committee (Fourteenth Lok Sabha) on Demands for Grants (2006-07) of the Ministry of Planning.

2. The Thirty-eighth Report was presented to Lok Sabha/laid in Rajya Sabha on 22 May, 2006. The Government furnished the replies indicating action taken on all the recommendations on 1 September, 2006. The draft Action Taken Report was considered and adopted by the Committee at their sitting held on 7 December, 2006.

3. An analysis of action taken by Government on recommendations contained in the Thirty-eighth Report (Fourteenth Lok Sabha) of the Committee is given in the Appendix.

4. For facility of reference, observations/recommendations of the Committee have been printed in thick type in the body of the Report.

NEW DELHI;
11 December, 2006

20 Agrahayana, 1928 (Saka)

MAJ. GEN. (RETD.) B.C. KHANDURI,
Chairman,
Standing Committee on Finance.

CHAPTER I

REPORT

This report of the Standing Committee on Finance deals with action taken by the Government on the recommendations contained in their Thirty-eighth Report (Fourteenth Lok Sabha) on Demands for Grants (2006-07) of Ministry of Planning which was presented to Lok Sabha on 22 May, 2006.

2. Action Taken Notes have been received from the Government in respect of all the fourteen recommendations contained in the Report. These have been categorised as follows:—

- (i) Recommendations/Observations which have been accepted by the Government:

Sl. Nos: 1 (Para Nos. 24 & 25), 2 (Para Nos. 41 & 42)

(Chapter-II, Total 4)

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

Sl. Nos.: 1 (Para No. 26), 3 (Para Nos. 55 & 56), 4 (Para No. 63), 5 (Para No. 71) and 6 (Para No. 86)

(Chapter-III, Total 6)

- (iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee:

Sl. Nos. 3 (Para No. 57), 5 (Para Nos. 69 & 70) and 6 (Para No. 85)

(Chapter-IV, Total 4)

- (iv) Recommendations/Observations in respect of which final replies of the Government are still awaited:

Sl. No.: Nil

(Chapter-V, Nil)

3. The Committee desire that replies in respect of the recommendations contained in Chapter I should be furnished to the Committee expeditiously.

4. The Committee will now deal with the action taken by the Government on some of their recommendations.

Sarva Siksha Abhiyan (SSA)
(Mid-Day Meal Scheme)

Recommendation (S.No. 3, Para No. 57)

5. In Sarva Siksha Abhiyan, the Mid-Day Meal Scheme (MDMS) was expected to reduce drop out rate by 5 percentage points per annum, and improve retention of 1.5 million children every year.

6. Though the Mid-Day Meal Scheme (MDMS) was stated to have contributed, to some extent, to reduce drop out rates and increase in school enrolment and attendance, the Committee expressed concern over various media reports which stated that due to supply of contaminated/ sub-standard food, school children had fallen sick resulting into addition in drop out rates and attendance. Hence the scheme required setting up of proper distribution and monitoring mechanism at the State, District, Block and Panchayat levels. The Committee, therefore, felt that the Department concerned may conduct a Baseline Survey of MDMS and based on the results thereof, take suitable steps to improve the quality of meals supplied to school children. At the same time it was imperative to impress upon the State Governments to conduct enquiries regarding supply of contaminated or sub-standard food wherever it is reported, accountability fixed and appropriate punishment awarded. The Committee desired to be apprised of the specific disciplinary action taken in this regard.

Reply of the Government

7. The Ministry of Planning, in their action taken reply stated as under:

“State Governments have reported a few instances of food poisoning in 2005-06. State-wise details along with action taken by them is given in the **Annex.** below. The Department of School Education & Literacy (DSEL) has continuously taken up with the

States to ensure regular supply of good quality mid-day meal to children.

Various mechanisms have been established to ensure regularity and maintenance of good quality meal. Some of them are:—

- (i) Steering-cum-Monitoring Committees have been set-up at State, District and Block levels. Periodically meetings are held to tackle implementation issues at field level such as uninterrupted supply of provisions, availability of manpower and infrastructure, hygiene and safety etc.
- (ii) The DSEL monitors the programme through Quarterly Progress Reports.
- (iii) 42 reputed Social Science Institutions, already monitoring SSA, have been engaged to monitor MDM Scheme.
- (iv) Guidelines of the Scheme also provide monitoring at school level by Village Education Committee (VEC)/PTA/Mother Teacher Association (MTA)/School Management Committee and PRIs.
- (v) The DSEL is in the process of developing Web enabled MIS to facilitate monitoring by various management structures of MDMS and disseminate programmatic information to general public stakeholders etc., to ensure transparency and accountability.

As regards Baseline Survey, it is stated that in collaboration with UNICEF, nutritional assessment of children of 6-14 age group has been initiated.

Annex.

Instances of food poisoning among children due to consumption of Mid-Day Meal in 2005-06 and Action Taken by States:

Sl. No.	State	No. of children affected in 2005-06
1.	Andhra Pradesh	46
2.	Karnataka	310
3.	Maharashtra	77
4.	Rajasthan	71
5.	Tamil Nadu	77
6.	West Bengal	85

2. Action taken by above State Governments are as follows:—

Andhra Pradesh : Cases were enquired and where it was proved that incidence has occurred due to negligence of the implementing agencies, such agencies were replaced. Appropriate warnings were given to the school authorities to be vigilant.

Karnataka : The Headmasters and the Cooks were served warnings.

Maharashtra : The incidents had occurred in 4 districts. Of these, in one district *viz.*, Jalgaon, FIR has been filed. Inquiries were made in the remaining cases.

Rajasthan : Appropriate disciplinary action has been initiated against Block Development Officer, Additional CEO of Zila Parishad and School Authorities.

Tamil Nadu : The organizer, cook & assistants have been placed under suspension.

West Bengal : An FIR has been filed in one case and in the second case, no wilful misdeed was found after enquiry.”

[Planning Commission O.M. No.38/5/2006–OM&C
dated 30th August, 2006]

8. While noting with concern the supply of sub-standard/contaminated food to the primary school children under MDMS in several districts in the States like Andhra Pradesh, Karnataka, Maharashtra, Rajasthan, Tamil Nadu and West Bengal during the year 2005-06, the Committee had stressed upon the need to set-up a proper distribution and monitoring mechanism at the State, District, Block and Panchayat levels. The Committee had also recommended that the Department may conduct a baseline survey of MDMS to improve the quality of meals. Last but not the least, the Committee had also impressed upon conducting inquiries and appropriate punishment awarded to the guilty. However, they observe from the reply that no stringent actions have been taken in the matter either by the State Governments concerned or by the Central Agency monitoring the Scheme. The Committee have been informed that the Department of School Education and Literacy (DSEL) is taking up the matter with the States to ensure regular supply of good quality Mid-Day Meal to School children and that Steering-cum-Monitoring Committees have been set up to tackle implementation issues, alongwith 42 social science institutions, which have been engaged to monitor MDMS alongwith SSA (Sarva Shiksha Abhiyan). The Committee also note the efforts of the DSEL to initiate the process of developing web-enabled MIS to facilitate monitoring by various Management Structures of MDMS and disseminate programmatic information to general public stakeholders etc. to ensure transparency and accountability. However, the Committee are not satisfied with the pace of efforts undertaken in view of the fact that despite the revised MDMS scheme having come into effect way back in September, 2004, the Government has only 'initiated' the nutritional assessment of primary school children so far. The Committee further observe that no time frame has been fixed as to when the said assessment would be completed. Hence they expect a precise reply in the matter. Moreover, the Committee are of the opinion that instead of crowding the monitoring mechanism of MDMS with several Committees, it would be more appropriate if the scheme is subjected to a 'social audit' by citizens in Gramsabha and Village Panchayats.

9. In so far as the question of fixing individual responsibility and taking follow up action for the sub-standard meals supplied to

children is concerned, the Committee are surprised to note the action taken by the State Governments against those persons found to be negligent in their duties, which is utterly inadequate by all standards. The Committee note that there were **666 cases of food poisoning due to consumption of Mid-Day Meal in 6 States during 2005-06, for which the action taken has not gone beyond issuing warnings, barring only 1 case where FIR has been filed.** The Committee are particularly perturbed over the lax attitude of the Karnataka Government, which has merely served warnings to the persons concerned despite the highest number of food-poisoning cases reported there. In the Committee's view, it is virtually a criminal act to wilfully expose the already malnourished children of rural India to the dangers of food poisoning, that calls for a stringent punishment to be meted out to those found guilty. Therefore, they desire the Ministry to sensitise the State Governments towards the concerns expressed by this Committee and also urge them to improve the quality of meals supplied under MDMS.

2. Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY)

Recommendation (Sl.No. 5, Para Nos. 69 & 70)

10. The Committee noted that Rajiv Gandhi Grameen Vidyutikaran Yojana envisages electricity access to all rural households over a period of five years and electricity connections only to BPL households. But from the information furnished to them, they found that at the end of fifth year, all households would not be electrified as envisaged in the National Common Minimum Programme (NCMP) because the current objective aims only to provide electricity access to all rural households over a period of 5 years and electricity connection only to BPL households. They, therefore, desired that unless every household is electrified, the NCMP objective may prove a mismatch.

11. The Committee further noted that the revised definition for village electrification requires electrification of 10% of the total households in that village to be recognized as electrified, in addition to electrification of public places such as schools, Panchayat Offices, Community/Health Centres etc. Hence, the claim relating to the number of villages electrified appeared high when compared to the number of households actually electrified. They, therefore, desired that an independent verification may be carried out to assess the ground realities in this regard.

Reply of the Government

12. The Ministry of Planning in their action taken reply stated as under:—

“Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) envisages attainment of the National Common Minimum Programme (NCMP) goal of providing access to electricity to all households in five years. Under the scheme, projects are financed with capital subsidy for provision of Rural Electricity Distribution Backbone (REDB), and creation of village electricity infrastructure, which shall facilitate in giving access to electrification of households. Electricity connection to un-electrified BPL households are also provided free of cost as per norms of Kutir Jyoti Programme. Households above the poverty line are required to pay for their connections at applicable connection charges and connection shall be released on

their request. However, the applicable charges towards consumption of electricity are payable by the households in both cases. Supply of power for electrification of villages and households comes under the purview of the States.

Under the scheme, projects are financed with capital subsidy for provision of Rural Electricity Distribution Backbone (REDB), creation of village electricity infrastructure and electrification of Below Poverty Line (BPL) households. Accordingly, the States have reported that the works related to creation of REDB and village electricity infrastructure have been completed in 12633 villages as on 19.6.06 and the process of providing electricity connections to rural households (including BPL households) is under process. Letters from the concerned Gram Panchayats/Sarpanch to this effect are being collected. As desired by the Committee, action for an independent verification to assess the ground realities in this regard, has also been initiated. The State of Uttar Pradesh has deployed M/s. RITES for the purpose and the States of Uttaranchal, Madhya Pradesh and West Bengal would be availing the services of NTPC. The Programme Evaluation Organisation of Planning Commission shall also be conducting an evaluation study."

[Planning Commission O.M. No. 38/5/2006-OM&C
dated 30th August, 2006]

13. The Committee find that under Rajiv Gandhi Grameen Vidyutikaran Yojana, projects are financed with capital subsidy for provision of Rural Electricity Distribution Backbone (REDB) and creation of village electricity infrastructure so as to provide access to all Rural Households over a period of four years. They observe that under the Yojana, the unelectrified BPL households get electricity connection with 100% capital subsidy and APL families are required to pay for that but both types of families have to pay electricity consumption charges. The Committee feel that acceptance by consumers for paying the electricity charges itself is going to be a challenge for the States. Besides, from the reply of the Ministry, the Committee note that the works related to creation of REDB and village electricity infrastructure have been completed only in 12633 villages as on 19.6.2006. As per the Economic Survey 2005-06, at present only 44% of the rural households have access to electricity.

The Committee recall that under Bharat Nirman, specific target set for rural electrification was to provide electricity to all un-electrified villages (1,25,000) and to connect 23 million BPL households by the year 2009. By this criteria, the achievement so far does not seem to be encouraging. Even the process of providing electricity connections to rural households (including BPL) is also stated to be under process and the letters from the concerned Gram Panchayats/ Sarpanch regarding claim relating to number of villages electrified *vis-a-vis* the number of household actually electrified are being collected. From the reply the Committee understand that action has been initiated by four States for independent verification to assess the ground realities of villages electrified and the actual number of households electrified. The Committee, however, feel that the pace is too slow to achieve the desired targets within the stipulated time frame. They, therefore, desire that the Government should take concrete steps for implementation of the Grameen Vidyutikaran Yojana in letter and spirit. The Committee would like to be apprised about the action taken by the Government in this direction.

3. Labour and Employment (NSSO)

Recommendation (Sl. No. 6, Para No. 85)

14. The Committee found that NSSO Sample Surveys and the demographic census form the basis for estimation of labour force, employment and unemployment. They also found that growth rate of employment/labour force declined from 2.70% per annum during the period 1983 to 1993-94 to only 1.07% per year during 1993-94 to 1999-2000. As per the Survey conducted in 1999-2000, labour force participation rates also declined sharply in comparison to 1993-94 resulting into sharp deceleration in the growth of labour force from 2.43% during 1983 to 1993-94 to only 1.31% in 1993-94 to 1999-2000. What the Committee wanted to know from the Government was the latest result of the sample survey conducted by the NSSO during July, 2004 — June, 2005 which the Government could not furnish by saying that the same was not available with them. The Committee were surprised that even after a lapse of almost one year, the results of the Survey are not available with the Government. The Committee took a serious view in the matter and expected the Government to come out with the result early, which is so crucial for employment planning.

Reply of the Government

15. The Government in their action taken reply, have stated as follows:—

“The National Sample Survey Organisation in every five years, surveys 1.5 lakh to 2.0 lakh households to find the employment/unemployment status of individuals living in the households. The survey is conducted throughout the country and in every region of the country including difficult terrains and disturbed areas. Compilations of results based on these surveys of individual households takes a little time. However, NSSO has been informed about the comments of the Standing Committee on Finance (2005-06) of 14th Lok Sabha and asked to take necessary steps in this regard.”

[Planning Commission O.M. No. 38/5/2006–OM&C,
dated 30th August, 2006]

16. From the information furnished to them the Committee find that NSSO Surveys 1.5 lakh to 2.0 lakh households in every five years to find the status of employment and unemployment of

individuals living in the households. In their earlier report, the Committee had expressed dismay over the fact that result of this survey conducted in 2004-05 was still not released as it had an important bearing on the employment Planning. The Planning Commission was expected to get the results of the survey and apprise the Committee of the same. They are also not convinced with Government's response which states that compilation of results based on these surveys of individual households takes time owing to the fact that the survey is conducted throughout the country and in difficult terrains and disturbed areas. They feel that NSSO, which has been functioning since the year 1970, is not only equipped with a strong infrastructure but also holds enough experience to conduct the survey work, right from the planning of survey to the release of survey results. Therefore, the Committee desire that the results of the survey held in 2004-05 should have been released well in time. Further, they desire that the results must come without further loss of time as without the latest figures, the estimation of labour force, employment and unemployment will not be realistic and the objective of employment planning will be difficult to achieve.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Sl. No. 1, Para No. 24)

The Committee note that Geographical Information System (GIS) for planning (Rural and Urban) as a tool or as a support system for location specific planning was not being used so far adequately in the planning process resulting in poor and haphazard/uncoordinated maintenance of different utilities such as water-lines, power-lines, telephone lines etc. From the information furnished by the Ministry, the Committee note that Spatial Data Infrastructure for Multi-Layered Geographical Information System (GIS) project for planning has been undertaken by the Ministry with an aim to build necessary framework for evolving a self-sustaining system for continuous development for GIS applications, in the areas of resource and Infrastructure planning, disaster management, soil and water conservation etc. The Committee appreciates the initiative taken by the Planning Commission in this direction, particularly creation of a seamless GIS for the entire country, which, in view of the phenomenal pressure on utility services in big cities, is the need of the hour.

Reply of the Government

This is a general comment by the Committee and do not call for any further comments/reply.

[Planning Commission O.M. No. 38/5/2006–OM&C
dated 30th August, 2006]

Recommendation (Sl. No. 1, Para No. 25)

The Committee find that at present many agencies are involved in preparation of maps *e.g.* Survey of India, Geographical Survey of India, Forest Survey of India etc. However, these maps are on analog format as well as different scales, and thus, are unable to provide information for location-specific planning. Taking note of GIS project sponsored by the Planning Commission relating to utility mapping for seven metros like Delhi, Ahemadabad, Bangalore, Chennai, Hyderabad, Kolkata and

Mumbai, the Committee find that 48 crore has been spent on it and around Rs. 20 crore is estimated to be spent during the current year. They further note that the project, once completed, will help civic agencies to pinpoint even a manhole cover or do the alignment of a sewer-line/water-line etc. Thus, utility mapping would be possible and its maintenance systems will improve to a great extent including other applications such as vehicle navigation system based on Global Positioning System (GPS). The Committee appreciates the efforts of the Planning Commission and hope that the project would be completed in time. In this connection, the Committee would also expect that once the project is found to be useful for its intended objectives, other metros/major cities may also be considered for the same.

Reply of the Government

The Geographical Information System (GIS) has been developed for 23 identified layers with seamless data across the country and provides a unique platform with visual representation of data for Planning and monitoring in various sectors. Data for this system has been developed with support from various organizations including Survey of India (SoI), National Remote Sensing Agency (NRSA), Registrar General of India (RGI), Forest Survey of India (FSI), National Bureau of Soil Survey & Land Use Planning (NBSS & LUP), All India Soil & Land Use Survey (AISLUS) etc. This data has been ported on central GIS server at NIC hqrs. with mirror server at Planning Commission. The entire data has been customized in a user friendly environment and has been deployed on the network for its utilization with G2G environment.

GIS provides a platform for utilization of data for planning in number of sectors. Apart from hosting of this data on the web to be used by various users, a number of specific applications have been customized to assist the planning in various sectors. One of the applications developed include thematic mapping for Amenities and Demography at village level with census data 2001 from RGI. It provides district level maps for most of the infrastructure data such as status of Power, Health, Education etc. The application developed for Telecom sector includes Mapping of towers for mobile services across the country. The application provides view of coverage of services across villages in the country and planning of new towers for uncovered areas. GIS for Emergency Preparedness and Response System is one of the unique application wherein mapping of hazardous chemicals is undertaken by MoEF and

also areas delineated through chemical modelling with worst case scenario. Other applications include mapping data from drinking water mission, health, animal census etc.

[Planning Commission O.M. No. 38/5/2006-OM&C
dated 30th August, 2006]

Recommendation (Sl. No. 2, Para No. 41)

The Committee note that the Pradhan Mantri Gram Sadak Yojana (PMGSY) was launched as a 100% Centrally Sponsored Scheme with the target of connecting, through good all-weather roads, every habitations, having population of more than 500, by the year 2007. From the information furnished to them, they find that Government have now revised the criteria of population for road connectivity, which was earlier 250 and above, owing to crunch of funds. The new criteria provides for road connectivity of those habitations having population of 1000 and above and 500 population in hilly, desert and tribal areas. The Committee further note that about 49017 habitations have been connected (under the PMGSY) so far. The programme (Bharat Nirman) as a whole, needs Rs. 48,000 crore which could be managed partly from the cess money on HSD (Rs. 16,000 crore), multilateral funding (Rs. 9,000 crore) and remaining Rs. 23,000 crore with an increase of budgetary support/cess of over Rs. 6000 crore or so. A separate window in NABARD has been proposed to raise funds to meet this gap. The NABARD will give loan to National Rural Road Development Agency (NRRDA), which in turn will provide it to all States. The Committee note that the actual modalities of utilizing the NABARD window is currently being worked out by the Ministry of Rural Development in consultation with the Ministry of Finance. They expect the process to be completed early so that the programme could be taken up for implementation without delay at least on this account.

Reply of the Government

There is no change in the targets of Pradhan Mantri Gram Sadak Yojana to provide connectivity through good all-weather roads to all the habitations having a population of 500 and above (250 and above in Hill States, tribal and desert areas). In order to adopt a more focused and time bound approach under Bharat Nirman, it has been proposed to provide connectivity to all 1000 + habitations (500 + in hilly and tribal areas) by 2009. The remaining eligible habitations would be taken up thereafter. The procedures and modalities of availing funds from NABARD have been agreed to, in-principle, by the Ministry of Finance, Ministry of Rural

Development has accordingly initiated the process to obtain approval of the Cabinet for these procedures and modalities, so that the programme can be taken up for implementation without delay.

[Planning Commission O.M. No. 38/5/2006–OM&C
dated 30th August, 2006]

Recommendation (Sl. No. 2, Para No. 42)

The Committee note that few districts are left in the Southern and Western States under PMGSY. However, they are constrained to observe that large number of Districts are left in some other States despite being identified for providing connectivity. They note that the pace of the receiving proposals from some of these States is abysmally low. Therefore, they hope that, with coming into picture of NABARD funding the programme, the pace may gain some momentum henceforth. They also desire that Government should make sincere efforts urgently to assess the progress of PMGSY in all the States and take necessary corrective measures to put the scheme on the right track.

Reply of the Government

The inter States and inter districts disparities in rural road connectivity is historical. However, the target under Bharat Nirman is to connect all the habitations having population of 1000 and above (500 and above in hilly and tribal areas) by 2009 which will remove the present disparity to a great extent. All out efforts are being made to enhance the capacity of the States. Wherever required, the States are being allowed to outsource certain activities to augment their capacity. More than 5000 engineers of different States have already been trained to orient them towards PMGSY standards. Training is also planned for Contractor's engineers and workmen.

The progress in the implementation of the programme is regularly monitored through monthly progress reports received from the States and field visits by the Officers of the Ministry and the National Rural Roads Development Agency, which is an arm of the Ministry to provide technical support for the programme. Regional Review Meetings and Workshops involving all the States are also held in different places to closely monitor the progress, identify bottlenecks and suggest solutions for removing the bottlenecks for better implementation of the programme.

[Planning Commission O.M. No. 38/5/2006–OM&C
dated 30th August, 2006]

CHAPTER III

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

Recommendation (Sl. No. 1, Para No. 26)

What the Committee apprehend in this regard is that the Ministry may face problems in collecting the data/information from the agencies concerned for the purpose of utility mapping since their information is likely to be old/not up to date. The Committee also feel that since many agencies/stakeholders will be involved in the process, maintaining coordination between those may also become problematic. Therefore, the Committee desire that the Ministry may explore the possibility of including a representative each from the public utility service providers of the city concerned in the mapping project. They further feel that once the project is completed, instructions may be issued to the concerned utility agencies to take clearance from the Government prior to any major maintenance work. The Committee also desires that a mechanism should be put in place for creation of a transaction specific data capture for automatic updation thereof.

Reply of the Government

Necessary arrangements have been made to ensure that proper coordination between the agencies/stakeholders in the project relating to "Computer Aided Digital Mapping Project for six cities – Ahmedabad, Bangalore, Chennai, Hyderabad, Mumbai and Kolkata" has been established. The State Government will create a State level Committee (SLC) in each of the six cities where the project is being implemented for necessary coordination as well as implementation of the project.

The SLC will ensure the participation of all the agencies providing physical infrastructure like water, sewage, telephone network, power supply systems etc. and also identify an office space for

establishing "Control Centre" convenient to them to locate central server and other peripherals necessary for Metropolitan Area Network (MAN).

Each utility agency will have access to the digital base map data installed on the central server located at Control Centre through dedicated leased lines connecting central server at Control centre to the Server at Remote Centre. Agency will collect their utility network and related data and superimpose it on the common digital base map visible on their remote server. Utility network of all the utility agencies can be viewed together or in combination to plan and execute their activities appropriately.

[Planning Commission O.M. No. 38/5/2006-OM&C,
dated 30th August, 2006]

Recommendation (Sl. No. 3, Para No. 55)

The Committee note that Sarva Shiksha Abhiyan (SSA) has made some progress in 2005-06 in regard to starting up and providing new schools additional class rooms/teachers. As a result, 93% of children between the age-group of 6-14 years are presently stated to be in school and the number of children out of school has come down to 0.98 crore in 2004-05. Keeping in view this reported progress the budget outlay of the Abhiyan has been increased from Rs. 7,156 crore to Rs. 10,041 crore in 2006-07.

Reply of the Government

The budget outlay of the Sarva Shiksha Abhiyan (SSA) has been increased to Rs. 11,000 crore in 2006-07 including that for the North Eastern Region (NER) from Rs. 7800 crore in 2005-06.

[Planning Commission O.M. No. 38/5/2006-OM&C,
dated 30th August, 2006]

Recommendation (Sl. No. 3, Para No. 56)

However, at the same time the Committee are constrained to note that the objective of SSA, which was to enroll all children in schools/ EGS/AIE centres by 2003, and that all children would complete five years

of schooling by 2007, could not be achieved, the reason being delayed start of SSA, as the States took time for preparation of district perspective plans under SSA. From the information furnished, they also find that the target to reduce the dropout rates by 5% points every year is not being met consistently as during this year 2003-04, the reduction rate was merely 3.53%. The Committee take note of the reviews with concern which indicated that about 50% of the total out-of-school children in the country are in Uttar Pradesh, Bihar, Jharkhand and West Bengal. The Committee are of the firm view that unless special efforts are made to increase enrolment and participation of children in these States, the situation is going to deteriorate further. As around 73 districts have already been identified by the Department for special enrolment drives, the Committee expect that action might have been initiated in these districts. However, they desire that the Government must continue in their efforts to counter teacher absenteeism and sensitize the rural population through appropriate folk publicity measures, about the importance of education for their children so that the children do not drop out of schools mid-day.

Reply of the Government

1. (i) The goals of SSA for enrolling all children in school/EGS/bridge courses by 2003 was revised to 2005 by the Governing Council of the National Mission of SSA in its meeting on 23.02.2005.
- (ii) The dropout rates at primary levels have been declining steadily from 39.03% in 2001-02 to 31.36% in 2003-04. The drop out rate for girls during the same period has shown a more encouraging reduction of 11.44% points.

	2001-02	2002-03	2003-04	Reduction between 2001-02 and 2003-04
Total	39.03	34.89	31.36	7.67% points
Boys	38.36	35.85	33.66	4.7 points
Girls	39.88	33.72	28.44	11.44 points

2. An independent national level survey by SRI-IMRB in July-August 2005 revealed that 1.34 crore children in the age-group of 6-14 years are out of school/69% of the out of school children are in the 5 States of Bihar (23.6%), Uttar Pradesh (22.2%), West Bengal (9%) Madhya Pradesh (8%) and Rajasthan (5.9%).

Therefore for the year 2006-07, targeted attention was paid to these States by allocating:

- 50% of total SSA funds allocated in 2006-07.
- 55% of total schools; 58% of additional classrooms & 67% of teachers.

3. Also 48 districts were identified as having the largest number of out of school children and were also targeted for special attention by allocating to these districts 17% of SSA funds.

4. The stress in SSA is to improve the quality of teaching of children. To this effect, the Minister of Human Resources Development had written to the State Chief Ministers and Lieutenant Governors on 7th April, 2006 for;

- Independent testing of students and teachers performance
- Ensure teachers presence in school hours
- Remedial teaching for weaker students
- Decentralized academic support to teachers.

5. Extensive use of Doordarshan & AIR and the print media is being done to address parents/community teachers with the concept of school ownership by local communities, teachers to do joyful teaching and parents to send children to school, particularly the girl child. Dissemination of SSA funds and targets of school infrastructure etc. are also being done through newspapers.

[Planning Commission O.M. No. 38/5/2006-OM&C,
dated 30th August, 2006]

Recommendation (Sl. No. 4, Para No. 63)

The Committee are disturbed over the fact that though the Government has been promising since the year 2002 to provide telephone connectivity to all villages in the country, a lot still remains to be done. The Government has now expressed confidence to provide connectivity to all uncovered villages so far by the year 2007 through 66,822 VPTs, for which adequate fund provision from Universal Service Obligation Fund (USOF) is reportedly available. However, going by the past record, the Committee are not very sure if this extended target can be met. Besides, as the Government has committed to complete the task in another one-and-a half year, the Committee feel that the increasing popularity of mobile phones, even in the semi-urban and rural areas, may adversely affect the actual utility of landlines in the long run. Therefore, the Committee feel that keeping this factor in mind, the Government should not only ensure that the VPTs are provided in all villages at the earliest but should also keep scope open for providing cellular mobile telephones in select rural areas. In this connection the Committee note that in order to extend financial support to infrastructure for cellular telephony in rural areas, the Government is contemplating to bring a Bill to amend the Indian Telegraph Act. The Committee would like to be apprised of the progress made in this regard.

Reply of the Government

Agreements have been signed with M/s BSNL in November, 2004 to provide VPTs in the remaining uncovered eligible 66,822 villages, 25,431 VPTs have already been provided by M/s. BSNL till April, 2006. A close watch is being kept on the implementation and every attempt will be made to ensure that the task is completed before November, 2007.

A proposal is under active consideration of the Government to support infrastructure for providing mobile services in the rural and remote areas of the country. To enable such support, a bill to amend Indian Telegraph Act has already been introduced in the Budget Session of the Parliament and the same has been referred to the Standing Committee.

[Planning Commission O.M. No. 38/5/2006-OM&C,
dated 30th August, 2006]

Recommendation (Sl. No. 5, Para No. 71)

The Committee are unhappy to note that around 80% unelectrified villages are mostly located in the States of Bihar, Chhattisgarh, Jharkhand, Orissa, Uttar Pradesh and West Bengal, the reasons being that the State utilities pertaining to these States do not have the requisite manpower and technical expertise to implement the rural electrification programme within the stipulated time frame as envisaged under RGGVY. The Committee learn that for implementation of the RGGVY, some States like Assam, J&K, Gujarat, Madhya Pradesh and Tripura have entered into agreement with the CPSUs under the Ministry of Power. In this backdrop, the Committee feel the States which do not have requisite manpower or technical expertise may be persuaded to enter into an agreement with CPSUs for the implementation of the project. In addition, a special component may be created under RGGVY in order to give a boost to rural electrification in the backward States in the form of assistance to appoint/depute required technical experts.

Reply of the Government

Under the scheme, the services of Central Public Sector Undertakings (CPSUs) have been offered to the States for assisting them in the execution of Rural Electrification Projects as per their willingness and requirement. Accordingly, the States of Assam, Bihar, Chhattisgarh, Gujarat, Jharkhand, J & K, Madhya Pradesh, Orissa, Rajasthan, Tripura, Uttar Pradesh and West Bengal are availing the services of CPSUs of power sector like POWER GRID, NHPC, NTPC and DVC, for implementation of rural electrification projects under RGGVY.

[Planning Commission O.M. No. 38/5/2006-OM&C,
dated 30th August, 2006]

Recommendation (Sl. No. 6, Para No. 86)

The Committee are further disturbed to note that number of registrants of job seekers in employment exchanges have not come down despite Government's claim that job placement taking place outside the purview of employment exchanges is substantial. From the information

furnished, the Committee find that Government is promoting labour intensive sectors for creation of employment potential and 10th Plan has also taken initiative in this regard. Despite all these, employment in organised sector – both in public and private – has declined, which the Committee feel, is a very discouraging scenario keeping in view the ever-increasing number of job seekers. It may be pertinent to mention that one of the prime factors contributing towards rise in crimes and terrorist activities is lack of direction as well as appropriate employment opportunities for the country's youth. The Committee, therefore, desire that Government should come out with suitable measures to provide employment to youth. The Committee would also like the Government to be more cautious in restructuring the Government Departments, as a result of which employment has further declined in public organised sector. Keeping in view the present scenario of high growth rate of unemployment, the Committee recommended that the National Rural Employment Guarantee Programme, which reportedly has been implemented only in some 200 Districts, be extended to other districts also for facilitating jobs to unemployed youth. The Committee also feel that the suggestions made in the Mid-Term Appraisal of the 10th Five Year Plan document to amend existing Labour Laws, be examined expeditiously to promote the growth of organized employment. Further, in order to give a boost to self-employment, the Committee urge the Government to encourage credit-linked entrepreneurship too.

Reply of the Government

Planning Commission has initiated the process of formulation of the Eleventh Five Year Plan (2007-2012). In this direction, one Steering Committee for Labour and Employment has already been set up to look into the issues of employment generation, labour, regulations etc. among others. The issues of employment in organized sector and employment for youth will also be considered by the Working Group on Labour Force and Employment Projection. There are also other Working Groups set up for the Eleventh Plan like Working Group on Skill Development and Vocational Training, Working Group on Labour Laws and other Labour Regulations and Working Group on Social Security.

Steering Committee for Labour and Employment, Working Group on Labour Force and Employment Projection and Working Group on Labour Laws and other Labour Regulations in particular will be looking into the issue of promotion of regular wage employment and suggest measures for arresting the decline in organized sector employment and increasing regular wage employment outside public organized sector.

The leading Departments of the Central Government, State Governments, Chambers of Commerce and Trade Unions in the country are also taking active role in this exercise of the 11th Plan.

As regards the National Rural Employment Guarantee Programme, the scheme will be extended to all rural areas in the perspective.

[Planning Commission O.M. No. 38/5/2006-OM&C,
dated 30th August, 2006]

CHAPTER IV

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

Recommendation (Sl. No. 3, Para No. 57)

Though the Mid-Day Meal Scheme is stated to have contributed, to some extent, to reduce drop out rates and increase in school enrolment and attendance, the Committee expressed concern over various media reports which state that due to supply of contaminated/sub-standard food school children fall sick resulting into addition in drop out rates and attendance. Hence the scheme requires setting up of proper distribution and monitoring mechanism at the State, District, Block and Panchayat levels. The Committee, therefore, feel that the Department concerned may conduct a Baseline Survey of MDMS and based on the results thereof, take suitable steps to improve the quality of meals supplied to school children. At the same time it is imperative to impress upon the State Governments to conduct enquiries regarding supply of contaminated or sub-standard food wherever it is reported, accountability fixed and appropriate punishment awarded. The Committee would like to be apprised of the specific disciplinary action taken in this regard.

Reply of the Government

State Governments have reported a few instances of food poisoning in 2005-06. State-wise details along with action taken by them is given in the **Annex.** below. The Department of School Education & Literacy (DSEL) has continuously taken up with the States to ensure regular supply of good quality mid-day meal to children.

Various mechanisms have been established to ensure regularity and maintenance of good quality meal. Some of them are:—

- (i) Steering-cum-Monitoring Committees have been set-up at State, District and Block levels. Periodically meetings are held to tackle implementation issues at field level such as uninterrupted supply of provisions, availability of manpower and infrastructure, hygiene and safety etc.

- (ii) The DSEL monitors the programme through Quarterly Progress Reports.
- (iii) 42 reputed Social Science Institutions, already monitoring SSA, have been engaged to monitor MDM Scheme.
- (iv) Guidelines of the Scheme also provide monitoring at school level by Village Education Committee (VEC)/PTA/Mother Teacher Association (MTA)/School Management Committee and PRIs.
- (v) The DSEL is in the process of developing Web enabled MIS to facilitate monitoring by various management structures of MDMS and disseminate programmatic information to general public stakeholders etc., to ensure transparency and accountability.

As regards Baseline Survey, it is stated that in collaboration with UNICEF, nutritional assessment of children of 6-14 age group has been initiated.

[Planning Commission O.M. No. 38/5/2006–OM&C,
dated 30th August, 2006]

Annex.

Instances of food poisoning among children due to consumption of Mid-Day Meal in 2005-06 and Action Taken by States:

Sl. No.	State	No. of children affected in 2005-06
1.	Andhra Pradesh	46
2.	Karnataka	310
3.	Maharashtra	77
4.	Rajasthan	71
5.	Tamil Nadu	77
6.	West Bengal	85

2. Action taken by above State Governments are as follows:—

Andhra Pradesh : Cases were enquired and where it was proved that incidence has incurred due to negligence of the implementing agencies, such agencies were replaced. Appropriate warnings were given to the school authorities to be vigilant.

Karnataka : The Headmasters and the Cooks were served warnings.

Maharashtra : The incidents had incurred in 4 districts. Of these, in one district *viz.*, Jalgaon, FIR has been filed. Inquiries were made in the remaining cases.

Rajasthan : Appropriate disciplinary action has been initiated against Block Development Officer, Additional CEO of Zila Parishad and School Authorities.

Tamil Nadu : The organizer, cook and assistants have been placed under suspension.

West Bengal : An FIR has been filed in one case and in the second case, no wilful misdeed was found after enquiry.

[Planning Commission O.M. No. 38/5/2006–OM&C,
dated 30th August, 2006]

Recommendation (Sl. No. 5, Para No. 69)

The Committee note that Rajiv Gandhi Grameen Vidyutikaran Yojana envisages electricity access to all rural households over a period of five years and electricity connections only to BPL households. But from the information furnished to them, they find that at the end of fifth year, all households would not be electrified as envisaged in the National Common Minimum Programme (NCMP) because the current objective aims only to provide electricity access to all rural households over a period of 5 years and electricity connection only to BPL households. They, therefore, desire that unless every household is electrified, the NCMP objective may prove a mismatch.

Reply of the Government

Rajiv Gandhi Grameen Vidyutikaran Yojana (RGGVY) envisages attainment of the National Common Minimum Programme (NCMP) goal of providing access to electricity to all households in five years. Under the scheme, projects are financed with capital subsidy for provision of Rural Electricity Distribution Backbone (REDB), and creation of village electricity infrastructure, which shall facilitate in giving access to electrification of households. Electricity connection to un-electrified BPL households are also provided free of cost as per norms of Kutir Jyoti Programme. Households above the poverty line are required to pay for their connections at applicable connection charges and connection shall be released on their request. However, the applicable charges towards consumption of electricity are payable by the households in both the cases. Supply of power for electrification of villages and households comes under the purview of the States.

[Planning Commission O.M. No. 38/5/2006-OM&C,
dated 30th August, 2006]

Recommendation (Sl. No. 5, Para No. 70)

The Committee further note that the revised definition for village electrification requires electrification of 10% of the total households in that village to be recognized as electrified, in addition to electrification of public places such as schools, Panchayat Offices, Community/Health Centres etc. Hence, the claim relating to the number of villages electrified appeared high when compared to the number of households actually electrified. They, therefore, desired that an independent verification may be carried out to assess the ground realities in this regard.

Reply of the Government

Under the scheme, projects are financed with capital subsidy for provision of Rural Electricity Distribution Backbone (REDB), creation of village electricity infrastructure and electrification of Below Poverty Line

(BPL) households. Accordingly, the States have reported that the works related to creation of REDB and village electricity infrastructure have been completed in 12633 villages as on 19.6.2006 and the process of providing electricity connections to rural households (including BPL households) is under process. Letters from the concerned Gram Panchayats/Sarpanch to this effect are being collected. As desired by the Committee, action for an independent verification to assess the ground realities in this regard, has also been initiated. The State of Uttar Pradesh has deployed M/s. RITES for the purpose and the States of Uttaranchal, Madhya Pradesh and West Bengal would be availing the services of NTPC. The Programme Evaluation Organisation unit of Planning Commission shall also be conducting an evaluation study.

[Planning Commission O.M. No. 38/5/2006–OM&C,
dated 30th August, 2006]

Recommendation (Sl. No. 6, Para No. 85)

The Committee find that NSSO Sample Surveys and the demographic census form the basis for estimation of labour force, employment and unemployment. They find that growth rate of employment/labour force declined from 2.70% per annum during the period 1983 to 1993-94 to only 1.07% per year during 1993-94 to 1999-2000. As per the Survey conducted in 1999-2000, labour force participation rates also declined sharply in comparison to 1993-94 resulting into sharp deceleration in the growth of labour force from 2.43% during 1983 to 1993-94 to only 1.31% in 1993-94 to 1999-2000. What the Committee wanted to know from the Government was the latest result of the sample survey conducted by the NSSO during July, 2004 - June, 2005 which the Government could not furnish by saying that the same was not available with them. The Committee are surprised that even after a lapse of almost one year, the results of the Survey are not available with the Government. The Committee take a serious view in the matter and expected the Government to come out with the result early, which is so crucial for employment planning.

Reply of the Government

The National Sample Survey Organisation in every five years, surveys 1.5 lakh to 2.0 lakh households to find the employment/unemployment status of individuals living in the households. The survey is conducted throughout the country and in every region of the country including difficult terrains and disturbed areas. Compilations of results based on these surveys of individual households takes a little time. However, NSSO has been informed about the comments of the Standing Committee on Finance (2005-06) of 14th Lok Sabha and asked to take necessary steps in this regard.

[Planning Commission, O.M. No. 38/5/2006–OM&C,
dated 30th August, 2006]

CHAPTER V

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

-Nil-

NEW DELHI;
11 December, 2006

20 Agrahayana, 1928 (Saka)

MAJ. GEN. (RETD.) B.C. KHANDURI
Chairman,
Standing Committee on Finance.

ANNEXURE

MINUTES OF THE THIRTEENTH SITTING OF STANDING
COMMITTEE ON FINANCE

The Committee sat on Thursday the 7th December, 2006 from
1500 hrs. to 1610 hrs.

PRESENT

Maj. Gen. (Retd.) B.C. Khanduri—*Chairman*

MEMBERS

Lok Sabha

2. Shri Jaswant Singh Bishnoi
3. Shri Shyama Charan Gupta
4. Shri Bhartruhari Mahtab
5. Shri Rupchand Pal
6. Shri Prakash Paranjpe
7. Shri P.S. Gadhavi
8. Shri K.S. Rao
9. Shri Lakshman Seth
10. Shri A.R. Shaheen
11. Shri G.M. Siddeshwara
12. Shri M.A. Kharabela Swain

Rajya Sabha

13. Shri Santosh Bagrodia
14. Shri Mahendra Mohan
15. Shri Chittabrata Majumdar

SECRETARIAT

- | | | |
|----------------------------|---|-------------------------|
| 1. Shri A. Mukhopadhyay | — | <i>Joint Secretary</i> |
| 2. Shri S.B. Arora | — | <i>Deputy Secretary</i> |
| 3. Shri T.G. Chandrasekhar | — | <i>Under Secretary</i> |
| 4. Smt. Anita B. Panda | — | <i>Under Secretary</i> |

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

3. ** ** ** ** ** ** **

4. The Committee, then took up for consideration the draft reports on action taken by the Government on the recommendations/ observations contained in the 38th Report on Demands for Grants (2006-07) of Ministry of Planning.

5. ** ** ** ** ** **

6. The Committee then considered and adopted the draft reports on (i) action taken by the Government on the recommendations/ observations contained in the 38th Report on Demands for Grants (2006-07) of Ministry of Planning.

7. ** ** **~** **

8. The Committee authorized the Chairman to finalise the Reports in the light of suggestions received from the Members and also make consequential verbal changes and present the same to Parliament.

The Committee then adjourned to meet again on 11 December. 2006.

APPENDIX

(Vide Para 3 of the Introduction)

ANALYSIS OF THE ACTION TAKEN BY GOVERNMENT ON THE
RECOMMENDATIONS CONTAINED IN THE THIRTY-EIGHTH
REPORT OF THE STANDING COMMITTEE ON FINANCE
(FOURTEENTH LOK SABHA) ON DEMANDS FOR GRANTS
(2006-07) OF THE MINISTRY OF PLANING

	Total	% of total
(i) Total Number of Recommendations	14	
(ii) Recommendations/observations which have been accepted by the Government. (Vide Recommendations No. 1 (Para Nos. 24 & 25), 2 (Para Nos. 41 & 42)	4	28.57%
(iii) Recommendations/observations which the Committee do not desire to pursue in view of the Governments replies. (Vide Recommendations Nos. 1 (Para No. 26), 3 (Para Nos. 55 & 56), 4 (Para No. 63), 5 (Para No. 71) and 6 (Para No. 86)	6	42.86%
(iv) Recommendations/observations in respect of which replies of the Government have not been accepted by the Committee. (Vide Recommendation Nos. 3 (Para Nos. 57), 5 (Para Nos. 69 & 70) and 6 (Para No. 85)	4	28.57%
(v) Recommendations/Observations in respect of which final reply of the Government is still awaited (Nil)	Nil	Nil