

19

**STANDING COMMITTEE
ON EXTERNAL AFFAIRS
(2012-2013)**

FIFTEENTH LOK SABHA

MINISTRY OF OVERSEAS INDIAN AFFAIRS

**DEMANDS FOR GRANTS
(2013-2014)**

NINETEENTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

APRIL, 2013/VAISAKHA, 1935 (Saka)

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**STANDING COMMITTEE ON
EXTERNAL AFFAIRS
(2012-2013)**

(FIFTEENTH LOK SABHA)

**DEMANDS FOR GRANTS
(2013-2014)**

**Presented to Lok Sabha on 26th April, 2013
Laid in Rajya Sabha on 29th April, 2013**



**LOK SABHA SECRETARIAT
NEW DELHI**

April, 2013/ Vaisakha, 1935 (Saka)

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COMPOSITION OF THE COMMITTEE ON EXTERNAL AFFAIRS (2012-2013)

Sl. No.	Name of Member
1.	Shri Ananth Kumar - Chairman

Lok Sabha

2.	Shri Anto Antony
3.	Shri Sansuma Khunggur Bwiswmuthiary
4.	Shri Bhudeo Choudhary
5.	Shri Bhakta Charan Das
6.	Shri Suresh Kalmadi
7.	Shri Pradeep Kumar Majhi
8.	Shri Jose K. Mani
9.	Shri Gobinda Chandra Naskar
10.	Shri Rakesh Pandey
11.	Shri M.B. Rajesh
12.	Shri J. Ramesh
13.	Shri Rajendrasinh Rana
14.	Shri Elangovan T.K.S.
15.	Shri Francisco Sardinha
16.	Dr. Bholu Singh
17.	Shri Janardhana Swamy
18.	Dr. Girija Vyas
19.	Shri Sultan Ahmed *
20.	Shri Inder Singh Namdhari @
21.	Vacant \$

Rajya Sabha

22. Smt. Jaya Bachchan
23. Shri A.W. Rabi Bernard
24. Shri Murli Deora
25. Dr. Najma A. Heptulla
26. Shri Balbir Punj
27. Dr. K.P. Ramalingam
28. Dr. Karan Singh
29. Shri N.K. Singh
30. Shri D. P. Tripathi
- 31 Smt. Ambika Soni#

SECRETARIAT

- | | | |
|-----------------------|---|---------------------|
| 1. Shri U. S. Saxena | - | Joint Secretary |
| 2. Dr. Ram Raj Rai | - | Director |
| 3. Shri A. Sivanandam | - | Under Secretary |
| 4. Shri Vikas Gachli | - | Executive Assistant |

* Shri Manish Tewari ceased to be Member of the Committee consequent upon his appointment of as Minister of State w.e.f. 28.10.2012 and Shri Sultan Ahmed is nominated w.e.f. 13.12.2012.

@ Dr. Shashi Tharoor ceased to be Member of the Committee consequent upon his appointment of as Minister of State w.e.f. 28.10.2012 and Shri Inder Singh Namdhari is nominated w.e.f. 13.12.2012 .

\$ Shri Nama Nageswara Rao ceased to be Member of the Committee consequent upon change of nomination to Committee on Commerce w.e.f. 13.12.2012.

Smt. Ambika Soni has been nominated to the Committee *vice* Dr. M. S. Gill who has been nominated to the Committee on Urban Development w.e.f. 27th December, 2012.

INTRODUCTION

I, the Chairman of the Standing Committee on External Affairs having been authorized by the Committee to present the Report on their behalf, present this Nineteenth Report of the Standing Committee on External Affairs (2012-2013) on Demands for Grants (2013-2014) of the Ministry of Overseas Indian Affairs.

2. The Committee heard the views of the representatives of the Ministry of Overseas Indian Affairs at the sitting held on 10th April, 2012.

3. The Committee wish to express their thanks to the officers of the Ministry of Overseas Indian Affairs and others for placing before them the material and information that the Committee desired and also appearing before the Committee for placing their considered views before them in connection with the examination of Demands for Grants (2013-14).

4. The Report was considered and adopted by the Committee at their sitting held on 22nd April, 2013.

5. The Minutes of the sittings of the Committee held on 10th April, 2013 and 22nd April, 2013 are given in Appendix-I and II to the Report.

6. For facility of reference, the observations/recommendations of the Committee have been printed in bold letters in the Report.

NEW DELHI
22nd April, 2013
2 Vaisakha, 1935 (Saka)

ANANTH KUMAR,
Chairman,
Standing Committee on External Affairs

CHAPTER- I

BACKGROUND ANALYSIS

IMPLEMENTATION OF THE RECOMENDATIONS CONTAINED IN THE THIRTEENTH REPORT (15TH LOK SABHA) ON DEMANDS FOR GRANTS (2012-13) OF THE MINISTRY OF OVERSEAS INDIAN AFFAIRS

The 13th Report of the Standing Committee on External Affairs on Demands for Grants of the Ministry of Overseas Indian Affairs for the year 2012-13 was presented to the Lok Sabha on 8th May, 2012 and laid in the Rajya Sabha on the same day. The Report contained 16 recommendations/observations.

1.2 The Action Taken Replies on the Recommendations contained in the 13th Report (15th Lok Sabha) have been received from the Ministry and the Action Taken Report on the same has been prepared.

1.3 On the basis of Action Taken Replies received from the Ministry of overseas Indian Affairs on the 13th Report, the Committee presented their 18th Report (Action Taken Report) to the Parliament on 14th March, 2013. The Committee in its 18th report has commented on the action taken replies furnished by the Ministry in respect of recommendations Nos. 1,4,5,6,7,9,11,15, and 16 contained in the 18th Report. The final replies as and when received from the Ministry will be laid in Parliament.

CHAPTER - II

INTORDUCTORY

The Ministry of Overseas Indian Affairs (MOIA) aspire to be a one-stop address for Overseas Indians. Established in May, 2004 as the 'Ministry of Non-Resident Indians' Affairs, it was renamed as 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 December 2004 and now functions as the Emigration Services Division which also has within it the Protectorate General of Emigrants (PGE). The erstwhile NRI Division of the Ministry of External Affairs now functions as the Diaspora Division in the Ministry.

2.2 The MOIA is the nodal Ministry for all matters relating to Overseas Indians, comprising Persons of Indian Origin (PIO) Non-Resident Indians (NRIs) and Overseas Citizens of India (OCI). India's engagement with its overseas community has been mainstreamed with the establishment of MOIA. Its Mission is to establish a robust and vibrant institutional framework to facilitate and support mutually beneficial networks with and among Overseas Indians to maximise the development impact for India and enable Overseas Indians to invest in and benefit from the opportunities in India.

In accomplishing this mission, the Ministry is guided by four key policy imperatives:

- (i) Offer customised solutions to meet the varied expectations of the Overseas Indian Community.
- (ii) To bring a strategic dimension to India's engagement with its Diaspora.
- (iii) Tap the investible diasporic community in terms of knowledge and resources in diversified economic, social and cultural areas.
- (iv) Anchor diasporic initiatives in the States.

CHAPTER -III

REPORT

OVERALL ANALYSIS OF DEMANDS FOR GRANTS OF THE MINISTRY OF OVERSEAS INDIAN AFFAIRS FOR THE YEAR 2013-2014

A. Overall Budgetary proposals and allocation

The Ministry of Overseas Indian Affairs was established in September, 2004 as a nodal Ministry for all matters relating to Overseas Indians. The Demand for Grants of the Ministry for the year 2013-14 were laid on the table on the March 20, 2013.

The Budget of the Ministry has traditionally been on the non-plan side.

3.2 The demands *vis-à-vis* allocation of funds made and its actual utilization by the Ministry of Overseas Indian Affairs has been discussed in details in succeeding paragraphs:-

3.3 The following table shows the overall budgetary Allocation made for the MOIA during the last five years along with RE for the respective years and actual and percentage of utilization of RE:-

	(Rs. In Crores)				
	2008-09	2009-10	2010-11	2011-12	2012-13
BE	65	80	81	81	114.77
RE	45	60	73	81	85
Actual	45	56.23	67.87	77.49	49.99*
% of RE	100	93.71	92.97	95.67	- 58.81%*

* Actual expenditure up to December 31, 2012.

3.4 The BE for the year 2013-14 is Rs. 115.79 crores. The actual allocation made at BE 2013-14 as against each Head is as under:-

(Rs. In Crores)		
	Major Head	Allocation
2052	Secretariat General	28.91 crores
2061	External Affairs	66.88 crores
4059	Capital Outlay on Public Works	20.00 crores
	Total	115.79 crores

3.5 It may be observed from the above table that during all these years except during 2008-09, every year, BE was revised downwards and actual utilization was even lower than RE.

3.6 When the Committee asked about the details of fund utilization during the each quarter of the year 2012-13. The Ministry submitted the following details:-

Year 2012-13	Utilisation (Rs. in crores)
1st quarter	10.94
2nd quarter	14.87
3rd quarter	24.18
4th quarter	31.29 (Anticipated)
Total	81.28

3.7 When the Committee specifically asked about the reasons for such an uneven fund utilization, and for not getting desired results of the efforts made by the Ministry to avoid utilization of major allocation in the last quarter of the year, despite the repeated recommendations and directions of the Committee to improve the same, Ministry submitted as under:-

“Both the nature of activities and late booking of some expenditure led to larger utilization of funds by the Ministry during the last quarter of financial year. However, the Ministry has noted the recommendations and will monitor the utilization of funds closely this year to make it as even as possible throughout the year.

The Ministry has instituted strict monitoring of the schemes so that the fund utilization is even in all the quarters.”

3.8 Explaining the reasons for more utilization of funds in the last quarter of the year, the MOIA submitted as under:-

“While fund utilization in the last quarter is more than earlier quarters, it is not very large as compared to 3rd quarter. However, as submitted earlier, utilization in last quarter is generally more in Ministry because the flagship event of the Ministry, Pravasi Bharatiya Divas, was organized during 7th – 9th January and the expenditure was booked after the event. Similarly, expenditure on some of the activities like OCI cards and Awareness and Media Campaign occurred during this quarter. Besides, the booking of expenditure incurred by Indian Mission was delayed. Hence, while the Ministry made its efforts to book expenditure during earlier quarters, for the reasons explained above, the expenditure during last quarter was higher.”

3.9 During the evidence the Secretary, MOIA further clarified their position on this issue as under:-

“Because of the reduced allocation this year, the major setback will be for the building called the Pravasi Bhartiya Kendra that is being constructed. It is hoped to make up for the delay in the current year so that the building can be occupied by the end of the year. The other setback which the Ministry will face this year is the delay in the implementation of e-migrate project. It is delayed by a period of at least 8-9 months. We are trying to cut it to six months but it is delayed on account of various factors. Some of them were vendor issues with TCS. They had some delays in giving us the data recovery centre and data centre. We had also inter-ministerial issues which we could not sort out because we had to link up both with the MEA and the IB, especially with the IB there were a lot of security issues with the data. So, it took us really long time to sort them out”.

3.10 When asked about the details of demands made by MOIA during Budget meetings 2013-14 with the Ministry of Finance, and the head-wise actual allocation of funds made by them, the Ministry furnished the following details:-

“The Ministry had proposed an allocation of Rs.186.94 crore for BE 2013-2014. However, the Ministry of Finance has kept it at Rs.115.79 crore.

Budget Allocation: 2012-13 (Rs. in crore)

Revenue Section		
	BE (Proposed to MoF)	Allocated
Major Head - 2052	55.02	28.91
Major Head - 2061	77.07	66.88
Capital Section		
Major Head - 4059	54.85	20.00
Total	186.94	115.79

3.11 On being asked whether the Ministry had sought for any new projects/schemes, particularly with reference to the recommendation of the Committee including the preparation of data base for NRIs, the Ministry clarified in a written reply as under:

“The Ministry has not sought funds for new projects / schemes during the year. However, the allocation under Scholarship Scheme for Diaspora Children, Awareness and Media Campaign, Mahatma Gandhi Pravasi Suraksha Yojana, Indian Community Welfare Fund, etc. have been enhanced over BE of 2012-13.”

3.12 In response to further query of the Committee whether the proposed outlay of 115.79 crores earmarked for the year 2013-14 is sufficient for achieving the goals set by the Ministry, the MOIA submitted as under:

“The Ministry considers that the proposed Rs.115.79 crore for the year 2013-14 needs to be spent with due care and prudence to maximize its impact. Further, additional funds can be sought based upon the trends of expenditure in various schemes at the RE stage”.

3.13 When asked about specific initiatives that the Ministry proposes to take to improve its spending mechanism and maintain the even distribution expenditure during each quarter of the year for ensuring most optimal utilization of the Budget for the year 2013-14, MOIA assured as under:

“The Ministry is instituting a strict monitoring of expenditure under various schemes, so as, to ensure most optimum utilization of the Budget for the year 2013-14.”

3.14 The Committee observe that the Ministry of Overseas Indian Affairs has once again failed in utilizing the allocation made at the Budget Estimates (BE) stage during the year 2012-13, and also on the front of maintaining the even expenditure during each quarter of the year. The allocation made to MOIA at BE stage was Rs. 114.77 crores which was reduced to Rs. 85 crores at RE stage and the anticipated final utilization is only Rs. 81.28 crores out of which Rs. 31.29 crores was spent during the last quarter of the year. The Committee find that perhaps due to similar trend of expenditure, the MOIA has not been able to develop any faith in getting the desired funds of the Ministry of Finance during the year 2013-14 also and it has been kept almost at the same level of Rs. 115.79 crores as that of the last financial year against

their projected demand of Rs. 186.94 crores. The Committee have a clear view that if MOIA is not able to improve such trend of expenditure on various schemes of the Ministry, they may not be able to obtain any fund at RE stage also. The Committee, therefore, reiterate that MOIA should improve their spending mechanism by instituting strict monitoring of each and every scheme so that the Budget allocated for the year 2013-14 is evenly spent and properly utilized during each quarter of the year and they may be in a better position to convince the Ministry of Finance while seeking the additional funds at RE stage.

(Recommendation No. 1)

B. Revenue and Capital Section

3.15 The details of the Budget Allocation made under Revenue and Capital Section in BE 2012-13, RE 2012-13 and BE 2013-14 are as under:-

	Rs. (In Crores)		
	BE 2012-13	RE 2012-13	BE 2013-14
Revenue Section	94.77	75.00	95.79
Capital Section	20.00	10.00	20.00
Total	114.77	85.00	115.79

3.16 The allocation under the Revenue Section has been made to meet the expenditure to be incurred on Secretariat-General Services and External Affairs. Similarly, the allocation under the Capital Section has been made on account of construction of the Pravasi Bhartiya Kendra

(PBK), which would be a centre to commemorate the achievements of the Indian Diaspora, and for construction/purchase of new office premises for the offices of Protector of Emigrations located in different States.

3.17 When asked about the justification for downward revision in BE 2012-13 under the Revenue and Capital Section, the Ministry in its reply has stated:-

“The downward revision in BE (2012-13) under ‘Major Head 2052 – Secretariat -General Services’ has been due to reduction in allocation of e-Migrate Project for which allocation was made under Object Head of ‘Infotech Office Expenses’ from Rs.22.40 crore to Rs.2.59 crore. The actual expenditure made against the RE of Rs.25.33 crore under this Head is Rs.22.67 crore.”

B.(i) e-Migrate Project

3.18 The Ministry is implementing a comprehensive e-governance project on migration. The e-Migrate Project aims to transform emigration into a simple, transparent, orderly and humane process. The Project is aimed at improving the quality of services to emigrant workers and help reduce, to a great extent, corruption, malpractices and irregular migration and thereby facilitate legal and orderly migration.

3.19 When asked about the actual and projected expenditure during the year 2012-13 and reason for very poor expenditure on the project resulting into significant revision in allocation under this head and the item-wise details of allocation and the actual expenditure made in the FY 2012-13, the Ministry in its reply has stated:-

“A Budget provision of Rs. 22.00 crore was made in BE (2012-13) for e-Migrate Project. The requirements of funds were reduced to Rs. 2.19 crore at (RE 2012-13) stage, due to delays in the

implementation of the project. Due to continued delays, actual expenditure during 2012-13 is Rs 1.26 crore.

e-Migrate Project is being implemented by M/s TCS. The Ministry had signed a contract with M/s TCS on 30th December 2011 for this purpose. As per the contract, M/s TCS is required to implement the Project and operate and maintain its infrastructure for five years post 'Go-Live' of the Project. As per the contract, Go-Live of the Project was expected on 9th February, 2013, i.e., 58 weeks after signing of the contract. However, Go-Live of the Project has been delayed and now it is expected by 3rd quarter of 2013-14 at the earliest.

The item-wise details of the allocation made and actual expenditure incurred during FY (2012-13) is given below:

(Rs in crore)

Category	BE- 2012-13	RE 2012- 13	Actual Expenditure
Payment to Implementing Agency- (M/s TCS)	19.66	--	--
PMU	1.09	0.66	0.44
Third Party Audit Agency	0.48	0.36	0.12
NISG Phase-II Payment	0.77	1.17	0.70
Total	22.00	2.19	1.26

3.20 When asked about the justification for not giving separate allocation for e-Migrate Project and also that how the amount allocated would affect the implementation of the project, the Ministry informed in a written reply as under:-

“Funds were allocated under the IT head of Ministry in view of e-Migrate being an e-governance initiative. Rs. 3.40 crores has been allocated for the project during 2013-14, which reflects the delay in the project, as major expenditure will be incurred only after ‘Go Live’ of the project. Further requirement will be projected at RE 2013-14 stage”

3.21 On being asked about the reasons for the delay in rolling out the e-Migrate project, the Ministry in their reply have stated:-

“The delay in the Project is due to many milestones not being achieved in time. These include finalization of Data Center (DC) and Disaster Recovery Center (DRC) sites and set-up thereof, finalization of Wide Area Network (WAN) architecture and set-up thereof, finalization of interface of e-Migrate system with Immigration system (MHA/ BoI) and Passport System (MEA) and set-up thereof.

With a view to ‘Go Live’ during 3rd quarter of 2013-14, the Ministry expects that DC and DRC will be set up by the end of June 2013, WAN will be in place by the end of May 2013, and interfaces with Immigration and Passport Systems will be available by the end of June 2013. After achieving these key milestones, nearly two months will be required for training, communication and transition from existing system to e-Migrate system.”

3.22 The Committee observe that the e-Migrate Project has been considerably delayed due to non-achievement of several milestones in time. The allocation for this project was reduced from Rs. 22.00 crores to Rs. 2.19 crores at RE stage and only Rs. 1.26 crores was spent on the project during

the year 2012-13. During 2013-14 the project has been allocated a fund of Rs. 3.40 crores only which does not seem sufficient for development and implementation of the project in a timely manner. The Committee also observe that the e-Migrate project, was planned to be implemented in a phased manner over three years and as per contract with TCS, 'Go-Live' of the project was expected on 9th February, 2012. However, 'Go-Live' of the project has been delayed and the project is now supposed to be completed by the end of August, 2013 at the earliest as Committed by MOIA during oral evidence. The Committee, therefore, desire that the Ministry must ensure to meet its new deadline for the completion of major milestones of the e-Migrate of the project such as Disaster Recovery Centre (DRC) and Wide Area Network (WAN) and establish 'Go-Live' on time by obtaining the desired fund at RE stage so that the project is rolled out at the earliest without any further delay particularly due to paucity of funds.

(Recommendation No. 2)

C EXTERNAL AFFAIRS – MAJOR HEAD-2061

3.23 Expenditure incurred on the International Conferences and other expenditure is included under the major head of 'External Affairs'. In BE for 2012-13 Rs. 56.67 crores was made which was subsequently reduced at Rs. 49.67 crores at RE stage. But an allocation of Rs. 66.88 crores has been made in BE 2013.14.

3.24 When the Committee desired to know the reasons for the quantum jump in the budgetary allocation for the year 2013-14 along with the reasons for lower utilization of funds during the year 2012-13, the Ministry stated as under:

“The increase in the allocation under 'External Affairs - Major Head 2052' is due to increase in allocation of Mahatma Gandhi Pravasi Suraksha Yojana, Pravasi Bharatiya Divas, Scholarship Scheme for Diaspora Children, Overseas Workers Resource Centre, Awareness and Media Campaign, India Centre for Migration, India Development Foundation, Overseas Indian Centre etc. The actual expenditure against RE of Rs.49.67 crore of this Head is Rs.48.48 crore”.

C. (i) International Conferences/Meetings

3.25 Rs. 1.00 crore has been allocated for 'International Conferences/Meetings' for the year 2013-2014. During the year 2012-13, BE was the same which was drastically revised to 22 lakhs at RE stage.

3.26 On being asked regarding the details of the meetings and conferences organized under this head during the year 2012-13 and the expenditure made in each case, the Ministry has replied as under:-

“The details of expenditure met under the Head (International Conference/Meetings) are as follows:

Sl. No.	Event	Amount (Rs.)
1	Health Summit organised with the American Association of Physicians of Indian Origin(AAPI)	20,00,000
2	Conference of Heads of Missions	1,70,801
3	Annual Consultation Meeting with State Governments	8,315
	Total:	21,79,116

3.27 When asked about the objectives of seeking specific allocation under this subject head, the MOIA submitted the following reply:-

“The objective of seeking specific allocation under this subject head is to provide financial outlays towards conferences and meetings, to develop better understanding of dynamics of migration, and to facilitate policy formulation in this regard. Such conferences/meetings also enable Ministry to review the existing schemes and to take steps for better implementation.”

3.28 When the Ministry was specifically asked about the reasons for drastic reduction in expenditure during 2012-13 and the justification for an allocation of Rs. 1.00 crore for organising conferences/meetings during the year 2013-14, the Ministry replied as under:-

“Since one major International conference as planned could not materialise, the allocation at RE stage was reduced. However, for the year 2013-14, Ministry anticipates international conferences particularly those related to high level dialogue on migration with

European Union and Foreign Employers' Conference. Therefore, the allocation has been kept at the same level as it was in BE 2012-13."

3.29 While going into further details of the expenditure under this head the Committee wanted to know the kind of entertainment meted out to dignitaries during the year 2012-13 by spending Rs. 10.00 lakhs. The MOIA submitted the following written reply:-

"An expenditure of Rs. 9,40,055/- was incurred during the year 2012-2013. The Administration Section of Ministry regulates this expenditure based on the requirements from different wings of Ministry.

While Minister is called on by a number of dignitaries from various countries, various international delegation's visit the Ministry for discussions and negotiation such as Social Security Agreements, Human Resource Mobility Partnerships etc. the expenditure on hospitality for these delegations is met out of this allocation which is necessary because it serves to strengthen the bilateral relationship and includes working lunches/dinners".

3.30 The Committee observe that the amount of Rs. 1.00 crore was allocated to the Ministry under the sub-head 'International Conferences/Meetings' including expenditure for entertainment of dignitaries and facilitate policy formulation on various issues related to Ministry. But only Rs. 21.79 lakhs were spent by the Ministry on conferences and Rs. 9.50 lakhs for entertainment/hospitality purposes during the year 2012-13. The Ministry failed to organize the scheduled Conference and spent only 30 percent the allocation made at BE stage under this head. All this shows the lack of foresightedness and sensibility on the part of the Ministry in chalking out the schedule of conferences/meetings on the issues which require review/detailed

discussion of the schemes/programme of the Ministry in the light of international situation. The Committee, therefore, desire that Ministry should prepare a programme schedule of such seminars/conference to be organized during a financial year well in advance with pronounced objectives and make the expenditure accordingly. The Committee further desire that the Ministry should also ensure that the expenditure on such activities is justified and outcomes of these deliberations are proportionate to the amount spent on these seminars/conferences.

(Recommendation No. 3)

D. Capital Outlay on Public Works- Major Head – 4059

3.31 Capital outlay on Public Works BE for 2012-13 under this head was Rs. 20.00 crores which was revised to Rs. 10.00 crores at RE Stage and BE for 2013-14 is Rs. 20.00 crores. Whole amount has been allocated for construction of PBKs.

D (i). Pravasi Bhartiya Kendra (PBK)

3.32 The work of the Pravasi Bhartiya Kendra started in 2011, is still running behind its completion target. When asked about the efforts made by the Ministry for its completion and the actual expenditure made so far along with the reasons for under utilization of the Budget the Ministry has replied as under:-

“The actual expenditure of the Project upto 31.03.2013 is Rs.32.06 crore. The project work is being monitored and reviewed by the Ministry on a regular basis. The budgetary provision was reduced from Rs. 20 crore to Rs. 10 crore at the RE stage in the financial year 2012-13 as overall allocation to the Ministry was reduced from Rs. 114.70 crore to Rs.85 crore”.

3.33 The Committee further enquired about the current status of the construction of the project and the deadline set for the completion of the project the Ministry stated that :-

“The structural work (civil work) has been completed and finishing works like flooring, false ceiling etc. are in progress.

The dead line for the completion of project now is 30.12.2013 as against the originally envisaged date of 30.4.2013. However, Ministry would make best efforts to complete the project by September, 2013”.

3.34 The Committee note that the deadline for construction of Pravasi Bhartiya Kendra (PBK) has now been extended from April, 2013 to December, 2013. The Committee can expect that now the Ministry will stick to the new deadline, as the civil work has already been completed and finishing work like flooring, false ceiling etc. are in progress.

However, the Committee have not been informed about the development made so far in the direction of establishment of Pravasi Bhartiya Bhawans (PBB) in States. The Committee strongly favours the concept, but are not satisfied with the efforts being made by the Government in that regard.

The Committee, therefore, reiterate that the Ministry should come out with a clear cut objective and policy regarding establishment of PBBs in States and should impress upon the Diaspora specific States for their participation in the project through an allotment of land for that purpose. An early completion of the PBBs in the states that would not only commemorate the landmark events / ideals and glorious past of the community / society emitting from that very soil highlighting the importance of the specific culture and language of the State but will also

accrue financial and material benefits from the willing NRIs and PIOs and will open new grounds for reinforcing bonds with their grassroots and the new generation.

(Recommendation No. 4)

D (ii). Construction and Purchase of PoE Offices

3.35 There are about five million Overseas Indian Workers all over the world. A vast majority of migrants to Middle East, including Gulf countries, are semi-skilled and unskilled workers and most of them are temporary migrants who return to India after expiry of their contractual employment. Operational matter relating to emigration, the provision of emigration services to emigrants and the enforcement of the Emigration Act 1983 are under the protector General of Emigrants (PGEs).

The PGE is the statutory Authority under the Emigration Act and responsible for the welfare and protection of the Emigrants workers. He also oversees the nine field offices of the Protector of Emigrants (PoEs) situated at Delhi, Mumbai, Chennai, Thiruvananthapuram, Cochin, Hyderabad, Chandigarh, Kolkata and Jaipur.

3.36 On being further enquired about the reasons for not allocating even a single rupee under the subject head construction/purchase of building for PGE/PoEs also during the year 2012-13 and 2013-14 and as to how the Ministry proposes to complete the PoE offices across the country, the Ministry in its written reply has stated as under:-

“The Hon’ble Minister, Overseas Indian Affairs vide letter dated 20-12-2011 has addressed the Hon’ble Minister of Urban Development, Hon’ble Chief Minister of Andhra Pradesh, Kerala, Maharashtra and Tamil Nadu. Secretary, MOIA has also addressed the Chief Secretary, Government of Tamil Nadu and Secretary, Ministry of Urban Development. Though, concerted efforts have been made by the Ministry by continuously writing to the State

Governments for providing/allotting suitable place, no response has been received in the matter. Therefore, no allocation of funds has been made towards this Head.

The Ministry will make renewed efforts in contacting the concerned State Governments/Ministry of Urban Development and follow up with them for allocation of land/space/building”.

3.37 The Committee observe that the PoE offices at Chennai, Hyderabad and Jaipur are housed in a rented building owned by the State Governments, PoE office, Thiruvananthapuram has recently got its office space of its own but PoE, Mumbai and PoE, Cochin are still functioning from private buildings. The new PoE offices at Jaipur, Rai Bareilly and Guwahati are also on the anvil but without office premises of their own. Surprisingly, ‘no allocation’ was made during the year 2012-13 for the purpose of establishing/shifting the PoE offices, and it is status-quo again during 2013-14. The Committee fail to understand the approach of the Ministry in this matter when in their replies they have asserted that they are making all possible efforts to purchase space for accommodating the existing PoE offices but on the other hand not a single rupee has been allocated for the purposes of construction/shifting of PoE offices.

The Committee do not approve the approach of the Ministry in the matter and desire that the matter must be diligently taken up with the authorities concerned, such as the Minister of Civil Aviation/Urban Development Minister and concerned Chief Ministers and finalize the proposals of land or space purchase or lease for accommodating these

PoE offices on priority basis during the year in 2013-14. MOIA may also coordinate with MEA to locate/open their PoE offices in or near RPOs so as to facilitate people for not running to faraway places. Without showing the progress in getting the space or land, they may not be able augment sufficient funds for the same at the RE stage also. The Committee are also aware that a significant number of Posts are lying vacant in the PoE offices and desire that fresh initiatives should be taken to fill all the vacant posts in the old as well as the new PoE offices in the shortest possible time.

(Recommendation No. 5)

CHAPTER - IV

ASSESSMENT OF SCHEMES/PROGRAMMES OF THE MINISTRY OF OVERSEAS INDIAN AFFAIRS

MOIA has launched various policies, programmes and schemes that seek to meet the varied expectations and needs of the diverse Overseas Indian Community as under:-

Mahatma Gandhi Pravasi Suraksha Yojna

4.2 Mahatma Gandhi Pravasi Suraksha Yojana (MGPSY) is a specially designed social security scheme for the unskilled and semi-skilled Overseas Indian Workers with ECR passports and employed on temporary work permits across 17 ECR countries. The scheme was launched by this Ministry on a pilot-basis at Kerala on 1st May 2012 and enrolment centers were established at Kerala in July 2012.

4.3 The objective of the scheme is to encourage and enable such Overseas Indian Workers and by giving government contribution to (a) save for their return and resettlement, (b) save for their pension and (c) get a life insurance cover against natural death. The Government contribution available under the MGPSY is for a period of five years or till the return of subscribed Worker back to India, whichever is earlier.

4.4 When asked about the reasons for enhancing the allocation under the scheme, the Ministry has stated as under:-

“The allocation has been enhanced since the Ministry proposes to enlarge the scheme from its present pilot phase to start enrolment in two other States of India and in United Arab Emirate during 2013-14. During the previous year, the scheme was launched on a pilot basis only and therefore Rs.1.80 crore was the expenditure during the year 2012-13”.

4.5 On being further enquired about the outcome of the scheme in Kerala where it was launched on Pilot basis the Ministry has stated that:-

“The objective behind launch of this scheme on pilot basis was to test the end-to-end flow starting from registration of subscriber in MGPSY to registration of subscribers in the MGPSY partner schemes. This process also enabled Ministry to work on areas which require further action to rollout the scheme in India and ECR countries, such as appointment of additional service providers and Banking partners, a proper incentive structure to the service providers, and development of Information, Education and Communication (IEC) tools.

A total of 154 subscribers have been registered in MGPSY during 2012-13, out of which 45 subscribers were found to be eligible to receive Government co-contribution under MGPSY”

4.6 During the oral evidence it was pointed out that out of 154 registered only 45 subscribers have been found eligible for this scheme and also wanted to know about the justification for allocation of the meagre amount of 7.00 crores only for the year 2013-14. The representative of MOIA has replied as under:-

“When the workers come back to the States, there are many Central Government and State Government schemes for rehabilitation. It is very difficult to have a special scheme only for the workers who have gone abroad.

But, realising that when the workers come back they need some amount of resettlement and rehabilitation fund, this scheme has been launched. This scheme has three parts. This scheme encourages the workers also to save for them. So the Government gives co-contribution which is Rs. 1000 for the male workers and Rs. 2000 for the female workers for their pension, and Rs. 1000 each for the male and female equally for their resettlement and rehabilitation, and insurance which is given

free. In this scheme before the GoI we make release its co-contribution, which is completed, the Worker also needs to have that much of saving in his account. It is being done as per the Ministry of Finance's Swavalamban Scheme, which is a new pension scheme. The idea is that when the worker comes back after five years, he is not only enrolled in the new pension scheme launched for the unorganised workers in India, the Ministry of Finance Scheme, he also gets some money in lump sum form which he can start his business. He can search for the job and make the two hands meet. This scheme has three platforms. It has the insurance part; it has the pension part; it has the resettlement parts, which are worked under different regulators. So there is a need to traverse the area to be fully sure that whatever we are getting from workers is going into his rightful pockets".

4.7 The Committee are happy to note that Pension Life Insurance Fund (PLIF) has been rechristened as Mahatma Gandhi Pravasi Suraksha Yojna (MGPSY). This has been a noble scheme for unskilled and semi-skilled Overseas Indian Workers who can save certain amount for their pension and resettlement upon their return to their country of birth. However, at the same time the Committee are also dismayed to note that out of 154 registered subscribers during 2012-13 only 45 subscribers were found to be eligible in Kerala where the scheme was launched on Pilot basis. The Committee, therefore, desire that the Ministry should critically analyze the reasons for such low registration and huge rejection including lack of publicity and convincing of the prospective beneficiaries and the

stringent norms prescribed to avail the benefits under the new scheme. The Committee also observe that enrollment centres for subscribers are at PoE offices and selected branches of Bank of Baroda only. The Committee, strongly desire that Ministry should make all possible efforts to make the Overseas Indians aware of the scheme. The Committee further desire that the norms for registration under the scheme should also be relaxed to attract maximum number of subscribers and the number of enrolments centres should be increased considerably. The Committee also observe that an allocation of Rs. 7 crores made for implementation of this scheme on all India basis is insufficient and should be enhanced appropriately at RE stage. The Committee further observe that in view of the changed situation in Gulf countries, a large number of Indian workers are expected to return back to India during the coming months. In view of this urgent need the Ministry should also prepare a contingency plan in consultation with state Governments to help such workers particularly in the state of Kerala.

(Recommendation No. 6)

Know India Programme (internship programme for Diaspora Youth)

4.8 The objective of the Ministry's Know India Programme is to help familiarize Indian Diaspora youth, in the age group of 18-26 years, with developments and achievements made by the country and bringing them closer to the land of their ancestors. The Ministry has conducted 23 editions of KIPs so far and a total of 700 overseas Indian youth have participated in these programmes.

The allocation for Know India Programme (KIP) is Rs. 4.00 crores in BE 2013-2014 which is 1.00 crore lesser than the BE 2012-13 for this programme. As against the RE of Rs. 2.97 crores, the actual utilization was substantially low of Rs. 0.34 crore during the year 2012-13 (upto December 31, 2012).

4.9 When the Committee wanted to know about the reasons for low Budget utilization under the programme during the year 2012-13 the MOIA submitted the following reply:-

“The reasons behind low utilization are that out of originally planned 5 editions of Know India Programme, only three KIPs, were organized during the financial year 2012-2013. Out of originally planned 2 editions of Study India Programme, only one Study India Programme was organized in Symbiosis University, Pune with participation of 9 participants only (instead of 30 participants). Similarly during 22nd KIP, only 7 participants joined this programme.”

4.10 When specifically asked about the findings and recommendations of ‘Impact Study’ Report done by the CII the Ministry submitted as under:-

“Based on the recommendations of CII on Pre-Arrival, registration, Arrival and departure assistance, programme scheduling, infrastructure and programme content, Ministry has been taking steps to improve the KIP programme.”

4.11 When asked about the reasons for lower participation in the KIP, the Ministry Replied as under:-

“The Ministry has analyzed the reasons for lower than expected response and looked at ways of improving the response to the KIP. The programme should be synchronized with the holidays of the Universities/Colleges

abroad. For identifying interested persons, the possibility of tapping sources other than Missions needs also to be examined.”

4.12 The Committee observe that the MOIA has conducted 23 know India programmes so far and a total of 700 Overseas Indian Youth have participated in these programmes. But during the year 2012-13 out of originally planned five KIPs, only three were organized. Surprisingly, there was very poor response in the last two KIPs. The Committee are unable to understand the reasons for failure of the Ministry in attracting more Indian Diaspora Youths in these programmes. It proves that there is an urgent requirement for improvement in KIP and SIP, particularly in terms of programme scheduling, infrastructure and programme content. The Committee, therefore, desire the Ministry should make all efforts in the light of the Impact Study made by CII and their own experience in identifying the interested persons and exploring the possibilities of tapping the sources other than the Missions so that their flagship programme is organized properly to bring the Indian Diaspora Youth closer to the land of their ancestors.

(Recommendation No. 7)

Scholarship Scheme for Diaspora Children (SDPC)

4.13 A scheme called ‘Scholarship Programme for Diaspora Children (SPDC)’ was launched in the academic year 2006-07. Under the scheme 100 scholarships up to US\$ 4000 per annum are granted to PIO and NRI students

for undergraduate courses in Engineering/Technology, Humanities/Liberal Arts, Commerce, Management, Journalism, Hotel Management, Agriculture/Animal Husbandry etc.

4.14 As per the Outcome Budget 2013-14 BE, Rs. 7.60 crores has been allocated as compared to Rs. 5.00 crores in BE 2012-13.

4.15 When asked about the justification of the upward revision of the allocation for BE 2013-14 and any proposal to enhance the number of the scholarship, the Ministry stated in their written reply as under:-

“The upward revision of allocation for BE 2013-14 is to meet the total estimated expenditure during 2013-14. Both the increase in number and amount is being examined in consultation with EdCIL. ”

4.16 On being further asked about the criteria for selection and the number of the students who had discontinued with the scholarship scheme along with the list of institution attached under SDPC, the Ministry replied as under:-

“The criteria for selection are the aggregate marks obtained in the qualifying exam (+2 or equivalent). In case of a tie, marks in English would be first considered. In case of further tie, the older student is preferred to the younger. Candidates must secure at least 60% aggregate marks or equivalent grades in their qualifying examination.

Scholarship is discontinued in respect of few students due to their poor academic performance and in one or two cases is due to their ill health. 2006-07 (2), 2007-08 (2), 2008-09 (3), 2009-10 (3), 2010-11(3), 2011-12 (1). Total drop out is 14.

Students are placed in the listed institutions of the SPDC scheme which had entered into MoUs with EdCIL (India) Limited, the Government agency hired by MOIA to conduct the program.

List of institution is as attached as under:

SL.NO.	COLLEGES	SL.NO.	COLLEGES
1	BMS	14	GB Pant University
2	SVNIT-Surat	15	IIIT-Allahabad
3	MSRIT	16	TKM, Kollam
4	NIT-Calicut	17	NIT- Trichy
5	NIT-Pondicherry	18	MNIT-Jaipur
6	JNTU-Hyderabad	19	PEC-Chandigarh
7	SRM	20	K J Somaiya
8	NIT-Warangal	21	VNIT-Nagpur
9	NITK-Surathkal	22	Sona College
10	MNNIT-Allahabad	23	NIT-Bhopal
11	Osmania University	24	Brindavan, Bangalore
12	NIT-Kurukshetra	25	PSNA, Dindigul
13	VIT- Pune	26	NIT-Goa

4.17 The Committee note that the Ministry has launched the Scholarship Scheme for Diaspora Children (SDPC) to make higher education in India accessible to the Overseas Indian Children along with a vision to popularize India as an better and affordable education

destination. The Scheme was launched in the year 2006-07 and 100 scholarships upto US \$ 4000 per annum were granted to PIO and NRI students. A total of 568 candidates have availed of scholarships since inception of the scheme. The Budget under the scheme has been enhanced with an objective of increase in number and amount. The Committee, however, are disappointed to note that the scholarship amount under the scheme which was enhanced to US \$ 5000 last year has been reduced to US \$ 4000. The Committee, therefore, strongly recommend that the matter of enhancement of the scholarship amount per annum should be considered particularly in view of the rising fee structure and cost of board and lodging at the educational premises. The Committee also reiterate their earlier recommendation to increase the number of scholarships to provide more opportunities to the Diaspora children to study in prime institutions of the country. The Committee found that very few national levels Institutions have been incorporated in the list of institutions where these students are admitted. The Committee, therefore, desire that educational Institutions including institutions of national repute such as Jawahar Lal Nehru University, Delhi University, IITs and various IIMs may also be brought under the scheme in order to provide better and holistic higher education facilities to aspiring children of Overseas Indians.

(Recommendation No.8)

Overseas Indian Facilitation Centre (OIFC)

4.18 The Ministry has set up an Overseas Indian Facilitation Centre (OIFC) as a not-for-profit trust in partnership with the Confederation of Indian Industry (CII). The Centre is a 'one-stop shop' and seeks to serve the interests of the Overseas Indian community and has the mandate to cover two broad areas viz: Investment Facilitation and Knowledge Networking.

4.19 According to the Outcome Budget of 2013-14 an allocation of sum of Rs. 7.00 crores has been made during BE 2013-14 which is equal to the sum allocated for BE 2012-13. However, no amount has been used till December 31, 2012.

4.20 In response to specific query for NIL utilization of the fund allocated for OIFC till December 31, 2012 and as to how Ministry would spend the allocated sum in the last quarter of the year. MOIA submitted the following facts in a written reply:-

“Nil” expenditure is with reference to transfer of money from the Ministry to the OIFC account. Till MOIA transfer the money, OIFC/CII incurs the expenditure from their account and reimburses it once MOIA funds are received. In other words, activities of OIFC are not affected even if there is delay in transfer of funds from MOIA to OIFC. Till December, 2012, for example OIFC expenditure was almost Rs.3 crore”.

4.21 On being further asked that how OIFC has strengthened the Diaspora economic Inter-Linkages and how it is encouraging the Overseas Indians the MOIA replied in written as under:-

“OIFC has several initiatives to strengthen Indian Diaspora’s economic inter linkage with India through OIFC business networking portal. By registering on this portal, NRIs/PIOs can get answers to

their queries, assess on-line business networking groups, subscribe to OIFC monthly e-newsletter; and access OIFC annual publications. The NRIs/PIOs can also avail 16x5 live help online facilities, such as Ask-an-Expert facility at no charge to the subscriber. More than 11,539 Overseas Indians got answers to their queries through www.oifc.in. Further, the e-newsletter has more than 42,932 subscribers”.

4.22 About the specific details of the Overseas investment attracted so far through OIFC, the Ministry submitted the following written reply:-

“The remittances and investment which may be indirectly generated by OIFC cannot be measured since OIFC is not designed as national level single window agency for attracting and involving diaspora investment in India. There are different Government agencies at the Central and State levels which are involved in attracting investment and maintaining statistics on investment flows in the country. OIFC facilitates investment into India by facilitating business partnerships and by providing investment-related information to PIOs/NRIs”.

4.23 When asked about the assistance made by Diaspora Knowledge Network to the Government the MOIA has submitted as under:-

“Global Indian Network of Knowledge (Global-INK) is an online knowledge sharing initiative aimed to expand the intellectual engagement of Global Indians with their counterparts in India in areas of Environment, Healthcare, Innovation and Science & Technology. The users are allowed to make connections, provide advice, share knowledge and open up opportunities to convert ideas into research output and actions and to shape the future of India's knowledge economy”.

4.24 The Committee are aware that the Overseas Indian Facilitation Centre (OIFC), a public private partnership of Ministry of Overseas Indian Affairs (MOIA) and Confederation of Indian Industry (CII), has been established with the objective to facilitate and connect India with the Indian Diaspora by promoting overseas Indian investment in India and facilitating business - to - business partnership between Indian businesses and Indians residing overseas. The Committee are also happy that the OIFC provides a wide range of consultative and advisory services in key focus areas like Real Estate, Wealth Management, Taxation, legal and Consular etc. and provide a host of advisory services to persons of Indian origin (PIOs) and non-resident Indians (NRIs). But the Committee observe that only one centre of OIFC has been set up in Delhi and no other Chapters of the same are envisaged in the Prominent States or abroad. In Committee's view the objectives of the OIFC Trust is not getting the right impetus for garnering momentum for facilitating large scale foreign Investments by Overseas Indians in the near future. The Committee, therefore, does not want the OIFC to only work like an information centre for PIOs/NRIs but also justify their presence by accessibility and maintaining the details of flow of NRI investments in the country by working as a national single window agency for Diaspora investment. The Committee, therefore, desire that the Ministry should also work out the possibilities of opening an OIFC

Chapter either in USA or in the UK or in both and few OIFC Offices in the Prominent States which are non-Delhi centric.

(Recommendation No.9)

India Center for Migration (ICM)

4.25 Indian Council of Overseas Employment has been renamed as India Center for Migration. The rapidly globalizing world characterized by competition amongst the labour sending countries for optimizing benefits from international labour migration. There is a need to bring a strategic dimension to the process of emigration of Indians in search of employment and to forge partnerships that will best serve India as a supplier of skilled and trained manpower and meet the expectations of the Overseas Indian Workers (OIW) as a significant constituency across the world.

4.26 An allocation of Rs. 5.00 crores has been made in the outcome Budget 2013-14. Which is lower against BE Rs. 7.00 crores in 2012-13.

4.27 In response to specific query of the Committee about the details of the programme launched by ICM for skill development and skill upgradation and its objectives, MOIA submitted the following details:-

“ICM has played a key role in designing the Ministry’s on-going pilot project on skill development titled, ‘Skill Development Initiative for Potential Migrants from the North-Eastern States of India’. The project was launched in 2011. The project aims to train and certify 10,000 youth. Its key objectives are to:

Develop a robust model for standardized curricula, training methods, independent testing and certification for universal recognition of skills.

Develop universally recognized International Vocational Qualifications (IVQs).

Demonstrate a sustainable revenue model for scaling up to a pan India level a scalable standardized skills training for overseas employment. Establish Skill Training Certification Resource Centre (STCRC). ICM has been successful in developing IVQs for the Hospitality sector, with India Skills as the knowledge partner. The pilot project also has established the STCRC in Guwahati.

ICM had played an instrumental role in designing the Ministry's Plan Scheme on Skill Development which received 'in principle' approval from the Planning Commission. One of the key objectives of the Scheme is to standardize skill upgradation aimed at providing employment overseas.

ICM also has initiated dialogue with key destination countries such as the UAE and Australia to understand their Qualification Frameworks to benefit migrant workers from India. An Agreement with the National Qualification Authority of UAE is under progress. In relation to the qualification frameworks, ICM also had also conducted labor market assessment studies"

4.28 During the examination of Demands for Grants for the year 2013-14 for the Committee enquired whether the Ministry has any plans for skill development programme in other states of the country apart from North Eastern States, the Ministry during the course of evidence the Secretary, MOIA has replied as under:-

"We have only one Skill Development Programme for the North-East. But we are currently in the process of going to the Expenditure Finance Committee for Swarana Pravasi Yojana, which is actually aimed at screening people for employment abroad all over the country. That scheme is still not approved by the Expenditure Finance Committee. We hope that it would start. After we get the approval, this would be started. So, it is not as if we are doing in the South and not in the other parts of the country".

4.29 When further asked as to why sum have been spent for pre-departure orientation and skill upgradation of emigrant the MOIA stated in its written reply as under:-

“Ministry had originally planned that this programme would be carried out through the State Governments. However, in the three years between 2006-07 to 2008-09, the response from the most major labour sending States, and progress in the programme, was not very encouraging. Therefore, it was decided that the programme would be run by the Ministry through its proposed Swaranpravas Yojana, which is under approval”.

4.30 The Committee note that the India Center for Migration is a ‘not for profit’ Society established by MOIA for carrying out research in International Immigration etc. It also envisages to lead ‘evidence based’ work on international migration to support informed policy making and enable strategic interventions for a coherent and harmonised response to the transnational movement of people. The Committee also note that a two year project initiative has been undertaken with European Union and Center also plans to work with other organizations such as International Organization for Migration (IOM) on Migration Management with International Labour Organization (ILO) on labour market information and protection and also with UN Women on addressing issues concerning women migrants. The Committee, however, strongly recommend that all the research findings of ICM projects must be converted into workable action plans for the direct benefit of the common Indian workers/professionals, irrespective of gender so that the migration of a

qualitative labour force from India takes place all over the world. The Committee also desire that the findings/results of all migration related research must be catered to the multitude of technical institutions such Polytechniques, ITIs, IITs and other technology up-gradation institutions so that the actual skill/ technology requirement of the world market are interpolated with the theoretical content of these Institutions for providing a successful careers to the semi-skilled and fully-skilled workers that they would generate over years in future.

(Recommendation No.10)

Indian Community Welfare Fund (ICWF)

4.31 Overseas Indian Workers are estimated at over 6 million, with a net outflow of about a million each year, excluding returnees. A significant number of them are women. The vast majority of these workers are temporary migrants and 90 percent of them work in the Gulf. The framework for their protection and welfare needs to be institutionalized with emphasis on delivery of innovative, financially sustainable social security and support services to the vulnerable emigrant workers and those in distress. Overseas Indian workers face a number of risks. The nature of risks include high costs of migration, non/delayed/under payment of salaries, poor living and working conditions, physical abuse, fraudulent recruitment practices, difficulties in resettlement on return, financial insecurity, and vulnerability against emergencies.

4.32 When the Committee desired to know the detailed expenditure made in various heads under this schemes and the number of Overseas Indians benefitted so far along with the reasons for doubling the allocation of BE 2013-14, the MOIA stated in a written reply as under:-

“The expenditure was Rs. 84.16 Lakh under the scheme during 2012-13. 28,421 Overseas Indians have been reported to have

benefited under this scheme so far. The Heads of Missions/Posts are empowered to disburse funds as per ICWF guidelines on a means-tested basis in the most deserving cases. On matters not covered under the ICWF guidelines, prior approval of Ministry is required.

The increase in allocation is with a view to start Indian Workers Resource Centre (IWRC) in some more countries such as Oman, Bahrain, Kuwait, Saudi Arabia and Thailand on the line of IWRC, Dubai”.

4.33 When asked about the Budget for ICWF during oral evidence of the Secretary replied as under:-

“This actually is not a budgeted item. It is a fee collected on each paper processing in the embassy. It is retained with the embassy. As per the given scheme that money can be used for giving relief to distressed migrants, if they are on the street and need immediate shelter, food or clothing. Money can also be used at times for repatriation of some of the migrants to India and also for opening shelter homes for women who may be in distress because they have the domestic issue with the employer.”

4.34 When further enquired about the kind of support which is given to Overseas Indians under this scheme, the Secretary during oral evidence replied as under:-

“If they are in distress then we provide them food and shelter. For Example when there was this recent problem in Libya, when there was again some flare up, these people came to Tripoli. They were given food and shelter basically from their own fund. Then we also provide, if they are in distress and they have go get back as most contracts provide for, return of air fare. If they still need the money we provide them”.

4.35 The Committee note that the Indian Community Welfare Fund (ICWF) that is operated by the Indian Missions for safeguarding the welfare and protection especially of Indian Workers going abroad for providing on-site emergency assistance for the Overseas Indian Citizens who are in distress. The Committee are surprised to note that only Rs. 84.16 lakhs has been spent during 2012-13 under this scheme and a small amount of Rs. 5.00 crores have been allocated in BE 2013-14. Such a small relief to a huge number of Diaspora itself is an evidence of poor management and unenthusiastic approach of the Ministry towards Overseas Indian Workers. The Committee are quite sure that with such a big size of Overseas Indian Workers, the number of workers in distress would definitely be high which were left unattended and unaddressed. The Committee, therefore, feels that such a meagre amount is insufficient to meet the objectives specified by the Ministry in the scheme and therefore, strongly recommend that the funds under this scheme should be enhanced appropriately. The Committee are deeply concerned about the naturalization policy (Nitaqat) of the Kingdom of Saudi Arabia, wherein, Out of ten Indian workers one will be substituted by Saudi Arabian Worker, targeting to root out all 'illegal workers' and extra immigrant workers out of the Kingdom of Saudi Arabia. The Committee feels that if such trend continues in the whole of the Gulf Region and later in other parts of the globe, the Ministry with such low allocation will be under extreme pressure. The Committee, therefore, recommend that

all possible efforts should be made by the Ministry to not only provide easy passage to all the distressed migrant workers found in the Kingdom of Saudi Arabia, but also to all other Indian workers from the other Middle East country as well. The Committee also desire that the Ministry shall coordinate with the State Governments of Punjab, Kerala, Tamil Nadu, Andhra Pradesh and Karnataka in bringing back such migrant workers from Kingdom of Saudi Arabia.

(Recommendation No.11)

Human Resource Mobility Partnership (HRMP)

4.36 India's strength in terms of availability of young and highly skilled workforce is widely acknowledged. Labour mobility is the only long-term solution for sustaining global growth rates in the face of factors like demographic asymmetry and globalization of economies. MOIA is taking step to built Human Resource Mobility Partnerships with key countries of the destination in the European Union (EU). The HRMP provide for cooperation between two governments in following areas as per their national objectives and relevant laws as applicable:

- (a) Migration of skilled workers;
- (b) Encourage of academics & students;
- (c) Workers' welfare and social protection; and
- (d) Prevention and combating irregular migration.

Thus, by facilitating migratory flow between two countries, HRMPs help in international migration.”

4.37 When asked whether the Ministry has done any assessment of the Migratory tendencies in Europe are closing for skilled workers from India and whether Ministry has carried out any study about the kind and nature of emerging skill requirement in overseas country, the Secretary, MOIA has replied as under:-

“We have a broad idea that notwithstanding the current protectionist tendencies with lower rate of economic growth, etc. because of the demographic profile, they would always need certain set of skills. We have a broad idea from study done by EU, IOM, UN organisations, about the gaps in which areas will be. We have to particularise this general idea, which is why, we initiated this labour market assessment. This is going to be linked to skill programme. What I would say, we have begun a journey; we have done only one assessment so far; now, we are going to do 10; we are going to expand exponentially now. Basically we need to do these studies properly and we will do it. We have just begun about a year ago. So, it is a beginning for us. We would be happy to be guided especially by you on how to proceed on this. I would very frankly say finding the right manpower for this kind of job for this kind of expert work is really challenging”.

4.38 When further enquired about the current status of the labour Mobility Partnership, the representatives of MOIA has replied as under:-

“The current status of the Labour Mobility Partnership with Netherlands and France is also in the inter-Ministerial consultations. With the European Union, we have two rounds of two meeting. One was in 2010 and the other was last year. They have just sent a draft to us and we are examining it here in consultation with the MEA and the MHA. Then, we will take a view in the matter”.

4.39 Furnishing the reasons for NIL expenditure under the scheme for BE 2012-13 the Ministry has in its written reply stated as under:-

“The Labour Mobility Partnerships (LMP) with some European Nations like the Netherlands, France, and European Union etc were expected to be concluded during 2012-13. Considering the complex processes involved, these agreements could not be concluded leading to ‘NIL’ expenditure during 2012-13. Since it is likely to that one or two agreements may be concluded during 2013-14, allocation has been kept at the same level as in previous year”.

4.40 The Committee understand that MOIA has as part of its mandate taken up Labour Mobility Partnerships Agreements with various prominent labour importing countries in a phased manner. MOIA is also taking steps to build the Human Resource Mobility Partnerships (HRMPs) with key countries of destination in European Union. Such mobility partnerships have been signed with Denmark, negotiations with similar partnership agreements with Netherlands, Australia, France, Poland, the Czech Republic, Norway, Switzerland, Hungary, Sweden, Belgium, Romania, Mauritius and EU are at different stages of conclusion. During the year 2012-13 no HRMPs could be concluded. The Committee, however, are not satisfied with the pace of negotiations and progress made in this regard. The Committee, therefore, desire that these negotiations should be undertaken as per a particular time-frame and should not linger on for several years because these are associated with the welfare of Indian Diaspora. The Committee also desire that on conclusion of such HRMPs these should be made public via print/electronic media for the benefit of all the Indian workers. Partnership country-wise booklets should also be prepared for circulation amongst the migrating work force of India.

(Recommendation No.12)

CHAPTER - V

MISCELLANEOUS

Remittances

The employment of Indian workers abroad helps earn foreign exchange and thereby adds to the foreign exchange reserves of the country. It may be observed that there has been a steady increase in remittances from US\$ 15.8 billion in 2001-02 to US\$ 70 billion in 2011-12. Country wise information on remittances is not available. However, it is estimated that a significant proportion of remittances is contributed by an increasing number of unskilled and semi-skilled Indian workers employed in the Gulf countries and Malaysia.

5.2 When asked about the special incentives being provided by the Government to unskilled and semi-skilled workers who primarily contribute to the overall remittance share, MOIA submitted the following reply:-

“This Ministry has set up Overseas Indian Centre which provides relevant information about the advantages of remitting money to the Overseas Indians by holding ‘Investors Meets’ etc. in other countries where there is substantial number of Overseas Indians.

The welfare of the Overseas Indian workers mostly in unskilled and semi-skilled categories is ensured through the Pravasi Bhartiya Bima Yojana (PBBY), Indian Community Welfare Funds, Indian Workers Resource Centre, and Mahatma Gandhi Pravasi Suraksha Yojana (MGPSY).

Pravasi Bhartiya Bima Yojana (PBBY) is a compulsory insurance scheme for unskilled and semi-skilled workers. This provides insurance cover payable to the nominee/legal heir of the worker in the event of death or permanent disability of Indian worker; hospitalisation, casual injuries/sickness/diseases; maternity benefits to women emigrants and repatriation cover for medically unfit workers along with one attendant. An Indian Workers Resource Centre (IWRC) has been established at Dubai, UAE. Several Missions have also reported to have set up facilities such as “Help

Desks” for addressing the information and assistance needs of Indian workers.

Indian Community Welfare Fund (ICWF) has been established in all the Indian Missions for on-site welfare of emigrants, which includes providing boarding and lodging for distressed Overseas Indian workers in household domestic sectors and unskilled labourers; extending emergency medical care to the Overseas Indians in need; providing initial legal assistance to the Overseas Indians in deserving cases; expenditure on incidentals and for airlifting the mortal remains to India or local cremation/burial of the deceased Overseas Indians in such cases where the sponsor is unable or unwilling to do so as per the contract and the family is unable to meet the cost; providing the payment of penalties in respect of Indian nationals for illegal stay in the host country where prima facie the worker is not at fault; providing the payment of small fines/penalties for the release of Indian nationals in jail/detention centre; providing support to local Overseas Indian Associations to establish Overseas Indian Community Centres in countries that have population of Overseas Indians exceeding 1,00,000; providing support to start and run Overseas Indian Community based student welfare centres in countries that have more than 20,000 Indian students presence. Around 28,000 emigrants have benefitted from the scheme during the last three years and Rs. 37 crore has been utilized for the purpose.

MGPSY, which is voluntary in nature, enables such workers to voluntarily save for their old age pension and return and resettlement benefits on their return to India. Government also contributes, for a period of 5 years or till the return of workers to India, whichever is earlier besides providing free life insurance cover during their employment outside India.”

5.3 During the course of evidence, when the matter of Non Banking remittances was raised the Secretary, MOIA explained as under:-

“Regarding remittances, basically the figure remains static and in between going up again. We have absolutely no idea what are the non-banking remittances. We don’t have data on that. They don’t have any idea either, Sir.

The remittance cost now in the Middle East is between two and 21 per cent, through official channels. You are aware of this.

This is a country specific cost. Fortunately, this occurred to us couple of months back in our Ministry, so, we made out a paper on actually commissioning a study on what are the costs are, which is why we have this basic figure, and how it can possible be reduced. From our side, we are happy to reduce it because if it is a country specific cost, we are not able to reduce it. We went looking for funds. We approached the World Bank, they turned it down. Now, we are arranging funds to commission the study. We will commission it this year. We should be able to give it by next year a study showing what the costs are, how they break up, how they desegregated and where perhaps GOI can intervene to reduce costs. If the cost is imposed by the Bank of Baroda, which is excessive, maybe we can persuade to look at them. We will do this study.”

5.4 When asked further for how many years these rates there what was the earlier rates and when these rates were increased, the Secretary, MOIA has replied as under :-

“This is the part of the Study”.

5.5 The Committee note that remittances by the Indian Diaspora are amongst the highest in the world. The foreign exchange reserve of the country is growing every year due to high remittance rate by Overseas Indians and the highest contribution in these remittances comes from unskilled and semi-skilled Indian Workers employed in Gulf countries and Malaysia. The Committee are astonished to know that MOIA has no idea about the quantum of non-banking remittances made by the Indian people despite a large number of remittances is being done through these non-banking financial institutions only. The remittance fees of such outside institutions are considerably low as compared to regular banking institutions. Such strange situation clearly reflects the invisibles in the balance of payments with Reserve Bank of India (RBI). These kind of transactions are indirectly encouraging Hawala transactions also. The Committee have also observed that the cost of remittance through regular banking channels are not uniform across various countries and

exponentially high which can vary from 2 to 21% in some of the middle east countries. The Committee, therefore, strongly recommends that the Ministry should consult with Reserve Bank of India (RBI) for reducing the cost of remittance and should also devise methods for encouraging remittances through regular banking channels. At the same time, the Committee are of the view that the Ministry should make earnest efforts to collect the data of overall remittances made by Overseas Indians including through non-banking institutions.

(Recommendation No.13)

NRI Investment

5.6 Investment is promoted through dissemination of information on the investment climate and opportunities in India and by advising prospective investors, including NRIs, about the same. 'Invest India', a joint venture between the Department of Industrial Policy & Promotion and Federation of Indian Chambers of Commerce and Industry (FICCI) acts as a facilitator, for prospective overseas investors, including NRIs. An organisation called Overseas Indian Facilitation Centre (OIFC) has been set up jointly by this Ministry and Confederation of Indian Industry (CII), to provide information, specially to non resident Indians and persons of Indian origin, by organizing Investment and interactive Meets in different countries, and also during the Pravasi Bhartiya Divas (PBD) in India, and by replying to the queries of potential overseas investors on their electronic portal.

The Financial Services Division is focusing on many facets to improve and facilitate innovative investment practice and policy initiative for engaging all the 27 million Indian Diaspora for investing in India.

5.7 In response to the specific query of the Committee about the achievements and the kind of services provided by the Financial Services Division regarding the NRI investment, MOIA submitted the following details:-

“Financial Service Division of the Ministry is the nodal point for matters related to Overseas Indian Facilitation Centre, India

Development Foundation of Overseas Indians, Global Indian Network of Knowledge, Awareness cum Publicity Campaign to create wider awareness among the general public about the processes of legal immigration, and matters related to Prime Minister's Global Advisory Council of Overseas Indians.

The facilities and advisory services that are being provided under the supervision of Financial Services Division are those provided by OIFC and through awareness-cum-publicity campaign on legal migration. In so far as facilities/services provide through OIFC are concerned, these are:

Information which supports NRIs/PIOs in their investment decision making;

Query addressal in areas of foreign investment consulting, regulatory approvals, market research, joint venture partner identification, project financing, accounting, taxation, legal, portfolio investments, NRI Banking and more;

Free connect with credible knowledge experts in India. However, the experts may charge from NRIs and PIOs for any handholding services involving an in- depth analysis of the query, intensive traveling etc.

Free registrations of NRIs/PIOs the OIFC business networking portal; and,
Free participation in OIFC Diaspora Engagement Meets, Road Shows and Business Forums”.

5.8 The Committee note that the Financial Service Division (FSD) of the Ministry is the nodal point for facilitating NRI investment. The Committee are dismayed to note that it has no mandate in bringing more investments into India, and the only job of MOIA in promoting NRI investment has been limited to dissemination of information and advisory. The Committee are also surprised to note that the Ministry has no data whatsoever of NRI investments facilitated through Overseas Indian Facilitation Centre (OIFC). The Committee, therefore, recommend that although there are various other

institution which promote and keep track of NRI investments in India like Foreign Investment Promotion Board (FIPB) but the Ministry should work it out with the Ministry of Finance to establish such an institution under the Ministry which can work on the lines of FIPB or become the external wing/branch of FIPB outside India and it must work in coordination with FIPB to en-route the NRI investments in India through FIPB. The Committee also recommend that the Ministry must publicize the incentives and benefits available to the NRI investors at a large scale throughout the year via various channels in foreign countries and must establish a single window system for all the queries related to NRI investment.

(Recommendation No.14)

5.9 The committee was disappointed to note that the powers of the Ministry are circumscribed which dilutes benefits of having a separate Ministry. The Ministry may in consultation with the Cabinet Secretariat work out coordination mechanisms which will enable them to play a more empowered role for the fulfillment of the broad aims and objectives of the Ministry, particularly facilitating inward remittances and catalyzing investments by Non-Residents.

(Recommendation No.15)

**NEW DELHI
22nd April, 2013
2 Vaisakha, 1935 (Saka)**

**ANANTH KUMAR,
Chairman,
Standing Committee on External Affairs**

**MINUTES OF THE TWENTIETH SITTING OF THE STANDING
COMMITTEE ON EXTERNAL AFFAIRS HELD ON 10TH APRIL, 2013**

The Committee sat from 1200 hrs to 1300 hrs. in Committee Room 'E', Parliament House Annexe, New Delhi.

Present

Shri Francisco Sardinha - In the Chair

**Members
Lok Sabha**

2. Shri Sansuma Khunggur Bwiswmuthiary
3. Shri Bhakta Charan Das
4. Shri Suresh Kalmadi
5. Shri Jose K. Mani
6. Shri Gobinda Chandra Naskar
7. Shri Rakesh Pandey
8. Shri M.B. Rajesh
9. Shri Rajendrasinh Rana
10. Shri Elangovan T.K.S.
11. Shri Sultan Ahmed
12. Shri Inder Singh Namdhari

Rajya Sabha

13. Dr. K.P. Ramalingam
14. Shri. N.K. Singh
15. Smt. Ambika Soni

Secretariat

1. Shri U.S. Saxena - Joint Secretary
2. Dr. Ram Raj Rai - Director

Representative of Ministry of Overseas Indian Affairs

Sl. No.	Name	Designation
1.	Shri Rajiv Mehrishi	Secretary
2.	Shri R. Buhiril	Protector General of Emigrants (PGE)
3.	Shri T.K. Manoj Kumar	Joint Secretary (DS)
4.	Shri Atul Kumar Tiwari	Joint Secretary, (FS)
5.	Shri Manish Prabhat	Director (Finance, MEA)
6.	Shri Shiv Ratan	Director(EP)

2. Hon'ble Chairman (Shri Ananth Kumar) could not attend the sitting of the Committee due to inevitable circumstances. The Committee therefore, chose Shri Francisco Sardinha to act as Chairman for the sitting in terms of Rule 258(3) of the Rules of Procedure and Conduct of Business in Lok Sabha.

3. The Chair welcomed the Members of the Committee and the representatives of the Ministry of Overseas Indian Affairs to the sitting of the Committee. The Chair then drew attention of the witnesses to Direction 55(1) of the Directions by the Speaker, Lok Sabha.

4. Thereafter, the Committee 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 2013-14 and discussed some important points in detail, arising there from in detail. The Committee desired that the Ministry may furnish written replies within 2 days to the supplementary List of Points and also to all the points raised by the Members during oral evidence before the Committee.

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

The Committee then adjourned.

Appendix-II

MINUTES OF THE TWENTY-FIRST SITTING OF THE STANDING COMMITTEE ON EXTERNAL AFFAIRS HELD ON 22nd APRIL, 2013

The Committee sat from 1600 hrs. to 1800 hrs. in Committee Room 'D',
Parliament House Annexe, New Delhi.

PRESENT

Dr. Karan Singh – In the Chair

MEMBERS

LOK SABHA

2. Shri Bhakta Charan Das
3. Shri Jose K. Mani
4. Shri Gobinda Chandra Naskar
5. Shri Francisco Sardinha
6. Shri Sultan Ahmed

RAJYA SABHA

7. Dr. Najma A. Heptulla
8. Dr. K.P. Ramalingam
9. Dr. N.K. Singh
10. Shri D.P. Tripathi

SECRETARIAT

1. Shri U.S. Saxena - Joint Secretary
2. Dr. Ram Raj Rai - Director

2. Hon'ble Chairman (Shri Ananth Kumar) could not attend the sitting of the Committee due to some urgent engagement. The Committee therefore, chose Dr. Karan Singh to act as Chairman for the sitting in terms of Rule 258(3) of the Rules of Procedure and Conduct of Business in Lok Sabha.

3. At the outset, the Chair welcomed Members to the sitting of the Committee.

4. XXXX XXXX XXXX XXXX XXXX XXXX

5. The Committee took up for consideration the draft Report on Demands for Grants of the Ministry of Overseas Indian Affairs for the year 2013-14. The Chair invited the Members to offer their suggestions, if any, for incorporation in the draft Report. The Members suggested some minor modifications. The Committee adopted the draft Report with minor modifications.

6. The Committee then authorized the Chair to finalize the Report incorporating the suggestions made by the Members and present the same to Parliament.

The Committee then adjourned.