15

COMMITTEE ON EXTERNAL AFFAIRS

(2016-17)

SIXTEENTH LOK SABHA

MINISTRY OF EXTERNAL AFFAIRS

DEMANDS FOR GRANTS
(2017-18)

FIFTEENTH REPORT

सत्यमेव जयते

LOK SABHA SECRETARIAT
NEW DELHI

MARCH, 2017/PHALGUNA, 1938 (Saka)

FIFTEENTH REPORT

COMMITTEE ON
EXTERNAL AFFAIRS
(2016-17)

(SIXTEENTH LOK SABHA)

MINISTRY OF EXTERNAL AFFAIRS
DEMANDS FOR GRANTS
(2017-18)

Presented to Lok Sabha on 20 March, 2017

Laid in Rajya Sabha on 20 March, 2017

LOK SABHA SECRETARIAT
NEW DELHI

MARCH, 2017/PHALGUNA, 1938 (Saka)

COEA NO. 127

***Price :* Rs. ....**

Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (__________Edition) and Printed by

CONTENTS

PAGE

APPENDICES

COMPOSITION OF THE COMMITTEE ON EXTERNAL AFFAIRS (2016-17)

1. Dr. Shashi Tharoor, Chairperson

Lok Sabha

2. Shri Sirajuddin Ajmal
3. Prof. (Dr.) Sugata Bose
4. Shri Ranjit Singh Brahmpura
5. Shri Arka Keshari Deo
6. Shri Feroze Varun Gandhi
7. Shri Rahul Gandhi
8. Prof. Richard Hay
9. Shri Anant Kumar Hegde
10. Shri Raghav Lakhanpal
11. Shri Venakateswara Rao Magannti
12. Shri Jose K. Mani
13. Shri A. Anwhar Raajhaa
14. Shri Vishnu Dayal Ram
15. Shri Mohammad Salim
16. Prof. (Dr.) Mamtaz Sanghamita
17. Shri P.R. Senthilnathan
18. Shri Ram Swaroop Sharma
19. Smt. Supriya Sule
20. Shri Sharad Tripathi
21. Vacant[i]

Rajya Sabha

22. Shri Raj Babbar
23. Shri Satyavrat Chaturvedi
24. Shri Swapan Dasgupta
25. Shri Chunibhai Kanjibhai Gohel
26. Smt. Kanimozhi
27. Shri C.M. Ramesh
28. Shri Amar Singh
29. Dr. Karan Singh
30. Shri R.K. Sinha
31. Shri D. P. Tripathi

Secretariat

1.	Shri P.C.Koul	-	Joint Secretary
2.	Dr. Ram Raj Rai	-	Director
3.	Shri Janmesh Singh	-	Under Secretary
4.	Shri Sunny Goel	-	Executive Assistant

[i] Shri Cheddi Paswan, Member of Parliament, Lok Sabha had resigned from the membership of the Committee *w.e.f.* 22.11.2016. Vacancy arose *w.e.f.* 29.11.2016 due to his resignation.

INTRODUCTION

I, the Chairperson of the Committee on External Affairs, having been authorized by the Committee to present the Report on their behalf, present this Fifteenth Report of the Committee on External Affairs (2016-17) on Demands for Grants of the Ministry of External Affairs for the year 2017-18.

2. The Committee heard the views of the representatives of the Ministry of External Affairs at their Eighth Sitting held on 16 February, 2017.

3. The Committee wish to express their gratitude to the officers of the Ministry of External Affairs 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 for the year 2017-18.

4. The Report was considered and adopted by the Committee at their Eleventh Sitting held on 16 March, 2017.

5. The Minutes of the Sittings of the Committee held on 16 February, 2017 and 16 March, 2017 are given in Appendix-I and II to the Report.

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

NEW DELHI	**DR. SHASHI THAROOR**
16 March, 2017	**Chairperson,**
25 Phalguna 1938 (Saka)	**Committee on External Affairs**

CHAPTER – I

IMPLEMENTATION OF THE COMMITTEE'S RECOMMENDATIONS

The Eleventh Report (16th Lok Sabha) of the Standing Committee on External Affairs on the Demands for Grants (2016-17) of the Ministry of External Affairs was presented to the Lok Sabha and laid on the Table of the Rajya Sabha on 2 May, 2016. The Report contained 52 recommendations/observations.

1.2 In compliance with Direction 73A of the Directions by the Speaker, the Minister of External Affairs had to make a statement in the Lok Sabha on the status of the implementation of the Recommendations / Observations made by the Committee in their Eleventh Report within six months from the date of presentation of the Report. However, no such statement has been laid by the Minister so far.

1.3 On the basis of the Action Taken Replies received from the Ministry of External Affairs on the Eleventh Report, the Committee presented their Fourteenth Report (Action Taken Report) to both Houses of Parliament on 9 February, 2017. The Committee in their Fourteenth Report have commented on the Action Taken Replies furnished by the Ministry in respect of Recommendation Nos. 1, 2, 3, 4, 5, 6, 7, 8, 9, 13, 17, 21, 22, 27, 29 31, 34, 35, 44, and 48 contained in the Eleventh Report.

1.4 With regard to the status of implementation of the Committee's Recommendations made by them in their aforesaid Report, the Foreign Secretary, during the course of oral evidence held on 16 February, 2017 stated:-

> "....I would like to state, at the outset, that my colleagues and I have carefully studied and noted the on-going recommendations of the Committee in its various reports including its 14th Report tabled in Parliament earlier this month. I would like to assure the Committee of our full commitment towards implementing its recommendations....."

1.5 The Committee note that Direction 73-A of the Directions by the Speaker makes it incumbent upon the Minister concerned to make a statement in Lok Sabha regarding the status of implementation of Recommendations / Observations contained in the Report of a

Parliamentary Committee within six months of the presentation of the said Report in Parliament. The stipulated period of six months in case of the Eleventh Report expired on 1 November, 2016. During the course of the Oral Evidence of the representatives of the Ministry on 16 February, 2017 the Foreign Secretary assured the Committee of the full commitment of the Government towards implementing the Recommendations of the Committee. It would be pertinent to mention here that the Statement by the Minister in respect of the Sixth Report of the Committee on Demands for Grants 2015-16 which was presented way back on 28 April, 2015 is also yet to be made. The Foreign Secretary, during his oral evidence on 28 March, 2016, offered similar guarantees but there has been no subsequent action.

The Committee find the continued non-compliance of the Ministry with the requirements of Direction 73-A disturbing. In light of this inordinate delay as also past experience, the Committee are also not inclined to accept the assurance given by the Principal Witness regarding the full commitment of the Government towards implementing their recommendations. They, therefore, desire that the Statement under Direction 73-A in respect of Recommendations / Observations contained in the Eleventh Report of the Committee as also all other pending Statements in respect of Recommendations / Observations of other Reports of the Committee be made in the Lok Sabha during the ongoing Budget Session without fail.

(Recommendation No. 1)

CHAPTER II

REVIEW OF PAST PERFORMANCE

A. Budget allocation and utilization

The total Budgetary Allocation for the Ministry of External Affairs (MEA) during the last 5 years along with Budget Estimates (BE) and Revised Estimates (RE) for the respective years including Actual & shortfall/excess in utilization of RE is as follows:

(Rs. in crore)

Year	Demand at BE	BE	RE	Actual Expenditure	Increase/ Decrease at RE Stage	Shortfall/Excess in utilization
2012-13	14426.81	9661.97	10062.00	10120.70	+400.03	+58.70
2013-14	19230.64	11719.00	11793.65	11807.35	+74.65	+13.70
2014-15	19754.83	14730.39	12620.00	12203.57	-2110.39	-416.43
2015-16	20034.62	14966.83	14966.83	14472.96	NIL	-493.87
2016-17	22966.89	14662.66	13426.00	8950.03*	-1236.66	-
2017-18	23830.95	14798.55	-	-	-	-

**Actual up to December, 2016*

2.2 The Committee while examining the Demands for Grants for previous years have observed that there has always been a mismatch between projections made by the Ministry and allocations given at the BE stage. Further, there were also continuous reductions at the RE stage in comparison to the BE stage. During the examination of DFG last year, the Ministry had agreed that it will continue its efforts to liaise with the Ministry of Finance for seeking additional funds at the Supplementary Demands/Revised Estimates stage. In this context, the Committee sought to be apprised about the efforts made by the Ministry in communicating its financial constraints to the Ministry of Finance. The Ministry in a written reply submitted that over the years, the issue of low allocation of funds has been taken up with the Ministry of Finance at various levels.

2.3 Explaining the reasons for the Ministry's failure in fully utilizing its budgetary allocation, the Foreign Secretary, during the course of oral evidence on 16 February, 2017 submitted:-

> "…let me also share with the Hon'ble Committee some of the challenges that we encounter. If there is some unpredictability in our spending, they emanate primarily from these challenges. The Scheme side of the Budget which is roughly 47% in the current year is impacted by diverse local conditions, political uncertainties, security concerns, varying budgetary cycles, and the difficulties of applying and aligning Indian procurement rules in foreign environments with different local norms. Sometimes, even

geo-politics and vagaries of nature can add to the uncertainties. As a result, our skills of optimising and smoothening spending are constantly tested and we will continue to address the situation through rationalized and carefully prioritized and monitored expenditure. The current year has been difficult in that regard since the number of unpredictable variables exceeded our expectations. At the same time, I would also underline strongly and sincerely that the lessons learnt would be vigorously applied in the coming year."

2.4 While going into the details of expenditure pattern during each quarter of the last three fiscals, the Committee having asked for the allocation *vis-à-vis* utilization pattern, the Ministry furnished the following details as under:-

(Rs. in Crore)

FY 2014-15	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Allocation	3755.62	3196.60	2917.15	4861.02
Utilization	3666.68	3259.12	3137.82	2085.12

FY 2015-16	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Allocation	3342.59	3342.58	3342.60	4939.06
Utilization	3066.08	4133.77	2016.92	2439.96

FY 2016-17	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter
Allocation	3562.95	3562.95	3602.13	3934.60
Utilization	2882.85	3345.67	2721.51	604.18*

* *Provisional expenditure up to January 2017 (excluding Missions/Posts)*

2.5 When the Committee specifically asked for the total budgetary demand sought from the Ministry of Finance and the actual allocation at the BE and the RE stage for the last 3 years, the Ministry furnished the following data:-

Year	BE		RE	
	Demand	**Allocation**	**Demand**	**Allocation**
2014-15	19754.83	14730.39	17729.59	12620.00
2015-16	20034.62	14966.83	20034.75	14966.83
2016-17	22966.89	14662.66	17317.29	13426.00

2.6 The allocation of the Ministry of External Affairs (MEA) at Budget Estimates (BE) stage in 2016-17 was Rs. 14662.66 crore. The allocation at Revised Estimates (RE) stage was reduced to Rs. 13426.00 crore. The Budget of the Ministry was reduced by Rs. 1236.66 crore at the RE stage. In this context, when the Committee specifically enquired about the reasons for reduced allocation in the Ministry's budget at RE stage, the Ministry through a written reply submitted that during discussions with the Finance Secretary and Secretary (Expenditure) in October 2016, it was conveyed by the Ministry of Finance that one of the factors for reducing the MEA's budgetary allocation in RE 2016-17 had been that the expenditure till end of September 2016, (which was 42.48%) was less than 50% of BE 2016-17 allocation. The reasons for the spending being less than the half-yearly expenditure target of 50% were provided to the Ministry of Finance, which included releases for some schemes and projects being in the final stages of approval. However, the justifications provided did not result in any enhancement of budgetary provisions.

2.7 On being asked as to why prior steps for seeking approvals for these schemes and project were not taken, the Ministry through a written reply submitted that a majority of the schemes and projects implemented by the Ministry are in foreign countries. Thus, there are times when the necessary steps required to be taken by the host government where the scheme/project is located are not completed in time by them, due to issues around their own internal approvals or acquisition of land for the project etc. Further, diverse local conditions and varying project development and implementation schedules in foreign countries also pose a challenge in aligning expenditure to our own budget cycle. Despite these constraints, the Ministry will make further efforts to ensure that expenditure targets are met to the extent possible.

2.8 On being asked about the strategy to deal with frequent budgetary cuts suffered by the Ministry at the Revised Estimates stage, the Ministry through a written reply informed the Committee that the Ministry prioritizes and rationalizes its expenditure to remain within allocated budgetary ceilings, keeping in view foreign policy priorities and objectives.

2.9 According to the information furnished by the Ministry, the Supplementary Demands for Grants sought and allocated in FY 2016-17 are as follows:

(Rs. In Crore)

Supplementary 2016-17	**Demand**	**Allocation**
First Supplementary	3921.49	600.00
Second Supplementary	1126.02	0.02 *(Token)*
Third Supplementary	654.35	Under consideration

2.10 The Ministry has stated that no reasons were provided to justify lower allocation of funds against the demands raised. The Token provided in the Second Supplementary entailed provision of funds from within the anticipated savings of the MEA.

2.11 On being asked the reasons for a worrying gulf between allocation and utilization in the first and third quarters of FY 2016-17, the Ministry through a written response stated that while efforts are made by Divisions and Spending Units to ensure evenly spaced expenditure, at times the constraints of a majority of the spending being in foreign countries with diverse local conditions and varying project development and implementation schedules, poses a challenge for alignment of expenditure to our own budget cycle. The Ministry will make further efforts to ensure that quarterly expenditure targets are met.

2.12 On being asked about its plans for spending the pending allocations within the last quarter of FY 2016-17, the Ministry through a written reply submitted that the expenditure of Rs. 8950.03 crore till the end of December 2016 was 66.66% of the RE 2016-17 allocation of Rs. 13426.00 crore, which is closely in line with Ministry of Finance's guidelines stipulating that expenditure in the last quarter of the financial year remain within 33% of allocation. MEA will be able to spend the remaining allocation in the last quarter as per the expenditure plans of its Divisions/Spending Units.

2.13 On being asked about the mechanism for arriving at the annual expenditure plans of its Divisions / Spending Units, the Ministry informed the Committee that the Ministry does not have a formal mechanism of arriving at detailed annual expenditure plans at the Unit level. Individual Heads of Divisions and Spending Units make an assessment of their funding requirements and expenditure needs as an on-going exercise, for which the Financial Advisor is consulted regularly.

2.14 When asked about the steps taken to ensure balanced expenditure during each quarter of the year, the Ministry stated that the Financial Advisor holds quarterly expenditure review meetings to discuss expenditure plans of the various Divisions and Spending Units under the Ministry. The importance of ensuring balanced expenditure during each quarter of the financial year is emphasized during these meetings. Divisions/Spending Units accordingly make every effort to ensure evenly spaced expenditure, within the constraints of a majority of the spending being in foreign countries where, as noted earlier, diverse local conditions and varying project development and implementation schedules pose a challenge for alignment of expenditure to our own budget cycle. The release of funds particularly in relation to major projects/schemes is carefully monitored. Due to these measures, the Ministry has been able to maintain an optimal and relatively balanced expenditure pattern.

2.15 On being asked about the measures of economy initiated for better budget utilization and the mechanism for ensuring optimal quarterly utilization, the Ministry submitted that all instructions contained in various Circulars of Ministry of Finance towards economy measures, rationalization of expenditure, etc., are scrupulously followed by the Ministry. The number of personnel sent on visits to foreign countries is limited to the bare essential. The conduct of seminars, conferences, etc. in five star hotels is discouraged. Purchase of new cars is prohibited, except against condemned ones, which is pursued with the approval of Ministry of Finance. Creation of posts is avoided, and where functionally necessary, is done with the approval of Ministry of Finance. All expenditure is closely monitored and fund releases are made in line with physical and financial progress of projects to ensure that there is no parking of funds with implementing agencies. To ensure optimal utilization of budgetary resources during each quarter of the financial year, expenditure is closely and regularly monitored by the Financial Advisor in consultation with Divisional Heads, including through quarterly expenditure review meetings.

2.16 As per the Ministry, the Budget allocations under Revenue/Capital Heads are as follows:-

(In Rs. Crore)

Section	BE 2016-17			RE 2016-17			BE 2017-18
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
Revenue	2044.50	9635.16	11679.66	1315.00	10263.10	11578.10	12648.29
Capital	2675.50	307.50	2983.00	1547.90	300.00	1847.90	2150.26
Total	**4720.00**	**9942.66**	**14662.66**	**2862.90**	**10563.10**	**13426.00**	**14798.55**

2.17 The budgetary allocation for 2016-17 under the Plan component was reduced to Rs. 2862.90 crore at the RE stage from Rs. 4720.00 crore (BE). The non-Plan expenditure was increased to Rs. 10563.10 crore at the RE stage of 2016-17 from Rs. 9942.66 crore at the BE Stage.

2.18 On being asked the reasons for reduction in Plan Expenditure and increase in Non-Plan Expenditure during the RE stage of 2016-17 and its impact, the Ministry in a written reply stated that reduction in Plan allocation has been in view of funds utilization trends and an assessment of funds requirements as per progress of tendering and work implementation in projects. The affected heads due to reduction of Plan allocation are: Aid to Bhutan (Plan), Aid to Myanmar

(Plan), Aid to Afghanistan (Plan), Nalanda University and Pravasi Kaushal Vikas Yojana (PKVY). The BE allocation of Rs. 4290 crore to the Plan components of the Aid to Bhutan budget head was reduced to Rs. 2667.9 crore at the RE stage. This was done in view of the lower demand for funds projected by the hydroelectric power projects in Bhutan and to ensure that funds releases are kept aligned with project implementation progress to avoid any parking of funds. Funds allocation for Nalanda University was reduced from Rs. 200 crore at BE stage to Rs. 100 crore at RE stage in view of the progress of tendering for the construction of the University's permanent campus, whereby out of ten work packages, the tendering process for only two packages was to be completed in FY 2016-17. Funds allocation of Rs. 200 crore for Aid to Myanmar (Plan) at BE stage was reduced to Rs. 80 crore. This was because a key tender package for the Trilateral Highway project could not be awarded as the bids received were at large variance with the estimated cost, and also as the tender for the road component of the Kaladan multi-modal transit transport project was undergoing detailed evaluation, making it unlikely for the award of work and subsequent release of mobilization advance to take place within the current financial year. The remaining Rs. 15 crore were reduced from Aid to Afghanistan (Plan) and PKVY budget heads, as per their expenditure utilization patterns. The funds allocation for PKVY is being considered for restoration to the BE 2016-17 level, and will be done if the requisite approval of the competent authority for release of funds is obtained in time to enable funds release to take place within the current financial year."

2.19 On this aspect the Foreign Secretary, during the course of oral Evidence on 16 February, 2017 further submitted:

> "....For us, a big challenge in the current year and two years before has actually in Bhutan. The construction of two particular dams in Bhutan has been much more difficult. We had landslides and rock falls in those two dams and these are very big projects. They have been the primary cause for the Ministry not spending its allocation and these are not easy allocations to divert elsewhere because I think some of those flexibilities do not exist with us."

2.20 The Committee note from the statements made by the Ministry that it does not have a formal mechanism of arriving at detailed expenditure plans at Unit level. Individual Heads of Divisions and Spending Units make an assessment of their fund requirements and expenditure needs as an ongoing exercise albeit, in regular consultation with the Financial Advisor. The Committee find the existing state of affairs of budgetary planning of the

Ministry very worrying. The critical absence of a formal mechanism for the purpose at Unit levels is clear in the financial projections of the Ministry year after year. For example, in Fiscal 2014-15 the Ministry sought a sum of Rs. 19754.83 crore. It was allocated a significantly less BE of Rs. 14730 crore. This was further scaled down to Rs. 12620 crore at RE stage. The actual expenditure during the year was Rs. 12203.57 crore. During Fiscal 2015-16 the Ministry sought an allocation of Rs. 20034.62 crore. It was again allocated a substantially lower BE of Rs. 14966.83 crore, which incidentally is almost equal to the BE of Fiscal 2014-15. The same figure was retained at RE stage. The actual expenditure, however, was about Rs. 494 crore less at Rs. 14472.96 crore. During the ongoing Fiscal i.e. 2016-17 the Ministry sought Rs. 22966.89 crore. It was allocated Rs. 14662.66 crore at BE. This was reduced to Rs. 13426.00 crore at RE stage. Till the end of third quarter of the Fiscal, the Ministry has been able to spend only Rs. 8950.03 crore, leaving a massive amount of Rs. 4476.00 crore unspent. From the information furnished to the Committee it is also observed that during the month of January, 2017 a sum of Rs. 604.18 crore has been posted as expenditure. However, this does not include spending from Missions / Posts.

It is clear that the allocations sought by the Ministry are not based on realistic requirements or on its capacity to absorb and utilize funds year after year. It has been consistently missing its BE targets leading to substantial reduction at RE stage.

The Committee strongly feel that there is a pressing need for the Ministry to develop a well defined and focused budgetary planning process so as to ensure that allocations sought are arrived at keeping in view achievable plans and projects and the absorption capacity of various units under the Ministry. The system followed so far has only led to cuts and criticism. The Committee recommend that necessary steps be taken to address this issue without any further loss of time so that the financial requirements for fiscal 2018-19 are arrived at in a more scientific and focused manner, factoring all requirements of funds in a realistic fashion. In this context, the Committee would also like the Ministry to consider the concept of Zero Based budgeting while drawing their future funds projections.

(Recommendation No. 2)

2.21 While specifically analyzing the budget allocation and utilization by the Ministry of External Affairs during 2016-17, the Committee find that it is still left with an amount of

Rs. 4476.00 crore to spend in the last quarter. This is slightly more than the 33% spending restrictions stipulated by the Ministry of Finance in its Guidelines on prudent spending. The Committee, as stated previously, have also found that a sum of Rs. 604.18 crore has been shown as spent during January, 2017 by the Ministry. However, this excludes spending by Missions and Posts. The Committee urge the Ministry to improve their financial management and spending track record so as to ensure that there is no repeat of such instances in future. The Committee also hope that Ministry would at least not breach the 15% March spending restriction of the Ministry of Finance during this fiscal. While on this subject, the Committee would also like to comment on one important point for the future guidance of the Ministry. The absence of timely reporting of financial performance becomes an impediment in the way Parliament and Parliamentary entities discharge their responsibilities of supervision. The Committee wonder as to why even in this age of cutting edge ICT solutions, the financial reporting and feedback of the Government still depends on obsolete methods that have outlived their utility long back. At the click of a mouse, the Ministry should be able to place up to date facts and figures about its performance before Parliament and its entities while also ensuring that it is able to monitor and evaluate its performance on a real time and continuous basis. The Committee would like to be apprised of the Ministry's endeavours in this direction and their outcome.

(Recommendation No. 3)

B. Merger of the Ministry of Overseas Indian Affairs with the Ministry of External Affairs

2.22 As per the decision of the Government, the Ministry of Overseas Indian Affairs (MOIA) was merged with the Ministry of External Affairs in February, 2016.

2.23 On being asked about pending issues related to the merger of the MOIA with MEA, the representative of the Ministry of External Affairs during the course of oral evidence on 16 February, 2017 submitted:-

> "....I think, I am happy to report to the Committee that the merger of former MOIA in the MEA has been completed and very smooth. The issues relating to the manpower and issue relating to space allocations, issues related wherever there was Cabinet Note required, these all have been sorted out. That is number one. Number two, all the schemes that were earlier

being run by the former MOIA, have been personally reviewed and assessed at the level of External Affairs Minister. The approach was three-pronged. Number one, whatever is not useful, close it. Number two, wherever we can do simplification and liberalisation, do it. Number three, wherever we require additional schemes in terms of meeting the demands of the overseas Indian community, add them. With this approach, two schemes were closed - The Overseas Indian Facilitation Centre (OIFC) and we are also on our way to close the Mahatma Gandhi Pravasi Suraksha Yojana (MGPSY) because this was found to be not running very well. But the other schemes too were rationalised for example, we found that the PBD format as it existed in the past was not really picking up. It had lost its momentum. People were saying that it had become repetitive. So, the format of PBD was revised. The scholarship schemes were revised too because we realise that the workers in the Gulf Region, their children left behind in India or the children that were with them, their interests were not taken care of and their numbers were inadequate. We also thought that it is useful, as has been mentioned by the Committee, that there has to be a sustainable and regular engagement with the pravasis. We have introduced what we call Monthly Pravasi Bharatiya Divas Conference. Every month there is one issue covered in a brainstorming way. Sessions are chaired by our hon. EAM. The overall outlook is one of revamp and that is why in this year's Pravasi Bharatiya Divas, the theme was – Redefining Relationship with the Overseas Indians."

2.24 On being asked about steps taken for establishment and Secretariat functions of the erstwhile MOIA after the merger, the Ministry through a written reply submitted that the merger of the erstwhile MOIA with MEA is complete. All activities pertaining to Overseas Indian Affairs are being accorded priority and are handled under the supervision of a Secretary level officer of the Ministry. Three Divisions – Overseas Indian Affairs-I, Overseas Indian Affairs-II and Overseas Employment – have been created in MEA, which fuction under the supervision of the Secretary (Consular, Passport, Visa & Overseas Indian Affairs). All administrative, establishment and secretariat functions of the erstwhile MOIA have been merged with the existing setup of MEA.

2.25 The Committee have noted that the Ministry has taken various administrative and financial measures, pursuant to the decision to merge the Ministry of Overseas Indian Affairs with the Ministry of External Affairs, and all the administrative, establishment and Secretariat functions of the erstwhile MOIA have been merged with the existing set up of MEA. The Committee also observe that two schemes of erstwhile MEA which were not running very well have been closed and other schemes have been rationalized. The format of Pravasi Bhartiya Diwas has also been revised to eliminate repetitiveness. The Committee hope that, given this smooth merger of the two entities, the Ministry will work with renewed vigour to justify this step of the Government and ensure that the interests of

Overseas Indians are accorded due priority under the merged entity. The Ministry should also fully appreciate its responsibility for the welfare of India's valuable diaspora which has its own contributions to make in executing the country's foreign policy objectives.

(Recommendation No. 4)

CHAPTER-III

ANALYSIS OF DEMANDS FOR GRANTS 2017-18

The Ministry of External Affairs (MEA) formulates and conducts India's foreign policy within the framework of our values and principles of fostering international peace and cooperation with the overall objective of meeting India's strategic aims and aspirations as well as to secure our national interests. In pursuance of its mandated objectives, the MEA headquarters in New Delhi is assisted by 184 Missions and Posts abroad; its Branch Secretariats and Passport Offices in India; and Autonomous Bodies funded by it. The Ministry is also supported by other Ministries and State Governments who also contribute to India's international engagement in consultation and coordination with the MEA.

3.2 Under the Constitution of India [Article 113 (2)] estimates of expenditure are submitted to Lok Sabha in the form of Demands for Grants. The Lok Sabha has the power to assent or refuse assent to any demand or assent to a demand after reduction. This year marked a departure in the budgeting process as the presentation of Budget, which was usually done at the end of February, each year, was advanced by a month to 1 February. The Demands for Grants of the Ministry of External Affairs (Grant No 28) for the year 2017-18 was presented to Lok Sabha as well as laid on the table of Rajya Sabha on 10 February, 2017.

3.3 The Foreign Secretary during the course of Oral Evidence clarified on this matter:

> ".....there have been two significant reform initiatives in the budgeting process introduced this year by the Government and both have a direct impact on our functioning. First, with the advancement of the Budget's presentation by one month from the end of February to the 1st of February, Parliament would be able to deliberate and vote upon the Budget before the end of March. This would make the full approved Budget available to the Government from the 1st April itself without a Vote on Account period which used to restrict spending to only one-sixth of the annual allocation for the first two months of the financial year. The availability of the full Budget right from the onset of the Financial Year will allow greater flexibility and efficiency to the Government in its financial planning and expenditure management, and also give a boost to spending in the first quarter enabling more balanced and evenly paced expenditure across the entire Financial Year. While this supplies to all the Ministries and Departments of the Government, I believe that the impact on MEA should be particularly noticeable given that it helps in easy functioning in a more complex foreign environment."

A. Overall Budgetary Proposals and Allocations

3.4 The MEA's budget allocation in Budget Estimates (BE) 2016-17 was Rs. 14662.66 crore. The allocation in Revised Estimates (RE) 2016-17 was Rs. 13426.00 crore. The allocation in BE 2017-18 is Rs. 14798.55 crore which is 0.93% more than BE 2016-17.

3.5 About the reasons for marginal increase in its budgetary allocations, the Ministry through a written reply stated that MEA projected a budgetary demand of Rs. 23830.95 crore for BE 2017-18 to Ministry of Finance in September 2016, along with detailed justifications. The basis of this demand was also explained during discussions with Finance Secretary and Secretary (Expenditure) in October 2016. However, the BE 2017-18 allocation conveyed in December 2016 by Ministry of Finance was only Rs. 14865.00 crore, which was 62.37% of MEA's demand. In January 2017, Ministry of Finance conveyed that MEA's BE 2017-18 allocation has been further decreased to Rs. 14798.55 crore, with Rs. 66.45 crore being cut on account of transfer of Haj matters to Ministry of Minority Affairs (MOMA). The BE 2017-18 allocation thus became 62.09% of MEA's budgetary demand. It may be recalled that when the erstwhile Ministry of Overseas Indian Affairs (MOIA) was merged with MEA in February 2016, no additional allocation was provided to MEA for BE 2016-17 despite a separate budgetary demand of Rs. 259.18 crore having been made by the erstwhile MOIA. However, with the transfer of Haj matters to MOMA, there has been a reduction in allocation of MEA's BE 2017-18 by Rs.66.45 crore. In terms of allocation against demand, Ministry of Finance's provision for BE 2017-18 is lower than in FY 2016-17, when Rs. 14662.66 crore were allocated against a demand of Rs.22966.89 crore, which was a provision of 63.38% of demand.

3.6 On the issue of lower budgetary allocation, the Foreign Secretary during the course of Oral Evidence informed the Committee:-

> "Now, let me come to the budgetary allocation for 2017-18. This stands at about Rs. 14,798.55 which is somewhat higher, as you noted, Chairman, than last year's allocation of about Rs. 14,600 crores. Of course, our budgetary demand was closer to Rs. 24,000 crores but we do understand that there are overall fiscal constraints under which all the Government Ministries function. Our endeavour, therefore, would be to utilise these resources aggressively and prudently. The expectation is that if our spending makes a good case, the Ministry of Finance would be open to looking at additionality, so the supplementaries at RE stage. So, we treat this as a challenge to which we have to rise."

3.7 To a query about inflation being factored in during the allocations for RE 2016-17 as well as BE 2017-18, the Ministry replied that the budgetary projections made by Divisions and Spending Units have indeed factored in this element. However, in view of the overall allocation by the Ministry of Finance being much lesser than the projected demand, it may not be possible to provide for it entirely.

3.8 As mentioned previously in this Report, the Ministry has been asking for significant allocations of funds during the last several years. However, the BE and RE have been on a considerably lower side. The Ministry was asked whether the issue of lower allocation vis-à-vis demand has been taken up vigorously with the Ministry of Finance. In its reply the Ministry submitted that over the years, the issue of low allocation of funds has been raised with the Ministry of Finance at various levels.

3.9 Regarding the response of the Ministry of Finance on the issue of lower allocations, the Ministry stated that MEA will continue to liaise with the Ministry of Finance for additional budgetary allocations at the Revised Estimates and Supplementary stages based on the pace of implementation of various projects abroad. It was further stated that no specific reasons have been shared by the Ministry of Finance for lower budgetary allocations.

3.10 Regarding the experience of other Ministries of the Government on facing similar issues of lack of adequate response from the Ministry of Finance, the Ministry that it is not aware of the experience of other Ministries with Ministry of Finance vis-à-vis their respective budgetary allocations.

3.11 As per the Ministry, for FY 2017-18, the budgetary allocation of MEA is 0.68% of the overall budgetary allocation of Government of India. In FY 2016-17, the budgetary allocation of MEA was 0.74 % of the overall budgetary allocation of Government of India.

3.12 Regarding the reasons for reduction in budgetary allocation as a proportion of the Government's overall budget, the Ministry stated that although in relative terms MEA's share in the overall GOI's budget has fallen marginally, in absolute terms MEA's budgetary allocation for FY 2017-18 is 0.93% more than its allocation for FY 2016-17. The Ministry will seek additional funds from the Ministry of Finance during the Supplementary Demands for Grants and Revised Estimates stages of the FY 2017-18.

3.13 In this context, the Ministry was asked as to how it will be able to fulfill its functions / mandate with a reduced allocation in relation to other Ministries. The Ministry through a written reply submitted that it will endeavour to increase expenditure in the first two quarters of FY 2017-18 so as to build a robust case for seeking additional allocation of funds during the Supplementary Demands for Grants and Revised Estimates stages. All project-related and other important expenditure will be prioritized to ensure that Government's overall foreign policy objectives are met.

3.14 When asked about the steps taken to obtain higher allocations to raise alternative finance, the Ministry through a written reply submitted that the Ministry will actively explore possibilities of funding from other GOI Ministries as our development partnership work integrates the portfolios of several other Ministries, and projects and issues of priority for them could be part-funded through their own resources in the pursuit of collective GOI objectives. The Ministry will also encourage other models of international development cooperation such as joint ventures and an increased role of the private sector.

3.15 The Ministry was asked about measures taken to prioritize and rationalize its expenditure. In its response, the Ministry stated that to ensure optimal utilization of budgetary resources, expenditure is closely and regularly monitored by the Financial Advisor in consultation with Divisional Heads, including through quarterly expenditure review meetings, during which prioritization of expenditure as per implementation progress of ongoing projects and schemes is also discussed. Revised Estimates (RE) for budget heads under MEA's budget are worked out within the RE ceiling conveyed by the Ministry of Finance after careful assessment of the funding requirements of various spending units. Fund releases are made in line with physical and financial progress of projects to ensure that there is no parking of funds with implementing agencies. All instructions contained in various Circulars of Ministry of Finance towards measures of economy, rationalization of expenditure, etc., are scrupulously followed by the

Ministry. The number of personnel sent on visits to foreign countries is limited to the bare essential. The conduct of seminars, conferences, etc. in five star hotels is discouraged. Purchase of new cars is banned, except against condemned ones, which is pursued with the approval of Ministry of Finance. Creation of posts is avoided, and where functionally necessary, is done with the approval of Ministry of Finance.

3.16 The Committee note that the Government has made a significant departure from the traditional budgeting process. The presentation of budget has been preponed from the usual end-February to 1 February. This in the opinion of the Committee will obviously provide regular funds to the Ministries from day one of the fiscal and the Vote on Account funding for initial months of a fiscal would now be a thing of the past. While expressing their appreciation of this measure the Committee would like the Government to ponder over the system it is going to put in place for real time reporting to Parliament and its entities on financial matters in the aftermath of this initiative. This is essential as even in the old system, which had the advantage of one extra month, physical and financial performance feedback of the last quarter was never made available for budgetary scrutiny.

(Recommendation No.5)

3.17 The Committee note that against the projected demand of Rs. 23830.95 crore by MEA, only an allocation of Rs. 14798.55 crore has been made at the BE stage during the year 2017-18. Surprisingly, the percentage of the budget of the Ministry of External Affairs against the total allocation of the Government of India has been reduced to 0.68% as compared to 0.74% in 2016-17 and 0.84% in 2015-16. The proposed allocation is only 62.09% of MEA's budget demand. During deliberations, the Foreign Secretary expected that if the Ministry's spending record makes a good case, then the Ministry of Finance would be open to looking at additional funds at the RE stage. The Ministry's assurance of improving its spending record is very timely. The Committee hope that during this fiscal the Ministry will make the most of this opportunity in the first half of 2017-18. The Committee desire that the Ministry should thereafter pose the question of its financial requirements to the Ministry of Finance in a more forceful way by quoting its continuously decreasing share of allocation from the Government coffers. The Committee also urge the

Ministry of Finance to provide the required allocation at the RE stage during 2017-18. The Committee desire that the Ministry should explore all possibilities of funding from other Government of India Ministries as development partnership work integrates the portfolios of several Ministries that could partly fund these through their own resources in the pursuit of collective Government of India objectives. The Committee would like to be apprised of the outcome of such efforts of the Ministry.

(Recommendation No. 6)

B. Classification of the Budget into 'Scheme' and 'Non-Scheme'

3.18 As per the Ministry, the Plan and Non-Plan classification has been discontinued from FY 2017-18. The budget classifications will now only be in terms of Revenue and Capital heads and Scheme and Non-Scheme heads. The Scheme head corresponds to funds allocated for technical and economic cooperation assistance for other countries as grant and loan.

3.19 Budget allocation as per Scheme /Non-Scheme head is as below:-

SCHEME and NON-SCHEME

(In Rs. Crore)

Section	BE 2016-17			RE 2016-17			BE 2017-18
	Plan	Non-Plan	Total	Plan	Non-Plan	Total	
Scheme	4510.00	3397.82	7907.82	2762.90	3537.90	6300.80	6894.03
Non-Scheme	210.00	6544.84	6754.84	100.00	7025.20	7125.20	7904.52
Total	4720.00	9942.66	14662.66	2862.90	10563.10	13426.00	14798.55

3.20 Regarding the justification for classification of the budget into Scheme / Non Scheme, the Ministry through a written reply submitted that this classification has been made by Ministry of Finance, and is not specific to the MEA. The budget heads covered under 'Scheme' for MEA are (i) *Major Head 3605 'Technical and Economic Cooperation with Other Countries'* and (ii) *Major Head 7605 'Advances to Foreign Governments'*. The rest of the MEA budget is classified as 'Non-Scheme'. Essentially, expenditure related to technical and economic cooperation – both grant and loan – has been classified under 'Scheme'. The MEA is not aware of the reasons for the Ministry of Finance doing away with the 'Plan' and 'Non-Plan' classification in the budget for FY 2017-18.

3.21 The Ministry furnished the following details of 'Scheme' allocation (with the rest of the budget being Non-Scheme):

Schemes		**BE 2017-18**
Aid to Bhutan	Grants	2083.87
	Loans	1630.26
Aid to Afghanistan		350.00
Aid to Bangladesh		125.00
Aid to Nepal		375.00
Aid to Sri Lanka		125.00
Aid to Maldives	Grants	75.00
	Loans	170.00
Aid to Myanmar		225.00
Aid to Mongolia		5.00
Aid to African Countries		330.00
Aid to Eurasian Countries		25.00
Aid to Latin American Countries		20.00
Aid to Other Developing Countries		115.00
Aid for Disaster Relief		25.00
Chahbahar Port		150.00
Aid to Mauritius		350.00
Aid to Seychelles		300.00
ITEC-Programme		220.00
SAARC Programme		10.00
SCAAP Programme		45.00
Multilateral Economic Relations Programme		25.00
TCS of Colombo Plan		9.60
ASEAN Multilateral		30.00
Energy Security		0.30
Investment Promotion and Publicity Programme		75.00
Total 'Scheme'		**6894.03**

3.22 According to the Ministry, with all expenditure for aid and technical and cooperation assistance coming under the 'Scheme' classification, as shown above, it is expected that there would be a greater appreciation for budget requirements and allocations for project-related international commitments.

3.23 The Ministry was asked whether there will be any changes in the monitoring mechanism of expenditure in the wake of this new classification. The Ministry through a written reply stated that the 'Scheme' classification pertains to expenditure for aid and technical & economic cooperation with foreign countries, both as Grant *(Major Head 3605)* and as Loan *(Major Head 7605)*. All expenditure is closely monitored by the Financial Advisor through regular interactions with Divisional heads, quarterly expenditure review meetings, and a confirmation of funds availability in the relevant budget head at the time of each release. Releases for major schemes/projects are made in line with the progress of implementation to ensure that there is no parking of funds with implementing agencies. The monitoring will continue to be regular and robust with the new categorization of 'Scheme' for all aid and technical & economic cooperation expenditure.

3.24 On being asked about the reasons for discontinuation of the classification on the basis of 'Plan' and 'Non-Plan' the representative of the Ministry during the course of evidence informed:

> "The motivation and the inspiration for this change, from plan to scheme and from non-plan to non-scheme have been there because plan and non-plan distinctions got blurred. Plan was capital expenditure, non-plan was revenue expenditure. Over the years, differences got diffused and we had a lot of capital expenditure which also got incurred under non-plan, and a lot of revenue expenditure which was incurred under plan. To sort out these issues, they have now evolved a new paradigm – scheme and non-scheme, which to my mind means that the real meat comes in the scheme which is something like the teeth; and the non-schemes are the tail, what we spend on ourselves. The idea is that we should spend more and more on schemes rather than on the non-schemes."

3.25 Furthermore the Foreign Secretary, during the course of oral evidence clarified:

> "....the Government has discontinued the plan and non-plan distinction in expenditure budgeting. The merger will assist in an integrated and holistic view of resource outlays of Government's schemes and projects. With this reform, the budget of the Ministries is classified as scheme and non-scheme along with the usual classification of capital and revenue. For the MEA, the scheme component comprises our international aid and assistance programmes – both grant and loan – while the rest of the budget is classified as 'non-scheme'. This bifurcation actually addresses one of the Committee's recommendations to reflect funds allocations relating to aid separately from the rest of the budgetary allocations. So, to that extent, we have greater clarity on this important subject....."

3.26 When asked whether allocations under the Scheme head would be insulated from budgetary cuts, the Foreign Secretary further submitted:

> "....On the schemes, there is no explicit assurance that the schemes would be insulated as opposed to the non-schemes but the endeavour is to ensure that the percentage of

schemes and the outlay under schemes are as high as possible, that they dominate the non-schemes...”

3.27 The representative of the Ministry during the course of evidence further added: -

“....we have to do a delicate balance between both schemes and non-schemes and not necessarily that if you spend more on non-schemes is that we are doing any disservice to our objectives. A lot of key result areas like Passport Sewa Project, the expenditure we are incurring on the universities, SAU and Nalanda, actually they are asset creation but it is happening in India, so it is part of non-scheme. Today, as per the ratio analysis we have done in the coming year, we are going to spend 47 per cent of our budget outlay, Rs.6,900 crore, on schemes; and rest 53 per cent, Rs.7,900 crore on non-schemes. Though the ratio is more towards non-scheme, it does not mean that we are not doing as much as we ought to do. If we include Passport Sewa Project, SAU, Nalanda into the scheme, it would be more than 50 per cent.”

3.28 The Committee have noted that the Plan and Non-Plan classification has been discontinued from FY 2017-18 and the budget classification will now only be in terms of Revenue and Capital Heads and ‘Scheme’ and ‘Non-Scheme’ Heads. For the FY 2017-18 Rs. 6894.03 crore has been allocated as Scheme and Rs. 7904.52 crore as Non-Scheme. The Committee are pleased to note that with the incorporation of all the expenditure for aid and technical and cooperation assistance under the ‘Scheme’ classification, one of the major concerns raised by the Committee from time to time has been partially addressed. It is expected that the ‘Scheme’ head will see better appreciation for budget requirements and allocations for project-related international commitments. However, the Committee have not received any explicit assurance about insulating the ‘Scheme’ from unpredictable budgetary cuts. The Ministry should prevail upon the Ministry of Finance that unlike other Ministries of the Government of India, the expenditure under ‘Scheme’ under MEA is meant exclusively for international aid commitments and therefore its sanctity should be upheld in the budgetary exercise. If that does not happen, the Committee are not sure to what extent this new classification would translate into addressing the constant budgetary woes of the Ministry. The Committee desire that Ministry should take up this matter with Ministry of Finance at the highest level to ensure that needful is done without any further delay.

(Recommendation No. 7)

C. Other Allocations

a. Embassies and Missions

3.29 This minor head provides for the expenditure on India's representation abroad and functioning of Missions and Posts abroad. An allocation of Rs. 2460.58 crore was made for BE 2016-17 and it was increased to Rs. 2514.01 crore at the RE stage. A provision of Rs. 2528.56 crore has been made in BE 2017-18.

3.310 The Ministry was asked whether paucity of funds will adversely affect the functioning of various Missions / Posts abroad. The Ministry replied that the Ministry is cognizant of the fact that in the coming financial year it will have to manage India's expanding international engagement with limited resources. Traditionally, this Ministry has been an efficient user of finances allocated to it and fully utilizes allocated budgetary grant, despite being confronted with multiple external risks and uncertainties in foreign environments. The Ministry has to operate within budgetary constraints dictated by the larger state of Government and national finances, by prudent and innovative utilization of existing resources.

3.31 Further when asked to furnish details of the activities undertaken under the Advertising and Publicity Head, the Ministry stated that Mission/Posts abroad undertake various activities under this head such as the maintenance of official websites; preparation, publication of monthly magazines; conducting exhibitions and fairs; purchase of books for Missions/Posts' libraries; film screenings; press briefings, translation of publicity material; media advertisements for promotion of tourism and achievements of India in various fields, celebrating anniversaries of establishment of diplomatic relations of India etc. Some Missions/Posts have also been allowed to incur expenditure from their Publicity budget on cultural activities. The details of actual expenditure for Advertising and Publicity in Missions/Posts for the last three years are as under:

(Rs. in crore)

Financial Year	Expenditure
2013-14	18.12
2014-15	16.79
2015-16	18.48

3.32 As per the Ministry, there are 68 countries where there is no resident Mission and these countries are current covered through Concurrent Accreditation from neighbouring Missions.

3.33 Regarding its plans for opening up new Missions / Posts, the Ministry replied that the Ministry has taken note of the Committee's recommendation on opening new Missions/ Posts abroad which is based on an assessment of India's geo-political priorities, intensity of bilateral engagement and reciprocal arrangement with the country concerned.

3.34 About the monitoring mechanism at the level of the Headquarters for overseeing the activities of Missions / Posts, the Ministry through a written reply submitted that the online portals *MEA e-Samiksha*, *MADAD*, as well as periodic reporting mechanisms to concerned Divisions at Headquarters by Missions and Posts abroad, are instrumental in follow-up on important decisions of the Ministry and to monitor the activities of Indian Missions and Posts.

3.35 On the issue of regular inspections of Missions / Posts abroad, the Ministry through a written reply stated that the Ministry has a formal system of inspections of Indian Missions and Posts abroad. The main objective of such inspections is to critically evaluate the functioning of Missions and Posts. During the inspection, examination is undertaken of the Mission/Post's work in areas such as political, economic, commercial, consular, information and publicity, Indian community welfare, cultural diplomacy and other related areas including security, administration and establishment matters. Standard Operating Procedures (SOPs) for undertaking inspection of Missions/Posts by the Directorate General of Inspections have also been defined.

3.36 As per the information furnished by the Ministry, it has taken steps for better monitoring and management of its Missions and Posts with regard to consular and visa services, such as:-

- The *MADAD* online portal has been created for online registration, updating and tracking of consular grievances. This has enabled the grievant to be directly in touch with the concerned Indian Mission/Post on a real-time basis, and for the Mission/Post to provide feedback online on the action taken by them. The Ministry is able to monitor progress on various issues as well as issue instructions and guidance to Missions/Posts as required. Since its launch in February 2015, over 18000 consular grievances have been registered on the portal. Out of these, 13000 grievances have been resolved, including nearly 1850 cases pertaining to repatriation of mortal remains.

- An online module has been created within the *MADAD* portal for the filing of regular consular, passport and visa (CPV) services returns and reports by all Missions and Posts, which enables periodical review of the Consular wings of our Missions/Posts.

This is an initiative of the last few months and Missions/Posts are now beginning to file their periodic quarterly CPV returns online.

- The Ministry circulates various orders/instructions to Missions/Posts on a regular basis and monitors status reports on compliance. It had been observed that due to communication gaps, sometimes there are delays in Missions/Posts receiving these orders/instructions/guidelines. There were also instances when old instructions would not be easily retrievable in some Missions/Posts. With a view to make easily available the compendium of various instructions/guidelines for reference of Missions/Posts, many of the older instructions/orders/guidelines are now being made available to Missions/Posts online.

- The Ministry has also developed a binary questionnaire pertaining to working of the Consular wing of Missions/Posts, including questions of timelines of tourist/business visas, physical verification of visa stickers, etc under the Performance Evaluation and Monitoring System (PEMS). These are being filled up online by the Mission/ Post and then evaluated by the CPV Division online and finally assessed by the DG Inspections, MEA.

- Ministry has started seeking information and inputs from our Missions/Posts on various Consular issues/orders on the Online Collaborative Sheets (OCS) developed by NIC. Information in respect of a particular issue is available in a user-friendly format from all Missions and Posts in an efficient and effective manner and can also be viewed by Missions/ Posts."

3.37 The Ministry has furnished the list of the Missions/Posts inspected during the last two years which is as follows:

List of Missions/Posts Inspected during 2015-16

S. No.	Embassy/ High Commission/ Consulate	Date of Inspection
1	Embassy of India, Panama	10-14 April 2015
2	Consulate General of India, Johannesburg	09-10 May 2015
3	High Commission of India, Gaborone	11-12 May 2015
4	High Commission of India, Windhoek	13-15 May 2015
5	Consulate General of India, Sydney	6-8 August 2015
6	High Commission of India, Islamabad	11-13 August 2015
7	Embassy of India, Kuwait	5-7 October 2015
8	Embassy of India, Doha	8-10 October 2015
9	Embassy of India, Beijing	26-28 October 2015
10	Embassy of India, Seoul	30 October – 1 November 2015

11	Embassy of India, Kabul	4-7 and 9-11 February 2016
12	Consulate General of India, Kandahar	2 - 4 February 2016
13	Consulate General of India, Mazar-e-Sharif	4 - 6 February 2016
14	Consulate General of India, Herat	6 -7 February 2016
15	Consulate General of India Jalalabad	7 - 9 February 2016
16	Consulate General of India, Toronto	2 - 4 March 2016
17	High Commission of India, Ottawa	5 - 7 March 2016
18	Embassy of India, Yangon	14-17 March 2016
19	Consulate General of India, Sittwe	17-18 March 2016
20	Consulate General of India, Mandalay	19-20 March 2016

List of Missions/Posts Inspected during 2016-17 *(till 28 Feb 2017)*

S. No.	Embassy/ High Commission/ Consulate	Date of Inspection
1	Embassy of India, Prague	26-28 April 2016
2	Consulate General of India, Jeddah	5-8 October 2016
3	Embassy of India, Baghdad	20-22 December 2016
4	Embassy of India, Ankara	09-11 February 2017

3.38 The Committee have noted that under the head 'Embassies and Missions' an allocation of Rs. 2460.58 crore has been made during 2016-17 (BE) and it was increased to Rs. 2514.01 crore at the RE stage. Now during 2017-18 (BE), the budgetary allocation has been kept at Rs. 2528.56 crore. This allocation is not adequate and the Ministry will be required to resort to prudent and innovative utilization of existing budgetary resources in order to operate within the limits of overall budget constraints. The Committee would expect the Ministry to ensure that the Missions / Posts follow the letter and spirit of various canons of financial propriety, and in order to realize this, greater emphasis should be placed on the monitoring mechanism at the level of the Headquarters. In this regard, the Committee have noted that the number of inspections of the Missions/Posts have been drastically reduced in 2016-17. The Committee would recommend that the Ministry should carry out periodic inspections of the Missions / Posts for critical evaluation of their function and financial efficiency. The feedback from the public and press should also be appropriately used for improvement in working of Missions/Posts.

The Committee have also noted that at present there are a total of 68 countries where there is no resident Mission of India and they are being covered through concurrent accreditation from neighbouring Missions. The Committee would, therefore, recommend that an expeditious decision to open up Missions / Posts in these countries should be taken based on India's geo-political priorities, intensity of bilateral engagement and reciprocal arrangement with the country concerned.

(Recommendation No. 8)

b. International Conferences / Meetings

3.39 The budgetary allocation for International Conferences/Meetings has been kept at Rs. 0.10 crore at the BE 2017-18 stage. During 2016-17 also a small budget of Rs. 0.15 crore had been earmarked for this minor head.

3.40 Regarding the justifications for making a meager allocation under this head, the Ministry though a written reply submitted that Ministry has created a Conference Division in July 2016 to organize and manage multilateral conferences and summits. Hitherto such events were being executed by temporary event secretariats. The budget head 'International Conferences/Meetings' was being used by the Conference Cell, formerly under the Protocol Division and now with the Conference Division, for small-scale events which had not been provisioned for by the concerned Territorial or nodal division. The expenditure on larger-scale or flagship events, such as IAFS-III, FIPIC Summit, BRICS Summit etc., has continued to be met from the relevant budget head of the concerned Territorial or nodal Division.

3.41 The Ministry has further added that the allocation under this head has been of a representative nature till now for reasons mentioned above and appropriate allocation would be sought when the calendar of events for the year 2017-18 is finalized and approved.

3.42 About activities carried out under the head 'Expenditure on Holding Seminars and Studies' the Ministry through a written reply submitted that the budget head 'Expenditure on Holding Seminars & Studies' caters to the activities of the Policy, Planning and Research (PP&R) Division. The BE 2016-17 allocation for this head was Rs. 4.7 crores, which was augmented by re-appropriating an amount of Rs. 1.75 crores from the allocation made for providing grant-in-aid to the Centre for Research in Rural and Industrial Development (CRRID), Chandigarh as additional funds were needed for the growing activities of the PP&R Division related to organizing of seminars/conferences/dialogues.

3.43 Regarding details of the Conferences / Seminars organized by the MEA over the last 3 years the Ministry furnished that in general, the Ministry does not itself organize international conferences of a public nature. Instead, it normally provides funding and advisory support to research institutions/ research organisations /think tanks for organizing seminars/conferences/dialogues. The list of such events that have received sponsorship or grant support from MEA in the last three years is given below:

FY 2014-15			
S. No.	**Seminar/Conference**	**Partner Organisation**	**MEA's Support**
1.	Forum for Strategic Initiative (FSI) – Japan Institute of International Affairs (JIIA) project Comprehensive India-Japan Strategic partnership (Feb-Dec 2014	Forum for Strategic Initiative	5 lakh
2.	National Seminar on "Neighbourhood Initiative of the Modi Government: Challenges and Road Ahead" from 19-20 March 2015	Pondicherry University	6 lakh
3.	The Arab Spring The Present Scenario and Policy Option for India on 170129 April 2014	WANA Division	1.66 lakh
4.	Conference on North East in India's Look East	Jadhavpur Association of International Relations	7 lakh
5.	Four seminars on (i) Indian Economy: Economic Reforms & Economic Policy including the foreign policy dimension (ii) Cold War Redux: Indo-Russian relations & India's Policy Challenges (iii) Defence Preparedness and Higher Defence Organisation in India and (iv) Internal Security & Insurgency in India: The External Dimension	Asia Centre, Bangalore	8 lakh
6.	7th South Asia Economic Summit from 5-7 Nov 2014	RIS	67.86 lakh
7.	10th Kolkata to Kunming (China) Forum (K2K) from 25-26 November 2014	CSIRD, Kolkata	9 lakh
8.	4th India-Arab League Business Partnership Conference, New Delhi - November 2014	FICCI	36 lakh
9.	International relations conference on "Maritime Security from 8-10 December 2014	Association of Asia Scholars	9.89 lakh
10.	International Seminar on India Foreign Policy	University of	9 lakh

	Strategies through the 21st Century during 26-28 February 2015	Kerala	
11.	Seminar on “Synergy Building in Indo-US Relations: Challenges in the Coming Decade” from 12-13 Mar. 2015	Centre for Canadian, US and Latin American Studies in JNU	4 lakh
12.	International Conference on “India & the Indian Ocean – Renewing the Maritime Trade & Civilisation Linkages” from 20-22 March 2015 in Bhubaneshwar	Institute of Social and Cultural Studies (ISCS), Kolkata	70 lakhs
	FY 2015-16		
1.	Raisina Dialogue in March 2016	ORF	55 lakh
2.	India-Japan Track 1.5 Conference on strategic and Security Issues	ICRIER	17.05 lakh
3.	India-France Experts Policy Dialogue - 2-3 April 2015	ORF	3.02 lakh
4.	India-Japan Track-1.5 Conference on Strategic and Security issues.	ICRIER	17.05 lakh
5.	India-France Experts Policy Dialogue – 2-3 April 2015	ORF	3.02 lakh
6.	Regional meeting of Trilateral Commission in Singapore from 4-6 Dec, 2015	Ananta Aspen Centre	13,95,250/-
7.	Conference on the theme: Re-imagining India in ASEAN through the Prism of Northeast India"	Embassy of India, Bangkok	3.7 lakh
8.	Establishment of Institute for Foreign Policy Studies	University of Calcutta, Kolkata	60 lakh
9.	36th meeting of the India Pakistan Neemrana Initiative (IPNI) - 1 to 6 April 2016 in Islamabad	IPNI, New Delhi	6,16,003/-
10.	3rd India-Japan-South Korea Trilateral Dialogue in Seoul on 7th June, 2016	IDSA	7 lakh
11.	Seminar on ‘Nuclear Energy Non- Proliferation and Disarmament: Policy options for the NDA Government’ on 29-31 March, 2016.	VPM Centre for International Studies *(affiliated to Mumbai University)*	6 lakh
12.	Workshop/Seminar on bio-safety/bio-security issues	DRDE Gwalior	4.4 lakh
13.	Second West Asia Conference on 19-20 January, 2016	IDSA	4 lakh
	FY 2016-17		
S. No.	**Conference/Seminar**	**Partner Organisation**	**Advance payment**
1.	T-20 Conference	ICGR, Mumbai	26,97,042/-
2.	1st meeting of Heads of Think –Tanks in Moscow	ICWA	33,46,925/-
3.	2nd India-Japan Track 1.5 Dialogue	Delhi Policy Group	25 lakh
4.	Dialogue - Bridging the Gulf *(to be held in 2017-18)*	ICWA	150 lakh

5.	5th India-Korea Dialogue	ICRIER, New Delhi	10 lakh
6.	India-US Leaders Forum (to be organized in 2017-18)	Ananta Aspen Centre	59 lakh
7.	Gateway of India Dialogue, March 2016	Gateway House, Mumbai	57,54,000/-
8.	India-Japan Track-1.5 Conference on Strategic and Security Issues	ICRIER, New Delhi	15,87,688/-
9.	Raisina Dialogue -2017 – 17 to 19 January 2017	ORF	80 lakh
10.	Gateway of India Geo-Economic Dialogue – Feb 2017	Gateway House, Mumbai	55 lakh
11.	India-China Think Tanks Forum, December 2016	ICS and ICWA	36 lakh
12.	Indian Ocean Dialogue in Singapore, September 2016	India Foundation	80 lakh

3.44 Further in this context, the Ministry submitted that in 2017-18, MEA intends to associate itself actively with several major conferences as a co-organizer, in collaboration with reputed external think-tanks, some of which are given below:

S. No.	Event	Date
1.	Raisina Dialogue – 2018	January 2018
2.	Gateway of India Dialogue – 2018	March 2018
3.	India-China Think Tanks Forum	Date to be decided
4.	India-Russia Think Tanks Meeting	Date to be decided
5.	India-US Leaders Forum	July/August 2017
6.	ICWA Dialogue 'Bridging the Gulf'	Date to be decided
7.	Participation in Trilateral Commission	Date to be decided
8.	India-Japan Track 1.5 Dialogue	Date to be decided
9.	Indian Ocean Dialogue	Date to be decided
10.	Indraprastha Dialogue	Date to be decided

In addition to these planned conferences where the MEA will be directly involved in organisational aspects, the Ministry will continue to support, on request and as per merits, high quality seminars and conferences organised by reputed think-tanks if the subject matter pertains to India's foreign policy.

3.45 The Ministry was asked whether any objective review of the amount spent on these meetings / conferences has been made in light of their outcomes. In its reply the Ministry submitted that conferences and seminars organised or supported by MEA in the past have provided the Ministry with platforms for articulating India's position on various international developments, and added to the understanding of India's interests and stakes among the strategic community. They have also been helpful in ascertaining the views of other countries on these matters. These events have therefore been useful for our foreign policy formulation process. The amount of financial support provided to partner organisations for holding these events is stringently calculated on standard financial norms, and regularly monitored. Final payments are released only after confirming actual disbursements according to initial estimates. Overall, the conferences provide significant utility in projecting and advancing India's foreign policy interests, at reasonable financial cost.

3.46 About the criteria adopted for selecting the organizations for providing funding for organizing seminars, the Ministry replied that funding and advisory support to the research organizations and think tanks are provided based on the project proposals submitted by these institutions. The Ministry assesses various facets of these proposals in detail, including the relevance and utility of the subject intended to be covered in the conference, the number and stature of speakers and other participants invited, the kind of research and background work required to prepare for the conference, the logistical and infrastructure arrangements needed to be made during the conference, etc. The implementing organization submits a projected budget giving a break-up of the various costs for each of the above elements. The Ministry examines the budget rigorously to ensure the success of the conference, and asks for reductions wherever possible. Ministry also makes suggestions as regards the choice of topics to be covered or the speakers to be invited. Once the proposal is felt acceptable, it is processed further for sponsorship. Final payments are released only after confirming actual disbursements according to initial estimates.

3.47 On the issue of funding conferences, the Foreign Secretary during the course of oral evidence stated:

> "In terms of the conferences themselves, we have been fairly sensible about the way we have distributed resources. It is because we now really do not fund most conferences in their entirety as used to be the past practice. We give some support and encourage the main organizers to find finance on their own and then we evaluate a conference. If we feel that the manner of support is not productive, frankly we do not continue it. So there is a constant review on how we support conferences and academic activities with MEA funds."

3.48 On the aspect of diplomatic monitoring of the Conferences, the Foreign Secretary clarified:

> "Absolutely. For example, we have done two conferences this year, the Raisina Dialogue and the Gateway of India Dialogue. In both cases we sat down with the organisers, with some other participants, with our own people, saw the lessons learnt and analysed where we could have done better and what we did wrong. That is very much an ongoing exercise and most of this rests with our Policy Planning Division."

3.49 The Committee have noted that the budgetary allocation for International Conferences/Meetings has been kept at Rs. 0.10 crore at the BE 2017-18 Stage. During 2016-17 also the allocation had been a mere Rs. 0.15 crore. The Ministry has contended that the allocation under this head is of a representative nature only as the expenditure is for small-scale events which had not been provisioned for by the concerned Territorial or nodal division. The Ministry does not fund any conference in entirety, insead only offering some support to encourage the principal organizers. On the face of it the budgetary allocation of Rs. 0.10 crore during the year appears insufficient. However, the Committee would prefer to go by the logic extended by the Ministry about symbolic funding as a catalyst for the events in question. The Committee would, however, recommend that there should be a formal mechanism to evaluate the outcome of such conferences.

(Recommendation No. 9)

c. Passport and Emigration

3.50 This Minor Head provides for expenditure on Passport Offices (POs), printing of travel documents, scanning of passport applications and files, lease of passport printers and printing of travel documents, purchase of passport printers, computerization of Passport Offices, payments of State Governments and Union Territories for their passport related services-verification etc. The allocation during BE 2016-17 was Rs. 730.04 crore, which was increased to Rs. 947.71 crore at RE stage. The Budgetary allocation for BE 2017-18 has been kept at Rs. 823.59 crore.

3.51 This minor head is titled 'Passport and Emigration' but no expenditure under emigration is actually made under it. Furnishing reasons for the same, the submitted that while the Sub-Head is called "Passport and Emigration", the operative Minor Head under it is called "Central Passport Organisation". While the nomenclature of the Minor Head was changed in FY 2012-13 from "Central Passport and Emigration Organisation" to "Central Passport Organisation", the name of the Sub-Head under which it falls was not changed and continued to be called "Passport and Emigration". The observation of the Hon'ble Committee has been noted – since there is a separate budget provision for the Protector General of Emigrants (PGE) and since PGE does not incur any expenditure from the Passports-related Sub-Head and Minor Head, approval will be sought from competent authority to change the name of the Sub-Head from "Passport and Emigration" to "Passport Services" under which the operative Minor Head "Central Passport Organisation" will continue to function.

3.52 According to the Ministry, allocation sought under this head for BE 2017-18 was Rs. 1439.19 crore. Allocation was low due to overall budgetary constraints, and enhancement of allocation would be considered during supplementary demands for grants and at RE 2017-18 stage, as per requirement.

3.53 The Ministry has furnished the following details of revenue earnings in the last three years:

Fees	FY 2013-14	FY 2014-15	FY 2015-16	FY 2016-17 *(up to Dec 2016)*
Passport	1873.13	2167.07	2240.42	1586.39
Visa	1913.60	1884.71	1890.82	1389.00
Others	308.58	254.49	298.01	523.33*
Total	**4095.31**	**4306.27**	**4429.25**	**3498.72***

*Ministry of Overseas Indian Affairs has been merged with MEA *w.e.f.* 1.04.2016, hence other Receipts for year 2016-17 include receipts *i.e.* fee under Overseas Citizenship of India Act, Emigration Fee & others of erstwhile MOIA.

3.54 The budget allocation made in BE and RE stages in the last three years under the Head Passport and Emigration is given below:

Head of Account	2014-15		2015-16		2016-17	
	BE	RE	BE	RE	BE	RE
Passport and Emigration	**542.83**	**560.33**	**591.72**	**902.75**	**730.40**	**947.71**

3.55 Regarding the progress of the work related to the establishment of PSKs/PSLKs, the Ministry through a written reply submitted that the Ministry committed to open nineteen additional Passport Seva Laghu Kendras (PSLKs) in addition to seventy-seven PSKs set up as part of implementation of the Passport Seva Project. Out of these, twelve are already functioning. Another four PSLKs are to be opened by April 2017 at Indore, Solapur, Siliguri and Udaipur.

Another three PSLKs at Leh, Kolkata and Kharagpur were to have been opened in the near future. However, instead of PSLKs, the Ministry has decided to open Post Office Passport Seva Kendra at these places.

3.56 The Ministry was asked about the progress made in integration of Missions / Posts abroad with the Passport Seva Portal. In its reply, the Ministry stated that the techno-commercial proposal is being examined by the National Institute of Smart Government (NISG), the technical consulting agency engaged by the Ministry during conceptualization, preparation of detailed project (DPR), RFP and Bid-Process-Management of the Passport Seva Project. The NISG is required to submit their report by the 2nd week of March 2017. Once the views of NISG are received, the same would be submitted for approval of the competent authority. As per the timelines quoted by M/s TCS, the integration of Missions/Posts project is to be completed by 10 months from the date of approval of the competent authority. The budget allocation of Rs. 36 crores would be utilized for procurement of additional hardware/system-software/licenses for the Data Center, creation of four Regional Cloud Caching Servers zone, development of Mission/Post software application and payment of service charges to the service provider for the applications being processed through Passport Seva platform collected from Indian Missions/Posts abroad.

3.57 In the context of the sanctioned strength and the actual strength of the Central Passport Organisation (CPO), the Ministry stated that as on 31 December 2016, the sanctioned cadre strength of the Central Passport Organization (CPO) is 2697. In addition, 21 posts (including 15 technical and 6 support staff) were created by the Union Cabinet decision in 2007 to man the Project Management Unit (PMU) of the Passport Seva Project. The working strength of CPO as on 31 December 2016 is 2157. The vacant non-Gazetted posts in CPO are being filled up through promotion/ Limited Departmental Competitive Examination, Direct Recruitment through Staff Selection Commission on regular basis as per Recruitment Rules. As an interim measure, Data Entry Operators have been deployed against the vacant non-Gazetted posts for smooth functioning of the Passport Offices. The vacant Gazetted posts are filled up through promotion and deputation as per Recruitment Rules.

3.58 About provisioning of staff for upcoming Post Office Passport Seva Kendras (POPSKs), the Ministry replied that the Ministry faces an acute shortage of manpower in its passport offices.

When the MEA and the Department of Posts (DOP) proposed utilizing the Head Post Offices (HPOs) in the various States as Post Office Passport Seva Kendras (POPSKs) for delivering passport-related services to citizens, it was decided that the passport granting and verification functions will be performed by employees of the Postal Department holding analogous posts. It was also decided that the necessary training to officials of DoP would be imparted by officials of the Central Passport Organisation and the service provider (M/s TCS) who will provide Citizen Service Executives for front-office non-sovereign functions.

3.59 According to the Ministry, it is not aware whether the Department of Personnel (DOP) have conducted any study to ascertain the extent of increased workload this will entail on it. It has been decided that the DoP will provide space for the POPSKs and manpower as stated above.

3.60 Regarding the criteria being adopted to identify Head Post Offices for the purpose of POPSKs, the Ministry replied that the Post Offices for opening of POPSKs are being decided on the basis of requests received from Members of Parliament, Members of Legislative Assemblies, public representatives across the country and the demand for passports from the district concerned.

3.61 According to the Ministry, with the successful operationalization of two pilot projects at Mysuru, Karnataka and Dahod, Gujarat, the Government has now decided to scale up this programme by opening 56 more POPSKs in the first phase of expansion, as listed below:

Location	State/UT	Passport Office
Kurnool	Andhra Pradesh	Vishakhapatnam
Kadappa	Andhra Pradesh	Vishakhapatnam
Silchar	Assam	Guwahati
Purnia	Bihar	Patna
Bhagalpur	Bihar	Patna
Muzaffarpur	Bihar	Patna
Gopalganj	Bihar	Patna
Siwan	Bihar	Patna
Surguja	Chattisgarh	Raipur
Daman	Daman	Mumbai
Diu	Diu	Ahmedabad
Silvasa	Dadar & Nagar Haveli	Mumbai

Patparganj	Delhi	Delhi
Yamuna Vihar	Delhi	Delhi
North West Delhi	Delhi	Delhi
Nehru Place	Delhi	Delhi
Janak Puri	Delhi	Delhi
Bhuj	Gujarat	Ahmedabad
Palanpur	Gujarat	Ahmedabad
Karnal	Haryana	Chandigarh
Hisar	Haryana	Chandigarh
Faridabad	Haryana	Delhi
Palampur	Himachal Pradesh	Shimla
Hamirpur	Himachal Pradesh	Shimla
Udhampur	Jammu & Kashmir	Jammu
Leh	Jammu & Kashmir	Srinagar
Jamshedpur	Jharkhand	Ranchi
Dhanbad	Jharkhand	Ranchi
Deoghar	Jharkhand	Ranchi
Belgaum	Karnataka	Bengaluru
Devangere	Karnataka	Bengaluru
Hassan	Karnataka	Bengaluru
Gulbarga	Karnataka	Bengaluru
Pathanamthitta	Kerala	Trivandrum
Kasargod	Kerala	Kozhikode
Kavaratti	Lakshadweep	Cochin
Vidisha	Madhya Pradesh	Bhopal
Gwalior	Madhya Pradesh	Bhopal
Satna	Madhya Pradesh	Bhopal
Jabalpur	Madhya Pradesh	Bhopal
Rourkela	Odisha	Bhubaneshwar
Sambalpur	Odisha	Bhubaneshwar
Koraput	Odisha	Bhubaneshwar
Kota	Rajasthan	Jaipur
Jaisalmer	Rajasthan	Jaipur
Jhunjhunu	Rajasthan	Jaipur
Bikaner	Rajasthan	Jaipur
Jhalawar	Rajasthan	Jaipur
Salem	Tamil Nadu	Coimbatore
Vellore	Tamil Nadu	Chennai
Mehbubnagar	Telangana	Hyderabad
Warangal	Telangana	Hyderabad
Asansol	West Bengal	Kolkata
North Kolkata (Beadon Street)	West Bengal	Kolkata
Nadia(Krishna-nagar)	West Bengal	Kolkata
Dinajpur (Raiganj)	West Bengal	Kolkata

3.62 On being asked about the challenges faced in the expansion of the Passport Seva Project, the Ministry submitted that the PSP went live in June 2012 with the opening of 77 Passport Seva Kendras (PSKs) as prescribed in the Request for Proposal (RFP)/ Master Service Agreement (MSA) between the MEA and the Service Provider, M/s Tata Consultancy Services (TCS). Thereafter, the Ministry has opened another 12 PSLKs till date. These 89 PSKs/PSLKs are functioning as extended arms of the 38 Passport Offices in the country to render passport-related services. The PSP has received till January 2017 nearly 4.36 crore passport-related applications. The number of applications received per annum is a little more than one crore. Following the liberalization of passport-related policies in December 2016, there has been a growth of 30 % in passport-related applications. The lack of budgetary support under the Information Technology (IT) and Office Expenses (OE) budget heads under the 'Passport and Emigration' sub-head is the first challenge faced in the expansion of the PSP. Funds under these heads are necessary for the procurement of IT and non-IT related equipment, for payments to M/s TCS and for hiring of Data Entry Operators to bridge the gap between the sanctioned strength of the CPO cadre and those in position. The second challenge faced in the expansion of the PSP is the shortage of personnel in the CPO, particularly those at the Superintendent and Senior Superintendent level to function as the Passport Granting Officers (PGO). There is also a shortage of Assistant Superintendents, Senior Passport Assistants (SPA), and Junior Passport Assistants (JPA) who function as Verification Officers (VO).

3.63 Regarding steps taken to address the afore-mentioned challenges, the Ministry replied that it proposes to seek enhanced budgetary allocation under its Information Technology and Office Expenses budget heads during FY 2017-18. To address the problem of shortage of manpower, the Ministry will endeavour to fill the gap between sanctioned and present strength through various means available under Recruitment Rules. For vacant non-Gazetted posts in the Central Passport Organization, efforts will be made to fill the posts through promotion or limited departmental competitive examination as well as direct recruitment through the Staff Selection Commission on a regular basis as per Recruitment Rules. As an interim measure, Data Entry Operators would be deployed against vacant non-Gazetted posts for the smooth functioning of Passport Offices. The vacant Gazetted posts would be filled up through promotion and deputation as per Recruitment Rules.

3.64 During the course of Oral Evidence, the representative of the Ministry informed the Committee:

> "Why we have started this? This is for three reasons. One is the number of applications is growing rapidly. Two, people are repeatedly writing to us saying that the distances in some cases go over 300 kilometres and it takes huge amount of time, huge amount of expenditure and huge amount of resources for people to come. Three, hon. Members of the Parliament have been writing and we almost receive one letter or two letters a week saying that in our district, in our constituency, please do have passport facility. So, we are looking at it in a very holistic manner. The approach is how to reach out to a larger number of people through larger of centres. We have gone through all the internal debates like can we use the common service centres for example. But we also are cognizant that from the security point of view, this is a very important document. So, as far as possible, we have to go through the Government network that we have. We also realize simultaneously that the post offices because of their own functioning and the evolving nature of business, their space is available and the manpower is also available which we do not have currently either MEA or even our passport cadre. So, there is a training component. There is a training component, there is an IT component and there are equipment software and hardware components."

3.65 He further submitted that:

> "There was this idea that the available surplus manpower in the post offices should be used and we also have shortage of what we call Granting Officers. We also have shortage of VOs or Verification Officers and this will hugely constrain our own ability to expand on our own in a quick short run. So, this will also happen independently if we have to start new passport seva Kendras or laghu Kendras, our ability is to go beyond four or six annually."

3.66 The Committee have noted that the sanctioned strength of the Central Passport Organization (CPO) is 2697 while the actual strength is 2157. It is a matter of surprise to the Committee that 540 posts remain unfilled as on date and the Ministry has not drawn up a concrete strategy to tide over the situation, apart from routine measures like filling vacancies through promotions/departmental examination, direct recruitment through Staff Selection Commission or deployment of Data Entry Operators. It must have been clear to the Ministry by now that these routine measures have not yielded concrete results, or else the deficit would not have risen to 540 vacant posts. There is a shortage of Granting Officers (GO). The situation looks more worrying in light of the fact that as per the Ministry, acute shortage of personnel in the CPO is a major challenge faced in the expansion of the Passport Seva Project (PSP). The Committee, therefore, urge the Ministry to draw a concrete strategy urgently to fill vacant posts in the organization without any

further delay. The Committee also recommend that work related to the integration of Missions/Posts abroad with the Passport Seva Portal be expedited.

(Recommendation No. 10)

3.67 The Committee have noted that in order to expand the Passport related services the Government has decided to utilize Head Post Offices (HPOs) in various States as Post Office Passport Seva Kendras (POPSKs). As part of this exercise two pilot projects at Mysuru, Karnataka and Dahod, Gujarat have been operationalized and a decision to scale up this programme by opening 56 more POPSKs has been taken. The Committee in their past Reports had consistently recommended an expansion of Passport facilities and would welcome any measure aimed at easing Passport bottlenecks. However, while welcoming the measure to open up POPSKs, the Committee are apprehensive to note that Passport granting and verification functions in these POPSKs will be performed by employees of the Postal Department holding analogous posts, rather than by the officials of the Central Passport Organizations (CPO). It was understandable if the available space and logistical convenience of the HPOs were to be used for penetration of Passport Services and these positions were being manned by CPO Officials. In this case, the entire Government workforce in POPSKs will comprise of trained personnel of the Postal Department.

Even if, as the Ministry has stated, officials of the DoP will be imparted sufficient training, the Committee have reason to believe that they cannot be expected to become sufficiently prepared in managing Passport related matters, especially with granting and verification issues. The Committee are aware that even long serving officials in Passport Seva Kendras (PSKs) face many difficult situations everyday and have to take help from their back offices, and there are, therefore, concerns about how officials of the Postal Department can be given such an important responsibility after a short period of training.

The Passport is a very important document and it is important that it goes through hands that can exercise discretion learned through experience. The security challenges of outsourcing Passport activities to personnel beyond the organization also need to be factored in. The Committee, therefore, would like that POPSKs should be preferably manned by the Officials of the CPO (apart from the vendor) and the Ministry should embark upon a recruitment drive to tide over manpower inadequacies to meet additional

deployment in the POPSKs. Alternatively, Department of Posts employees should be trained extensively to acquire requisite proficiency and professional skills so that the quality of service as well as security concerns are suitably addressed.

(Recommendation No. 11)

d. International Cooperation

3.68 The expenditure under this 'Minor Head' is for obligatory contributions to the UN and other International Organizations of which India is a member. This head also caters to the contribution for the establishment of the South Asian University (SAU) and Nalanda University (NU). An allocation of Rs. 717.93 crore has been made in BE 2017-18 as against the allocation of Rs. 527.78 crore at BE 2016-17

3.69 Regarding the reasons for increasing budgetary allocation during 2017-18, the Ministry submitted that the increase is primarily in view of the commencement of the construction of the permanent campuses of the South Asian University (SAU) and Nalanda University (NU). In the case of SAU, of the four Packages of the construction plan, Package 1 consisting of the construction of a boundary wall and the site office has been completed, and the tendering process for Package 2 (consisting of five buildings) has been undertaken and the tender awarded. Construction under this package has already commenced and the processing of the tender of Package 3 (consisting of seven buildings) has also been finalized. It is envisaged that the University would be able to shift to its new campus once the construction of Packages 2 and 3 is completed. With regard to financial requirements for the construction project in FY 2016-17, the University had indicated a budgetary requirement of Rs. 300.90 crores in view of the construction activities. The BE 2016-17 allocation of Rs. 5 crore was augmented to Rs. 105 crore in RE 2016-17. The full amount has been released to the University. In the case of the NU, after the composite tender issued in July 2015 was cancelled due to procedural shortcomings and non-compliance of CVC guidelines, re-tendering is underway by breaking up the composite tender into ten packages. The tenders for the first two packages have been awarded in FY 2016-17 and the tendering process for the third package has also commenced. Budget allocation for FY 2017-18 has accordingly been made to ensure that work for the awarded packages is executed smoothly with timely flow of funds.

Nalanda University

3.70 The budgetary allocation for Nalanda University during 2016-17 (BE) was Rs. 200.00 crore, which was reduced to Rs. 100. 00 crore at the RE stage. The allocation at the BE of 2017-18 is Rs. 200.00 crore.

3.71 The Ministry has furnished the following Status Report on implementation of Nalanda University project:-

Academic: Teaching in the University was inaugurated by External Affairs Minister in September 2014. The University is currently functioning from a temporary campus provided by the State Government of Bihar in Rajgir and the construction project for building the permanent campus is in progress. The University has three Schools of Studies presently – School of Historical Studies, School of Ecology and Environment Studies, and School of Buddhist Studies, Philosophy and Comparative Religion. The first convocation ceremony of the University was held on 27 August 2016 in Rajgir, Bihar during which Hon'ble President of India conferred degrees on the graduating students. Hon'ble President also laid the foundation stone for the Nalanda University campus construction project. The convocation ceremony was attended by the Governor of Bihar, Chief Minister of Bihar, Ministers and members of the diplomatic community. The University has about 130 students at present which includes 22 students from foreign countries such as South Korea, Japan, China, Vietnam, Laos, Sri Lanka, Bhutan, Myanmar, Brazil, Peru, Zimbabwe and Nigeria. The University has planned the launch of the School of Linguistic Studies during 2017 and the School of Public Health in 2018.

Administration: The Governing Board of the University was constituted on 21 November 2016 as per the Nalanda University Act 2010. Dr. Vijay Bhatkar has been appointed as the Chancellor of Nalanda University with effect from 25 January 2017. Consequent to the completion of her extended tenure, the former Vice Chancellor of the University relinquished charge on 24 November 2016 and pending appointment of a new Vice Chancellor, Professor Pankaj Mohan, the senior-most Dean from the School of Historical Studies has been appointed to discharge duties as Vice Chancellor. The Governing Board of the University is taking necessary action to select a new Vice Chancellor of the University and this process is likely to be completed soon.

Infrastructure: The construction of the permanent campus of Nalanda University has already started and work is in progress in respect of tender Packages 1A for construction of internal roads at a total tendered cost of Rs 37.22 crores, and Package 1B for construction of non-residential buildings at a total tendered cost of Rs. 435 crores. Tender Package 1C for construction of residential buildings at an estimated cost of Rs. 305 crores is under consideration of the University and the tender is expected to be finalized and awarded by April 2017. The construction of the campus is expected to be completed by 2019-2020.

3.72 Explaining the reasons for slow progress of work in the Nalanda University Project, the Ministry replied that a composite tender for construction of the Nalanda University permanent campus in Rajgir, Bihar was floated by the University in July 2015. However, due to procedural shortcomings and non-compliance of CVC guidelines in the tender process, the University cancelled the composite tender in 2016. Subsequently, the University decided to take up the campus construction project by splitting the construction work into different packages to facilitate better management and speedier construction. This was the main reason for the delay in the University's construction project and reduction in the budget allocation from Rs. 200 crores to Rs. 100 crores in FY 2016-17. During FY 2016-17, the University has finalized and awarded two major tenders – Packages 1A and 1B for construction of internal roads and construction of non-residential buildings respectively. Work on Package1A is in progress and expected to be completed in September 2017 while work on Package 1B for construction of non-residential buildings is expected to be completed by early 2020. The University is finalizing the other major, Package 1C for construction of residential buildings, which is expected to be awarded by April 2017. The time frame for the completion of this package will be 24 months and hence it is expected that Package 1C will be completed by April-May 2019. The University is simultaneously working to take up the remaining seven minor Packages, namely service works, water treatment plants, HVAC (Heating, Ventilation and Air Conditioning) related works, external electrification, data cabling, CCTV and related infrastructure, furniture and fixtures and remaining items of site developments. However, work on these service packages can be taken up only when the main construction work of the buildings is completed. Thus, the construction project for Nalanda University's permanent campus (Phase I) has commenced and is well on course to be completed by 2019-2020. In the recently held meeting of the University's Governing Board, the Consultant Architect has been asked to explore the feasibility of speeding up the construction process by using prefabricated structures and other construction technology means. Therefore, no further major delays are likely to occur in the construction project of Nalanda University.

3.73 As per the Ministry, the Nalanda University was established by an Act of Parliament, the Nalanda University Act 2010 which came into effect from 25 November 2010. Since then, the following financial contributions have been made to the University:-

From	Amount of contribution *(from 2010 till date)*
India	Rs. 126.67 crores
China	US $ 1 million *(about Rs 5.12 crores)*
Australia	Aus. $ 1 million *(about Rs. 5.54 crores)*
Thailand	US $ 1,27,600 *(about Rs 71.6 lakhs)*
Lao PDR	US $ 50,000 *(about Rs. 27.03 lakhs)*
Dr. Rajendra Joshi & Ursula Joshi Foundation	US $ 1 million *(about Rs. 6.37 crores)*

3.74 According to the Ministry, in order to move forward the proposal for the revival/establishment of Nalanda University, the Nalanda Mentor Group (NMG) was formed by the Government in 2007. The NMG was discharging the functions of Governing Board since the establishment of Nalanda University in 2010. The Hon'ble President of India, in his capacity as the Visitor of Nalanda University, approved the constitution of the Governing Board as per section 7 of the Nalanda University Act 2010. The Governing Board of the University was constituted with effect from 21 November 2016 with the following members:-

S. No	Detail
1	Chancellor
2	Vice Chancellor
3	**Representatives from five member countries with highest contribution:** - India: Shri N K Singh - China: Professor Wang Bangwei - Australia: Declined - Thailand: Professor Prapod Assavavirulhakorn - Lao PDR: Awaited
4	Secretary (East), MEA
5	Secretary, Ministry of HRD
6	**Two representatives from Government of Bihar** - Chief Secretary - Secretary to CM
7	**Three persons from reputed academicians/educationists** - Professor Arvind Sharma, McGill University - Professor Lokesh Chandra, President, ICCR and - Dr. Arvind Panagariya, Vice Chairman, NITI Ayog.

3.75 According to the Ministry, The University has, at present, a student strength of 130 students including 22 students from foreign countries such as Japan, China, South Korea, Lao, Vietnam, Myanmar, Bhutan, Sri Lanka, Peru, Brazil, Zimbabwe and Nigeria. Following is the proposed time line for starting various courses:

Name of School	To be started by
School of Historical Studies	Started in September 2014
School of Ecology & Environment Studies	Started in September 2014
School of Buddhist Studies, Philosophy and Comparative Religion	Started in August 2016
School of Linguistic Studies	To be launched in August 2017
School of Public Health	To be launched in August 2018
School of International Relations	To be decided

3.76 The Committee have been informed that the budgetary allocation for Nalanda University during 2016-17 (BE) was Rs. 200.00 crore, which was reduced to Rs. 100.00 crore at the RE stage. The allocation at the BE of 2017-18 has been pegged at Rs. 200.00 crore. The Committee are unhappy with the very slow pace of progress of the project, which is of significant historical as well as current international importance for India. The work related to award of tenders has moved very slowly in the past and now the Committee expect that with the splitting up of the construction work into different packages and the constitution of the Governing Board the project will see a rapid progress. The Committee are encouraged by the Ministry's strong statement that no further major delays are likely to occur in the construction project. The Ministry is desired to put up a strict monitoring mechanism in order to stay true to its claim. In view of less than generous contributions from other member countries, the Committee would also desire that other countries including China and Australia may be persuaded to step up financial contributions in the University and for more inflow of students for specific courses started there.

(Recommendation No. 12)

South Asian University (SAU)

3.77 The budgetary allocation to the South Asian University has been enhanced from Rs. 79.00 crore in BE 2016-17 to Rs. 184.00 crore at RE stage. The allocation during 2017-18 (BE) is Rs. 260.00 crore.

3.78 In its Status Report on implementation of the South Asian University project, the Ministry stated that the South Asian University was established through an inter-governmental agreement at the 14th SAARC Summit (3-4 April 2008) to provide world class educational facilities and professional faculty to students and researchers from SAARC Member Countries. The university has completed its sixth academic year. It offers Master's and M.Phil/PhD programmes in eight disciplines. Currently, 522 students are enrolled in the university, of which 322 are from India. The university at present functions from its temporary rented premises in Akbar Bhavan, New Delhi. India is committed to bearing 100% of the capital cost towards the establishment of the South Asian University. For this, 90.96 acres out of a total of 100 acres of allocated land at Maidan Garhi, New Delhi have been handed over so far. The remaining land is yet to be acquired because of ongoing litigation. The SAU construction project initially suffered delays due to court cases as well as forest land and geo-morphological land clearance issues. Through sustained effort, a number of statutory clearances from civic authorities have since been obtained. The university started its construction work in May 2015. The construction plan has been devised under four distinct packages. Package I (boundary wall and site office) has been completed. Work under Package II is in progress and estimated to be completed in December 2018. Tender for Package III has been awarded with a completion schedule of 36 months, that is, up to December 2019. The university proposes to shift to the new campus after completion of Package II and III. Package IV will give the final touch to the project after issues relating to the encumbered land are resolved. The SAU project is a high-level commitment of the Government of India. During FY 2016-17, allocation was increased from the initial Rs. 5 crores to Rs. 105 crores in view of the progress achieved in the construction work.

3.79 The budget allocation for FY 2016-17 under these heads for SAU is given below:

(In Rs. crore)

Head	BE 2016-17	RE 2016-17	Remarks
Contribution to South Asian University	45	45	Contributions to the operational budget of the university are according to a fixed ratio for each SAARC Member State. Against a demand for Rs. 73 crores, Rs. 45 crore only was allocated. We will, therefore, be paying part of our assessed contribution in the current year and the balance amount due will be carried forward to the next fiscal.
Creation of Capital Assets of SAU	5	105	The construction work of permanent campus is in full swing and regular flow of funds is imperative to ensure smooth and timely completion of the project.
Rents, Rates and Taxes	29	34	Monthly payment of rent to NDMC for the temporary premises of the university at Akbar Bhawan, New Delhi is made under this head. The rent for the months of February-March, 2016 which was deferred due to budgetary constraints was also paid in the current financial year.

3.80 Further, the position in respect of the above-mentioned heads for FY 2017-18 is given below: *(In Rs. crore)*

Head	BE 2017-18	Remarks
Contribution to South Asian University	28	Balance contribution of India for the year 2016 and contribution due in 2017 have been factored into the demand
Creation of Capital Assets of SAU	200	Package II and Package III of the construction of project of the permanent campus of the university at Maidan Garhi, New Delhi will require regular infusion of funds.
Rents, Rates and Taxes	32	The demand is according to the estimated cost of rent for the temporary premises of the university

3.81 The Ministry has furnished a statement of contributions made by the Member States since the university started functioning in 2010 and the same is given below:-

Member Country	Operational Contribution	Capital Contribution	Total
Afghanistan	2,301,000		2,301,000
Bangladesh	4,920,000		4,920,000
Bhutan	2,301,000		2,301,000
India	**30,370,239.00**	**29,926,616.25**	**60,296,855.25**
Maldives	1,844,000		1,844,000
Nepal	2,944,044		2,944,044
Pakistan	Nil		Nil
Sri Lanka	2,951,000		2,951,000

3.82 According to the Ministry, Pakistan has not made any contribution towards its assessed share since the university started functioning in 2010. As on October 2016, it has an outstanding contribution of US$ 78, 50,000. During the 9th Governing Board Meeting of SAU in Dhaka on 28 November 2016, Pakistan was requested to remit the overdue amount towards its operational contribution within a period of three months failing which its continued participation in the SAU project will be reviewed by the Governing Board. This matter was again strongly taken up at the 53rd meeting of the SAARC Programming Committee in February 2017 in Kathmandu.

3.83 The Ministry was specifically asked whether there are any enabling provisions in the Charter to terminate membership of any country which does not pay its timely contribution. The Ministry through a written reply submitted that the SAARC Charter does not contain any provision towards termination of membership of a country for non-payment of contributions or for any other reason. Nor is there any precedent of any such action having been taken. However, taking cognizance of the fact that Pakistan has not made any contribution at all since the inception of the University, the Governing Board of SAU in its 9th Meeting in Dhaka (Bangladesh) on 28 November 2016 took the unprecedented step of reminding Pakistan to remit the overdue amount towards its operational contribution within a period of three months failing which its continued participation in the SAU project will be reviewed. This matter was again strongly taken up by India at the 53rd Meeting of the SAARC Programming Committee (1-2 February 2017, Kathmandu). The Government of Pakistan has recently responded formally on this matter by saying that efforts are under way to expedite the payment.

3.84 The Committee have been informed that in BE 2017-18, Rs. 260.00 crore has been allocated for South Asian University which includes Rs. 28 crore as contributions, Rs. 200.00 crore for creation of capital assets and Rs. 32 crore for rents, rates and taxes. The Committee are deeply concerned about the slow progress of the construction work of the University and desire that the work related to Package II of the construction plan should be expedited and the actual work on Package III be started without any further delay. The Committee also desire to be apprised about progress made in this regard on a regular basis. The Committee have been perturbed by the non-payment of its assessed share of contribution by Pakistan ever since the University started functioning in 2010. Upon taking up the matter at the 53rd Meeting of the SAARC Programming Committee, Pakistan has responded finally by saying that efforts are underway to expedite the payment. The Committee are of the opinion that the matter has lingered on unduly for long and Pakistan should be given a fixed timeframe to comply with its contribution stipulations failing which a final call needs to be taken with regard to the decision taken in the Governing Board meetings of SAU in Dhaka.

(Recommendation No. 13)

CHAPTER –IV

ORGANIZATIONAL SET UP

The Outcome Budget 2016-17 provides for a detailed outline of the Ministry's organizational set up. The Ministry of External Affairs is headed by the External Affairs Minister. She is assisted in the discharge of her functions by the Minister of State for External Affairs. The Foreign Secretary oversees the functioning of the Ministry at the official level. The MEA HQs in New Delhi is organized into Territorial and Functional Divisions, with Territorial Divisions overseeing and managing bilateral relations with specific foreign countries, structured regionally.

4.2 As per the Annual Report 2015-16, the Functional Divisions includes the following:-

- Policy Planning and Research;
- Development Partnership Administration; Technical & Economic Cooperation;
- Investment, Trade & Technology Promotion;
- Multilateral Economic Relations;
- International Organizations;
- Regional Groupings;
- Press & Media Affairs and Public Diplomacy;
- Legal & Treaties;
- Disarmament & International Security;
- Consular, Passport & Visa matters; Protocol;
- Parliament Coordination; Liaison with State Governments; Cypher, NGO Vigilance; E-Governance & Information Technology;
- Global Estate Management *(earlier called Projects Division)*; Administration; Establishment; and the Integrated Finance Division.

4.3 In addition to MEA HQs, the Ministry manages 184 Indian Missions and Posts abroad; Passport Offices and Branch Secretariats in India; oversees the work of the Foreign Service Institute (FSI), the Central Passport Organisation, and MEA's two main autonomous bodies, the Indian Council of Cultural Affairs (ICCR), which is the Ministry's arm for promoting India's cultural links with the world; and the Indian Council of World Affairs (ICWA), which undertakes policy research.

A. Secretariat General Service

4.4 Allocation under this major head caters to Ministry's Secretariat, foreign and domestic travel expenses, public diplomacy and press relations, and Protectorate General of Emigrants.

Under this Head, BE 2017-18 has been kept at Rs. 423.58 crore which is Rs. 21.27 crore more than BE 2016-17.

4.5 The sanctioned strength of the Ministry is 8702. However the actual strength as on date is 7193. Explaining the reasons for the gap between sanctioned strength and the actual strength the Ministry replied that "The gap between sanctioned strength and personnel in position is mainly due to prolonged process of direct recruitment against posts at various levels in the Ministry. Once the recruitment processes are completed this gap would be narrowed considerably. The Ministry expects to address manpower requirement in short to medium term through measures including increased recruitment to IFS and other cadres in the Ministry in coming years, deputation of officers from other Services as well as from the Armed Forces and substantial augmentation of Local Cadre in Missions. These measures are expected to be commensurate with functional requirements in the coming years."

4.6 Regarding the steps taken by the Ministry to speed up the recruitment process and the likely timeline for the same, the Ministry submitted that all direct recruitment in the Ministry is done through Union Public Service Commission (UPSC) and Staff Selection Commission (SSC), as the case may be. All vacancies arising in a particular year and backlog vacancies are indented by the Ministry for filling up by UPSC/SSC.

4.7 The major Head 'Secretariat General Services' also includes a Minor Head 'Protector General of Emigrants' which caters to the expenses incurred on the office of PGoE and various POE Offices in the country. Rs. 14.82 crore has been allocated to Protector General of Emigrants in 2017-18 as against Rs. 15.76 crore in 2016-17.

4.8 The details given by the Ministry of funds allocated in BE 2017-18 for PGoE are as follows:

(Figures in thousands)

Protector General of Emigrants	**BE 2017-18**
Salaries	28000
Wages	200
Overtime Allowance	0
Medical Treatment	700
Domestic Travel Expenses	1000

Foreign Travel Expenses	0
Office Expenses	10000
Rents, Rates and Taxes	13100
Publications	0
Advertising and Publicity	0
Minor Works	200
Professional Services	5000
Information Technology	90000
Total – PgoE	**148200**

4.9 Explaining the reasons for lower allocation in BE 2017-18 as against BE 2016-17, the Ministry replied that the merger of erstwhile MOIA with MEA has also resulted in considerable streamlining and achievement of operational efficiencies in areas of establishment and administration. Hence, there was a minor reduction in the establishment budget allocation for PoE offices. Establishment of new PGoEs will be taken up according to the functional requirements of the Ministry which arise from time to time.

4.10 As per the Ministry**,** The sanctioned strength for POE offices is 87. Officers and officials are being selected both from the MEA and on deputation from other Ministries/ Departments who are posted to POE offices to ensure the smooth functioning of POE offices across India.

4.11 In the BE of 2017-18, no allocation has been made for 'Advertising and Publicity' under the Minor head of PGoE. About the reasons for the same, the Ministry stated that Ministry has a separate budget head for 'Awareness Campaign/Media Plan' which caters to advertising and publicity initiatives for the Overseas Indian Affairs Divisions and Overseas Employment Division. PGE intends to undertake media awareness campaigns on issues such as hazards of illegal migration, advantages of safe migration and 'Dos and Don'ts for intending emigrants' towards creating preventive awareness on migration, in every State and especially in the top ten labour-sending States. The campaigns would be rolled out through audio-visual and print media as well as social media platforms for wider outreach to prospective emigrants. If needed, required allocation would be made in the Advertising and Publicity budget heads of PoE Offices once the cost estimates for the proposed campaigns is finalized.

4.12 The Committee have noted that the Major Head 'Secretariat-General Services' caters to Ministry's Secretariat, foreign and domestic travel expenses, public diplomacy

and Press relations and Protector General of Emigrants. Under this Head, BE 2017-18 has been kept at Rs. 423.58 crore which is Rs. 21.27 crore more than BE 2016-17. The Committee have also noted that the sanctioned strength of the Ministry is 8702, but the actual strength as on date is only 7193. In view of the pressing manpower requirements, the Ministry should draw out a time-bound work plan to fill the vacant posts through all available methods. The Committee have also noted that no allocation for Advertising and Publicity under the Head 'Protector General of Emigrants' has been made. The Ministry has reasoned that there is a separate budget for 'Awareness campaign/Media Plan' which caters to advertising and publicity initiatives for the Overseas Indian Affairs Division and Overseas Employment Division. The Committee are of the considered opinion that despite a centralized budget for advertising it is imperative to have an allocation for the use of Protector of Emigrants (PoEs) offices throughout the country. At a time when fraudulent practices related to emigration are on the rise, the PoEs should possess funds to publicise the importance of safe migration through local media and provide relevant information to help emigrants in case of difficulty. There is a strong rationale for a decentralized advertisement and media campaign. The Committee would, therefore, recommend that the Ministry allocate separate funds to Advertising and Publicity under the PGoE in future.

(Recommendation No. 14)

B. Training

4.13 Analyzing the Budget documents, the Committee discerned that under the 'Major Head External Affairs' in the Minor Head 'Training', provision is made for anticipated expenditure on the activities of Foreign Service Institute (FSI), which includes Professional Courses for Foreign Diplomats (PCFD), basic training courses and in-service training programmes for Indian Foreign Service Officers etc. The budgetary allocation under this Minor Head during 2016-17 (BE) was Rs. 11.07 crore which was increased to Rs. 12.00 crore during RE 2016-17. The budgetary allocation during BE 2017-18 has been increased to Rs. 13.24 crore.

4.14 As per the Ministry, the allocation and expenditure for the Foreign Service Institute (FSI) for the last 3 years are given below:

(In Rs. thousands)

Financial Year	RE Allocation	Actual Expenditure	Balance
2013-14	68400	60360	8040
2014-15	80033	69141	10892
2015-16	107700	90383	17317

4.15 Further, the details of unspent balance in FY 2015-16 are given below:

(In Rs. crore)

Budget	RE 2015-16 Allocation	Actual Expenditure	Balance
Other Administrative Expenses	3.0000	2.5808	0.4192
Office Expenses	5.5000	4.7800	0.7200
Minor Works	2.000	1.5974	0.4026
Information Technology	0.2500	0.0800	0.1700
Professional Services	0.0200	0.0000	0.0200
Total	**10.7700**	**9.0383**	**1.7317**

4.16 Stating the reasons for unspent balance during 2015-16, the Ministry replied that the unspent balance was mainly under Office and other Administrative Expenses and under Minor Works. Under Minor Works, major renovation projects of two conference halls and the swimming pool could not be carried out. Under Office Expenses, the proposal for a new computer lab project could not be carried out. Training programmes both for the officials of the Ministry as well as foreign diplomats were carried out as in the past.

4.17 Further explaining the reasons for non-completion of the aforementioned projects, the Ministry through a written reply submitted that the CPWD was awarded the contract for renovation of the two conference halls and swimming pool in the Foreign Service Institute. Renovation of the first conference hall was completed in November 2016. CPWD has begun work on the renovation of the second conference room. After receiving approval for its financial estimate, the CPWD floated a tender inviting technical bids for renovation work of the swimming pool. The CPWD, however, had to cancel the process and technical bids are being called afresh, causing delay in the work. The conversion of a lecture hall into an IT Lab entailed civil work, electric work, purchase of furniture, projector, micro phones and 37 desktop computers. Approval was obtained for purchase of the selected computers through a DGS&D vendor. However, other aspects of the work to create the required internal infrastructure could not be carried out due to other establishment matters requiring urgent attention. In the meantime, it was decided to purchase laptops in the current financial year for use by the current and future batches of IFS Officer Trainees, which are being procured by the Ministry's EG & IT Division. Since funds available in FY 2016-17 will only meet the requirement for this purchase, the computer lab proposal will be implemented in FY 2017-18.

4.18 The budgetary allocation for BE 2016-17 was Rs. 11.07 crore which was enhanced to Rs. 12.00 crore at RE stage, As per the Ministry, the increased budgetary allocation at the RE stage were utilized for:-

a. Induction training programme for 110 Direct Recruit Assistant Section Officers (ASOs) of 2015 batch in November 2016;
b. Four ASOs were sent to the Gujarat Forensic Science University, Gandhinagar in January 2017 for advance training in IT security;
c. A five-day module for 25 Multi-Tasking Staff (MTS) will be held from 17-23 February 2017;
d. Special Course for South Sudanese Diplomats;
e. Special Course for German Diplomats scheduled in March 2017
f. Training for first-time Indian Heads of Mission (HOMs) was held in December 2016
g. Mid-Career Training Programme-I was conducted in 2016 for the first time
h. A month-long programme for IFS (B) Grade I Officers was held."

4.19 About particular instances of non-conducting of any regular training programme in the last three years, the Ministry replied that the 59th Professional Course for Foreign Diplomats could not be conducted as some of the officers and staff was on election duty for the 14th Lok Sabha elections in March – April 2014.

4.20 As per the Ministry, the following new training programmes are envisaged during the year 2017-18:-

a. Induction training programme for 67 direct recruit Stenographers of 2015 batch;
b. Special course for CARICOM diplomats and a proposal for similar training to Afghan diplomats is being planned in the year 2017-18;
c. Special country-specific programmes, which were earlier sponsored by concerned Territorial Divisions of MEA would now be debited from the FSI budget. Till now, FSI had been imparting training to diplomats from ITEC and SCAAP member countries. For the first time training course for diplomats from developed countries like Germany will also be conducted.
d. The training programme for first time HOMs will be held regularly.

4.21 The Ministry further furnished that Actual expenditure under Training Minor Head was Rs. 29038801/- till January 2017.

4.22 On being asked about the reasons for making a switch over to FSI budget from that of territorial Division keeping expenditure on Country Specific Programme, the Ministry replied that in the past, all country-specific training programmes were funded by the Ministry's concerned Territorial Division. However, with respect to CARICOM countries, funding of training could not be done by the Ministry's Latin America and Caribbean Division due to budgetary constraints. It was therefore decided that funding for country-specific courses would henceforth be met from the FSI training budget itself.

4.23 About the steps taken to make FSI a world class institute for training diplomats, the Ministry replied that the fact that not only developing countries and Least Developed Countries (LDCs), but also developed countries such as Germany and the US are seeking facilities of FSI to conduct special courses for their diplomats, is indicative that FSI has built a reputation and made an impact as a premier training establishment for diplomats. The special course for German diplomats has commenced on 6 March 2017. In the past, FSI has also trained Canadian, Norwegian, and Commonwealth countries' diplomats. Various steps are being undertaken to further improve, innovate and implement the ever-evolving syllabi for such courses, such as:

- Continuous updation of the databank of speakers
- Giving due consideration to the feedback obtained from previous courses
- Encouraging participants to ask questions and offer comments to generate healthy discussion
- Obtaining inputs from our Missions and Posts abroad on the areas of interest of participants.

4.24 The Committee note that the budgetary allocations for Training have been increased to Rs. 13.24 crore in 2017-18 (BE) from Rs. 11.07 crore during 2016-17 (BE). In terms of budgetary utilization, the Committee are unhappy to note that there was an unspent balance of Rs. 1.73 crore in the FSI's budget during 2015-16 and the actual utilization during 2016-17 under the full 'Training' head till January, 2017 is only Rs. 2.90 crore. On the one hand the Ministry has been complaining about inadequate budgetary allocation and on the other it is not able to utilize the available allocation even for training

purposes. The Committee would, therefore, recommend that the Ministry should exercise due fiscal prudence on matters of budget utilization allocated for training personnel. With the change in the funding mechanism wherein funding for country-specific courses would henceforth be met from the FSI training budget, the Committee expect that the FSI would be able to fully utilize its funds during 2017-18.

(Recommendation No. 15)

CHAPTER-V

INDIA'S DEVELOPMENT ENGAGEMENT

As per the Ministry, Development partnership is a key instrument in India's foreign policy. The scope and reach of India's development assistance has seen considerable expansion in the past few years. India's abiding geo-political, strategic and economic interests and the need to effectively deliver India's assistance programme has prompted greater engagement with developing countries, particularly on the development assistance front. In recognition of this, the Development Partnership Administration (DPA) was created in the Ministry of External Affairs in January, 2012 to effectively handle India's development projects through the stages of conception, launch, execution and completion. The DPA functions in close coordination with the concerned Territorial Divisions of the Ministry, which continues to serve as principal interlocutors with partner countries in identifying their development priorities. The DPA is progressively developing the expertise required to handle projects in varied sectors and regions through the stages of project appraisal, implementation, monitoring and evaluation.

5.2 Further, India's development partnership is based on the needs of the partner countries and is geared towards accommodating as many of the requests received from these countries as technically and financially feasible. The main instruments of India's development assistance include Lines of Credit (LOC), Grant assistance, Small Development Projects (SDP), Technical Consultancy, Disaster Relief and Humanitarian aid, as well as capacity-building programmes for civilian and military training under Indian Technical and Economic Cooperation Programme (ITEC). In the last two-and-a-half years, there has been a significant expansion in India's commitment to providing aid in a multi-faceted manner to a growing number of developing countries. The main focus of development assistance has been the countries in our neighbourhood, South East Asia and Africa. However, India is also expanding in its development assistance reach to distant areas such as the Caribbean, Latin America, Mongolia, Pacific Island Countries, etc.

5.3 The Major Head – 3605 'Technical & Economic Cooperation with other countries caters to India's multilateral and bilateral aid and assistance programmes not only in India's immediate and extended neighbourhood, but also countries in South East Asia, Central Asia, Africa, Latin

America and the Caribbean, and the Pacific. It also caters to Aid for Disaster Relief and contributions to various regional funds. Aid. The budgetary allocation under this head was Rs. 5232.32 crore during 2016-17 (BE) and was reduced to Rs. 4752.90 crores the RE stage. The allocation during BE stage of 2017-18 is Rs. 5093.77 crore.

5.4 Regarding the parameters for proposing budget allocations under various Aid Heads, the Ministry replied that allocations for Aid heads are made after undertaking a realistic spending assessment based on project implementation cycles, local conditions and physical progress for on-going projects, schemes and programmes; and based on project implementation timelines and cost estimates for planned projects, schemes and programmes. For ongoing projects under the aid programs, the budgetary requirements are gauged based on inputs from the primary Divisions/Spending units who are closely involved with the Implementing Agencies in monitoring the progress of work. The inputs thus received are collated and compared with the past utilization, work progress and pace of expenditure of the project. With this information, deliberations are conducted by IFD with the Divisions to get realistic estimates of their demands. Similarly, for new projects, budgetary provisions are made as per estimates determined by project implementation timelines and cost estimates in their Detailed Project Reports. Allocations are then made to the extent of funds available within the overall budgetary provision made by Ministry of Finance. The selection of the projects to be undertaken under the Aid heads is an administrative decision which is taken by the Territorial Divisions and DPA in view of political relations with the respective countries.

5.5 Given the fact that the dynamics of diplomatic engagements and political relations are subjective in nature, the Committee asked the Ministry how we measure them. The Ministry replied that as the Hon'ble Committee has rightly observed, since the dynamics of diplomatic engagements and political relations are subjective in nature, these are not measured but assessed. The political, economic and security environment of foreign countries, especially those in which India is engaged in development cooperation and technical assistance work, are closely monitored by the Ministry of External Affairs through its Missions and Posts abroad, whose regular reports and analyses of the same enable the Ministry's concerned Divisions in providing policy advice to the political leadership for formulating India's policies in respect to these countries. Deeper engagement through an increase in the number and nature of bilateral visits, dialogue mechanisms, agreements and understandings, leading to well-implemented projects, improved trade, enhanced cultural ties, and overall strengthening of the bilateral relationship, are some of the parameters that help the Ministry in evaluating and calibrating our diplomatic engagement with foreign countries.

5.6 Regarding the curtailment of aid given during the last three years to various countries, the Ministry submitted that the allocations for various Aid heads are done through careful prioritization within available resources to ensure that none of our developmental work suffers any setback and all our commitments are implemented smoothly and speedily. In some cases, such as Nepal, Mauritius, Seychelles, Chabahar Port, where projects are of strategic interest or where project implementation stage needs funds, allocations have been enhanced, including by identifying savings in other Aid heads after undertaking a realistic spending assessment based on project implementation cycles, local conditions and physical progress.

5.7 The Ministry was asked about the steps taken in the direction of insulating the Head 'Technical and Economic Cooperation' from budgetary cuts. In its reply, the Ministry submitted that as per the Hon'ble Committee's recommendation, allocations for various Aid heads are done through careful prioritization within available resources to ensure that none of our developmental work suffers any setback and all our commitments are implemented smoothly and speedily. For ongoing projects under the aid programs, the budgetary requirements are gauged based on inputs from the primary Divisions/Spending units who are closely involved with the Implementing Agencies in monitoring the progress of work. The inputs thus received are collated and compared with past utilization, work progress and pace of expenditure of the project. With this information, deliberations are conducted by IFD with the Divisions to obtain realistic estimates of their demands. Similarly, for new projects, budgetary provisions are made as per estimates determined by project implementation timelines and cost estimates in their Detailed Project Reports. Allocations are then made to the extent of funds available within the overall budgetary provision made by the Ministry of Finance. In some cases, where projects are of strategic interest or where project implementation stage needs funds, allocations have been enhanced, including by identifying savings and reducing allocation in other Aid heads after undertaking a realistic spending assessment based on project implementation cycles, local conditions and physical progress of projects.

5.8 The Committee have noted that Development partnership is a key instrument in India's foreign policy and the scope of assistance has seen considerable expansion in the past few years. At the same time, the quantum of budgetary allocation under this head has been less than predictable and the Committee fear that such a situation might have left us red-faced at times before our aid partners. As per the Ministry, allocations for new projects are made subject to the funds available within the overall budgetary provisions made by the Ministry of Finance. It would not be far-fetched to say that it is not the Ministry of External Affairs, but the Ministry of Finance which is the arbiter of India's aid assistance at a macro level. When the Ministry was asked about the steps taken in the direction of insulating the aid programme from the budgetary cuts, it offered a very vague reply. During deliberations, the Foreign Secretary has also submitted that incorporation of this major head under the 'Scheme' does not render it immunity from budgetary cuts. The Committee would, therefore, recommend that the Ministry should explore the feasibility of setting up of an autonomous (within the Ministry) aid disbursal body on the lines of USAID. Our aid programme may not be as big as that of the US, but we can definitely disburse funds with pre-defined policy objectives.

(Recommendation No. 16)

A. Aid to Bangladesh

5.9 As per the Ministry, under 'Aid to Bangladesh' the budgetary allocation for BE 2016-17 was Rs. 150 crore which was reduced to Rs. 75.00 crore in RE 2016-17. Further, the allocation at BE 2017-18 has been earmarked as Rs. 125.00 crore.

5.10 Explaining the reasons for reduction of allocation at the RE stage of 2016-17, the Ministry replied that the Budgets Estimate for FY 2016-17 had taken into consideration the anticipated expenditure for construction of the Bangladesh side portion of the Akhaura-Agaratala Rail Link. The Bangladesh side had committed that they would utilize Rs. 100 crores for the acquisition of land. However, they requested for only Rs.55.5 crores for land acquisition, which has been released. Further Rs. 50 crores were allocated for other projects in Bangladesh. Earlier, India had committed to support Small Development Projects (SDPs) with an expenditure of Rs. 60 crores. It has taken more time than anticipated to get firm proposals from Bangladesh regarding these projects and thereafter to finalize the modalities of their implementation. This task was completed and sanctions have been issued for three projects in November 2016 and February 2017. These projects are now under implementation. Similarly, we are actively pursuing other small value projects for which payments will be made based on achievements of physical milestones on the Bangladeshi side. The BE 2016-17 allocation of Rs.150 crores was reduced to Rs. 75 crore in RE 2016-17, of which Rs. 67 crore has been utilized till date.

5.11 Furnishing the details of the projects announced during the recent high level visits to Bangladesh, the Ministry stated that projects on which political commitment was made include SDPs, Akhaura Agartala Rail Link, construction of Feni Bridge etc. Expenditure on these projects is being incurred in a phased manner. Once the pace of work picks up, especially on the Akhaura-Agartala project, additional funds will be made available.

5.12 The Committee observe that India has been providing aid to neighbouring countries in a sustained manner but the budgetary allocation for aid to Bangladesh during the RE stage of 2016-17 was reduced by Rs. 75.00 crore due to a smaller payment for land acquisition and delay in receiving firm proposals from Bangladesh for Small Development Projects (SDPs). With vast experience in providing developmental assistance to various countries, the Committee expect that the Ministry will pro-actively secure proposals and clearances from Foreign Governments. The partner countries should be impressed upon not to hold up things from their side. The Committee would also desire that work relating to the Akhaura-Agartala Rail Link should be expedited without any further delay and funds should be allocated and made available as per requirement for its progress.

(Recommendations No. 17)

B. Aid/Loans and Advances to Bhutan

5.13 The Committee are aware that the Government of India's aid and assistance to Bhutan consists of an Aid component of Rs. 2083.87 crore (Revenue Section) and Loan and Advances of Rs. 1630 crore (Capital Section) during the BE of 2017-18. The aid component has seen a reduction of Rs. 730.63 crore and the loans and advances component was reduced by Rs. 1045.24 crore on a year to year basis.

5.14 Explaining the reasons for reduced allocation, the Ministry through a written reply submitted that three ongoing Hydroelectric Projects (HEPs) in Bhutan - Punatsangchhu-I (1200 MWs), Punatsangchhu-II (1020 MWs) and Mangdechhu (720 MWs) HEPs- which are being funded by GOI have already passed their peak construction period. Thus, reduced budgetary allocations reflect reduced financial requirements as per requirements projected by the respective Project Authorities based on project progress. The Revised Cost Estimates (RCEs) in respect of above three projects, with revised cost and schedules, have been approved by the Union Cabinet after due deliberations. Loans under Aid to Bhutan are meant for the three ongoing HEPs in accordance with the approved RCEs.

5.15 Further providing an explanation for low demand for funds projected by HEPs in Bhutan, the Ministry replied that three ongoing Inter-governmental (IG) mode Hydro Electric Projects (HEPs) – Punatsangchhu-I, Punatsangchhu-II and Mangdechhu – which are being fully funded by GOI in a loan-grant combination, have already passed their peak construction period with physical progress between 70-85% and most of the key packages either complete or nearing completion. Thus, reduced budgetary allocations reflect lesser financial requirement and are as per requirements projected by respective Project Authorities based on project progress. Moreover, utilization of allocated funds in FY 2016-17 and budgetary allocation for FY 2017-18 are lower than in previous years due to the slower anticipated pace of implementation of these projects, two of which are facing geological challenges that are being addressed by the Project Management and technical team of experts.

5.16 The Ministry has furnished the following information related to the loan to grant ratio of the hydro-electric projects:-

> Funds are released to Project Authorities of HEPs, keeping in mind the stipulated Loan to Grant ratio as per the respective bilateral Agreement between India and Bhutan.
>
> Status of releases till date in terms of Loan to Grant ratio is as follows:

(In Rs. crore)

HEP	Loan:Grant Ratio as per Bilateral Agreement	Approved Revised Cost Estimate	Released till date			Released in FY 2016-17			Current Loan:Grant Ratio
			Loan	Grant	Total	Loan	Grant	Total	
Punatsangchhu-I	60: 40	9375.58	4254.369	2814.931	7069.3	138.00	357.50	495.5	60 : 40
Punatsangchhu-II	70: 30	7290.63	3598.219	1355.504	4953.723	849.4686	326.4544	1175.923	72.6 : 27.4
Mangdechhu	70: 30	4020.63	2828.94	803.6267	3632.567	0	0	0	77.8 : 22.2

In the next FY, Ministry will release funds to the three HEPs in accordance with the loan-grant ratio, and requirements of the respective projects.

5.17 The Ministry has furnished following information related to various ongoing hydro-electric projects in Bhutan:-

(In Rs. crore)

HEP		BE 2016-17	RE 2016-17	BE 2017-18
Punatsangchhu - I	Grant	540.00	513.00	230.76
	Loan	810.00	380.70	321.00
	Total	**1350.00**	**893.70**	**551.76**
Punatsangchhu – II	Grant	505.50	329.00	348.78
	Loan	1179.50	1073.10	768.65
	Total	**1685.0**	**1402.10**	**1117.43**
Mangdechhu	Grant	294.00	240.00	239.33
	Loan	686.00	94.10	540.61
	Total	**980.00**	**334.10**	**779.94**
Kholongchhu *(all Grant)*		**150.00**	**38.00**	**50.00**

Other details given by the Ministry for these projects are as follows:-

Punatsangchhu-I HEP (1200 MW): The Union Cabinet approved the Revised Cost Estimates (RCE) of Rs. 9375.6 crores in July 2015, after due examination of reasons of time/cost overruns, including geological surprise. Progress is 79.8% and scheduled date of completion is 2019-20.

Punatsangchhu-II HEP (1020 MW): The Union Cabinet approved RCE of Rs. 7290.62 crores in July 2016. Physical progress is 72.8% and scheduled date of completion is 2018-19.

Mangdechhu HEP (720 MW): The Union Cabinet approved the RCE of Rs. 4020.63 crores in March 2016. Physical progress is 83.5% and scheduled date of completion is December 2018.

Kholongchhu HEP (600MW): This is the first HEP to be undertaken in Bhutan under the joint venture model. The Shareholders Agreement between SJVN and DGPC was signed in September 2014 and M/s Kholongchhu Hydro Energy Limited was incorporated in June 2015 to implement this HEP. Pre-construction activities are on-going at the project site.

5.18 The details given by the Ministry pertaining to the GoI-assisted hydro-electric projects that are on-going and have been completed in Bhutan are given below:

Completed Projects	**Approved cost** *(In Rs. crores)*	**Status**
Chukha HEP (336 MW)	**246**	Completed in 1988
Kurichu HEP (60 MW)	**564**	Completed in 2002
Tala HEP (1020 MW)	**4125.8**	Completed in 2007
Ongoing Projects	**Approved cost** *(In Rs. crores)*	**Status**
Punatsangchhu-I (1200 MW)	**9375.58** at Dec 2013 Price Level	Physical progress-79.8%
Punatsangchhu-II (1020 MW)	**7290.62** at Mar 2015 Price Level	Physical progress-72.8%
Mangdechhu (720 MW)	**4020.63**	Physical progress-83.5%
Kholongchhu (600 MW)	**3305** at Aug 2011 Price Level *GOI contribution will be **495.75** grant as 15% of the equity share of the Bhutanese PSU, Druk Green Power Corporation*	Pre-construction activities are on-going at project site

Chukha, Tala and Kurichu HEPs are already providing surplus power to India at tariffs of Rs. 2.25, Rs. 1.98 and Rs. 1.98 per unit respectively. Tariff for the export of surplus power from ongoing projects will be finalized bilaterally closer to the date of commissioning.

5.19 Regarding projects in Bhutan suffering from shortage of funds, the Ministry submitted that hydroelectric Projects in Bhutan are not suffering from shortage of funds. Every effort is made to release funds as and when requested by respective Project Authorities, subject to necessary approvals. Projects for which GOI assistance is provided under Non-plan head are executed by RGOB. Timely releases are made by the Ministry to RGOB based on their demands and absorption capacity. India is meeting its commitments under Bhutan's XIth Five Year Plan 2013-18. In addition, releases are made every year towards excise duty refunds, subsidies on account of supply of SKO/LPG & power from Chukha HEP and scholarships to Bhutanese students. Continuous and timely flow of funds has been acknowledged and appreciated by the Royal Government of Bhutan at the highest levels. The Bhutanese leadership has conveyed their appreciation and gratitude to India in all high level interactions for timely releases.

5.20 About the details of the Joint Venture model which has been envisaged for some HEPs in Bhutan, the Ministry submitted that the Government of India and the Royal Government of Bhutan signed an agreement in April 2014 for the implementation of four HEPs in the Joint

Venture (JV) model, starting with ongoing Kholongchhu HEP. Other agreed projects in JV-mode in the pipeline for implementation are Bunakha, Chamkharchhu and Wangchhu HEPs. Under this model, a JV-company would be formed between Druk Green Power Corporation (DGPC) of Bhutan and an Indian PSU (SJVN Ltd. in case of Kholongchhu HEP), with both JV partners owning 50:50 shareholding in the JV-company. Debt-equity ratio would be 70:30, with equity shared equally between JV partners. MEA will provide DGPC's 15% share of equity as a grant to the Royal Government of Bhutan.

5.21 Furnishing the details related to the Kholongchhu HEP, the Ministry stated that Kholongchhu HEP is a 600 MW run-of-the-river project in the lower course of Kholongchhu river in Trashiyangtse district of Bhutan. It is the first HEP in Bhutan to be implemented under the Joint Venture model. A JV-company, Kholongchhu Hydro Energy Limited, has been formed between Druk Green Power Corporation (DGPC) of Bhutan and SJVN Ltd. of India. Currently, pre-construction activities are going on at the project site. The project cost is Rs. 3868.87 crores (at June 2013 price level) and schedule of completion is 2021-22.

5.22 The Committee are aware that a large portion of India's development assistance is deployed for Aid/Loans and Advances to Bhutan and budgetary allocations are provided from both Plan and Non-Plan Heads. The Committee have noted that the aid component has seen a reduction of Rs. 730.63 crore and the loans and advances component was reduced by Rs. 1045.24 crore on a year to year basis. The main reason for reduction in the allocation is lesser financial requirement as most projects have already passed their peak construction activity. The Committee note that the physical progress for Punatsangchhu-I, Punatsangchhu-II and Mangdechhu is 79.8%, 72.8% and 83.5%, respectively. Once the peak construction activity is over, it becomes doubly imperative for the Ministry to ensure that there are no slip-ups. The Committee are pleased to note that HEPs in Bhutan are not facing any shortage of funds and the timely flow of funds has been appreciated by the Royal Government of Bhutan at the highest levels.

The Committee have also noted that India will be providing developmental assistance to Bhutan through a Joint Venture model in the Khoulongchhu Hydro Electric Project. At present, pre-construction activities are going on at the project site. The

Committee would desire that they should continue to be informed about the progress of the project.

(Recommendation No. 18)

C. Aid to Nepal

5.23 As per the Ministry, under 'Aid to Nepal', the budgetary allocation for BE 2016-17 was Rs. 300.00 crore which was increased to Rs. 320.00 crore at RE stage. The allocation under BE 2017-18 is pegged at Rs. 375.00 crore.

5.24 As per the Ministry, the major ongoing projects in Nepal are as follows:

a. Construction of Integrated Check Posts (ICPs) along the India-Nepal Border
b. India Nepal Cross Border Rail Links
c. Terai Roads Project
d. Procurement of 17 numbers of Fire Tenders
e. Construction of Nepal Bharat Maitri Pashupati Dharmashala
f. Construction of Nepal Bharat Maitri Polytechnic at Hetauda, Nepal
g. Implementation of mid-term measures for strengthening of India-Nepal Transmission Lines
h. Post-earthquake reconstruction works

5.25 According to the Ministry, it is pursuing all ongoing projects in Nepal with due seriousness and is making all possible efforts for their expeditious completion. The implementation of projects located in the Terai Region of Nepal, such as ICPs, Cross-border rail links, Terai Roads and Transmission lines was affected owing to political situation in Nepal in the past, but work on these projects, including the Integrated Check Post (ICP) at Birgunj, Jogbani-Biratnagar Rail Link, Jayanagar-Bijalpura Rail link and India-Nepal Transmission Lines has resumed, and progress achieved."

5.26 On being asked whether ongoing projects in Nepal are being affected adversely due to the prevailing political situation there, the Ministry stated that the Ministry had sought enhanced allocation under Aid-to-Nepal head at the RE stage of FY 2016-17 to fulfill the commitments including the Terai Roads Phase-I project and other connectivity projects. Requirement of funds for FY 2017-18 was projected based on the status of the ongoing projects and various commitments made by GoI. Allocation of sufficient funds enables timely release of payments to implementing agencies which would in turn help in expediting the ongoing projects.

5.27 Explaining the reasons for enhanced allocation, the Ministry replied that the allocation for 'Aid to Nepal' for BE 2017-18 is higher than in BE 2016-17 and RE 2016-17. Timely releases are made by the Ministry to Government of Nepal (GoN) based on their demands and absorption capacity. Additional funds may be required at RE 2017-18 based on progress in implementation of the ongoing major projects, which are being implemented in consultation with Government of Nepal.

5.28 About hurdles in the implementation of the Terai Roads Projects, the Ministry answered that there are legal issues in respect of five packages under Terai Roads Project that were terminated in November/December 2014 due to slow progress. The matter is under Arbitration, as per directives of the Hon'ble Delhi High Court. Till date, there have been 31 hearings of the Arbitral Tribunal for Package 2 of the project. Similarly, there have been 15 hearings each for Packages 3, 4 and 5 and 28 hearings for Package 6. The Ministry continues to pursue the Arbitration process with due care and diligence. Separately, an MoU between India and Nepal on the revised "GoI-funded-GoN-implemented" modality for these five packages was signed in February 2016. NHIDCL has been appointed as the Project Consultant in September 2016. Package 1 of two roads of 71.2 km has been completed and inaugurated on 14 December 2016. NHIDCL has confirmed that four projects under three roads have been awarded for Nepali Rupees 112.73 crore (including 13% VAT). An amount of Indian Rupees 15.61 crores has been released towards 25% of the tendered cost (including 10% mobilization advance) of the four contracted roads. It is stated in the MoU that the road projects are to be completed within three years from date of signing of the MoU in February 2016.

5.29 The Ministry was asked to furnish details of the functioning of China Study Centres in Nepal. In its reply, the Ministry submitted that as of now, there are reportedly more than twenty China Study Centres spread all over Nepal, including in the Terai region. Their stated objective is to strengthen Nepal-China friendship and to enhance cultural and educational interactions between the two countries. Opening of China Study Centres in Nepal is a matter concerning

Nepal-China bilateral relations. India does not view its own bilateral relations with Nepal through the prism of Nepal's relations with third countries. The Government continues to take all necessary measures to strengthen our close and civilizational bilateral ties with Nepal and to safeguard and pursue our interests. The Government of Nepal has assured that it will take all necessary steps to curb any anti-India activities along the India-Nepal border and that it will not allow its territory to be used against India.

5.30 On the large issue of India-Nepal relations, the Foreign Secretary during the course of evidence submitted as under:-

> "… I think it is important that we all have a very updated and realistic understanding of the ground conditions on the India-Nepal border and the state of play in the Madhesi areas and frankly in the rest of Nepal. It is also true that there are some of these, what I call, China Study Centres which have come up. What exactly they say and do there, one can reasonably hypothesize that it is not something which is particularly supportive of us. But the fact is that finally, if you look at the end of the day of the bonds between India and Nepal, I think this is one relationship where the linkages are so deep and so cohesive that we really should not have a complex. All our neighbouring countries have their politics as part of their politics and somehow sort of tilting against the India win mill may be useful. But if you have a country where almost one-fourth of the population is working in India, where about 95 per cent of their trade passes through India and perhaps two-thirds of the trade is with India, where the amount of pensions alone that we disburse are a very major source of revenue for the economy, I think we should, shall I say, not be so insecure about the state of the relationship. Having been said that, I would make a general point which is, in our neighbourhood, especially neighbours will judge us by the quality of our delivery on promises on projects, on services, on infrastructure connectivity and we are increasingly conscious of it. Now Nepal has been a particular challenge because they have been very poor users of lines of credit. They do not give us projects which will allow that. They have not made it easy for Indian companies to undertake projects there. But at the same time, as my testimony pointed out, we have actually done quite a lot of things. Today, actually we are sending 350 MWs of power to Nepal. Without us today, a large part of Nepal would be blacked out. If I have to respond to what is happening in a China Study Centre, my best answer would be that I do not have to preach the virtues of India. I think they know it. It would be if we did the Terai roads better, if our hydel dams took off, if Pancheshwar moved, if my post-earthquake housing projects took off. Now, we have faced problems, including political problems. We know that the same set of proposals, for example, housing, if a proposal emanates out of India, it takes much longer for the Nepali system to process it, than a similar proposal, say, from the World Bank or the Japanese. This is the reality of Nepal. We have to factor it in. But we have to persist and I think is, in a sense, what we are doing."

5.31 He further submitted that:

> "I would also request you to look at a sense of being insensitive to what is happening in *Madhesh*. If in India you fiddled with the State boundaries and withdrew reservations and change the Citizenship Law and did gerrymandering of constituencies, how would we allow it in our own country? How can we be impervious to it just happening across the borders? In fact, we are in a dilemma. This is one of our difficulties in our Nepal policies. Had we been overtly sympathetic to the sentiment in Kathmandu Valley which is very important, I fully accept, I would then face the risk of what would happen, how I would be perceived in the *Madhesh?* That is also a problem for me. I am caught in that cleft-stick today. I realise that. So, we are not dismissive of the sentiment in Kathmandu. But the best way of assuaging that sentiment today is to highlight that we are reliable providers of electricity that today if 50000 houses are being done, India is stepping forward. Frankly speaking, nearly two years have passed after the earthquake has happened. Very little re-construction work has started. There is very little appetite in the rest of the world to support any reconstruction work. I mean, it is a very harsh thing to say. But I think, Kathmandu in many ways lives in its own world. They do not understand there isn't that kind of an international support for their rejuvenation which I suspect they think there is."

5.32 The Committee are pleased to note that budgetary allocation under 'Aid to Nepal' has been increased to Rs. 375.00 crore in BE 2017-18 from that of Rs. 320.00 crore at RE 2016-17. Under the aid programme, various projects like construction of Integrated Check Posts (ICPs) along the India-Nepal Border, cross border road links, Terai Road Project, Post earthquake reconstruction work, etc., are being implemented. There are legal issues in respect of five packages under the Terai Roads Project and the matter is under arbitration. The Ministry should be willing to resolving the matter amicably. The Committee are of the considered opinion that problems related to project implementation in Nepal are more of a political nature rather than legal or technical. Morever, India ought to increase the pace of its development assistance in Nepal. The Committee, therefore, desire that MEA should provide the desired funds at RE 2017-18 stage as per progress and utilization trend. Projects should not be held up due to non-availability of funds and additional funds will be required based on progress in implementation of the ongoing projects. The Committee are also of the opinion that India primarily suffers from a problem of perception in Nepal, rather than that of projects. The Committee would, therefore, desire that the Ministry should negotiate the political question of Madhesis in a more nuanced manner so as to be more mindful of perceptions in the Nepal Valley. The Committee have also noted that post-earthquake reconstruction work is not picking up due to lack of support from the

international community. The Committee would, therefore, recommend that India should strictly adhere to various timelines related to post-earthquake reconstruction work to ensure its completion in a mission mode.

(Recommendation No. 19)

D. Aid to Sri Lanka

5.33 The budgetary allocation under 'Sri Lanka –other Aid Programmes' for BE 2016-17 was Rs. 230 crore. It was reduced to Rs. 155.00 crore at RE stage. The budgetary allocation under BE 2017-18 has been further reduced to Rs. 125.00 crore. The Ministry has stated that decline in budgetary allocation is largely due to reduced requirement of funds as Housing Project was nearing completion.

5.34 Related to the Housing Project in Sri Lanka, the Ministry stated that the Housing Project, with an overall commitment of over Rs. 1372 crores in grants, is the flagship project of Government of India's assistance to Sri Lanka. It is perhaps the largest such project undertaken by the Government of India overseas. The first stage of construction of 1,000 houses in the Northern Province was completed in July 2012. The second phase of constructing or repairing 45000 houses in the Northern and Eastern Provinces is being implemented under an innovative owner-driven model, wherein the owner-beneficiaries undertake the construction/repair of their houses themselves and Government of India arranges technical support and financial assistance. This phase was launched on the birth anniversary of Mahatma Gandhi on 2 October 2012 and has made excellent progress since its launch. As on 31 January 2017, a total of 44,388 houses have been completed. Mission, with the approval of Ministry, has been holding 270 houses for people affected by Sampur power project. It has been noted that a few house projects that were proposed as write off cases earlier have been moving. It is expected that the proposed write off cases may be around 300 (it was 945 in January 2016). During the recent visit, the Monitoring Committee visited the sites of the proposed write off cases. Efforts are taken by Mission to reduce the number of default cases. The third phase is to construct 4,000 houses in the Central and Uva Provinces through an innovative community-driven approach. As part of this, the Government of Sri Lanka identified land for 1134 houses and foundation stone was laid in one of the estates in April 2016. As on 31 January 2017, first instalment for 209 beneficiaries and second instalment for 39 beneficiaries were released.

5.35 As per the Ministry, the utilization for housing project in FY 2016-17, as on 10 February 2017, is Rs. 6.99 crore.

5.36 On being asked about the status of project related to rehabilitation of Internally Displaced Persons (IDPs) in Sri Lanka, the Ministry replied that the conclusion of the armed conflict saw the emergence of a major humanitarian challenge, with nearly 300,000 Tamil civilians housed in camps for Internally Displaced Persons (IDPs). GoI put in place a robust programme of assistance to help the IDPs return to normal life as quickly as possible as also consistently advocated the need for them to be resettled to their original habitations as early as possible. India's immediate humanitarian assistance to IDPs included supply of 250,000 family relief packs, establishment of an emergency medical unit which treated over 50,000 IDPs, supply of over one million roofing sheets, as well as 400,000 bags of cement for constructing temporary housing and provision of 95,000 starter packs of agricultural implements. India also assisted in revival of agricultural and economic activities in areas affected by the conflict.

5.37 The Ministry was asked to furnish its plans for utilization of the budgetary allocation of Rs. 125.00 crore during 2017-18. The Ministry through a written reply submitted that IOR Division has projected a budget requirement of Rs. 305 crores for FY 2017-18. Its details are given below:

S. No.	**Project Name**	**Estimated Expenditure** *(In Rs. crore)*
1	Housing Project (Phase-2 & 3)	80.60
2	Training of Defence personnel/ICCR Scholarships/other training/Misc	66.77
3	Establishing 70 crèches in plantation areas	0.09
4	Construction of Building Complex for Skill Development Centre for Faculty of Agriculture, University of Jaffna	3.50
5	Construction of Building Complex for Dept. of Civil & Mechanical Engineering at Faculty of Engineering, University of Jaffna	2.60
6	Supply of Medical Equipment to Dickoya Hospital in Hatton	3.00
7	Jaffna Cultural Centre	35.00
8	Construction of Rabindranath Tagore memorial auditorium at University of Ruhuna	4.00
9	Renovation of 27 Schools in Northern Province	6.19
10	Supply of medical equipment to 200-bed ward complex, Vavuniya General Hospital	4.50

11	Establishment of Vocational Training Centres in Jaffna	15.00
12	Establishment of Handicraft Village in Jaffna	1.00
13	SEWA Project in Ampara	0.25
14	SEWA-Northern Province	4.00
15	Supply of boats to fishermen of Mullaitivu	5.00
16	Supporting livelihood to fishing and farming communities in Hambantota	14.00
17	Construction of 3000 rainwater harvesting units in Jaffna district	14.00
18	Construction of multi-ethnic trilingual school in Polonnaruwa	14.00
19	Upgrading Saraswathy school in Pusselawa, Kandy	4.50
20	Construction of surgical unit and procurement of medical equipment at Teaching Hospital, Batticaloa	13.00
21	Upgrading Thondaman Vocational Training Centre at Hatton	9.50
22	Setting up of a training school for Dalada Maligawa, Pallekele, Kandy	4.50
	Total	**305.00**

Funds allocation would be considered for enhancement at RE 2017-18 stage as per progress of projects and utilization trend.

5.38 On the modalities of providing Aid to Sri Lanka, the Foreign Secretary during the course of evidence informed:-

> "Today, we want to supplement that actually with a lot of non-Governmental activity as well. So, we have given a new line of credit. We would be actually holding discussions and I would be off to Sri Lanka on the week end for that very purpose. We are very keen to participate more extensively in infrastructure projects in Sri Lanka but apart from what the Government is doing either through grant or through soft loans, we are also encouraging both PSUs and even the Indian private sector to go in much more aggressively into Sri Lanka. I was myself there at the end of the last year leading a mixed business delegation. So, we are looking at ports, city gas distribution, conversion from coal and fuel oil power plants into LNG. We are looking at road building, more railway work, and possibly even airports in Sri Lanka. The intention really is to maximise the infrastructure projects that we can get in the neighbourhood because those probably form a sort of permanent and visible connectivity. We are doing the same even in Bangladesh. In terms of perception, the next lot of housing programmes will be in the Indian origin Tamil areas. The ambulance services have been enormously excellent and these are actually in the Sinhalese areas. They are in the southern and western province. We are quite conscious that India's profile should not be predominantly Tamil and viewed only through the lens of Jaffna. That is something we have taken care of."

5.39 The Committee have noted that aid to Sri Lanka has been reduced to Rs. 125 crore due to a lower requirement of funds as the Housing Project was nearing completion. Phase II and III of the Housing Project is being implemented under an innovative owner-driven

model where the Government of India only arranges technical support and financial assistance. The projected Budget requirement for 2017-18 is Rs. 305 crore with an estimated expenditure of Rs. 80.60 crore for the Housing Project.The Committee also observe that total utilization during 2016-17 (as on 10 February, 2017) is just Rs. 6.99 crore. Therefore, there is definitely a mismatch between the Ministry stating that the Housing Project is nearing completion by using only Rs. 7 crore during 2016-17 and then projecting a demand of Rs. 80.60 crore for the same for the next year. The Committee seek a clarification and desire the Ministry to be more realistic in projecting budgetary demands in future.

The Committee are of the understanding that in order to expand its foothold in the neighbourhood it is imperative that India does not restrict its aid / assistance mainly to soft infrastructure projects. Therefore, it is imperative that the Government should aggressively explore business opportunities in areas like ports, city gas distribution, road building, railways and airports in Sri Lanka.

(Recommendations No. 20)

E. Aid/Loans and Advances to Maldives

5.40 Under 'Aid to Maldives' the allocation has been Rs. 40.00 crore during 2016-17 (BE) and it was increased to Rs. 80.00 crore at the RE stage. The allocation for 2017-18 (BE) is Rs. 75.00 crore. Loans and Advances to Maldives were 'Nil' under BE 2016-17 and now in 2017-18 (BE) Rs. 170.00 crore have been allocated.

5.41 Explaining the reasons for zero allocation under 'Loans and Advances' in BE 2016-17, the Ministry replied that in November 2011, an Agreement for extending a Standby Credit Facility of US $ 100 Million to Government of Maldives was signed in Male in the presence of the Prime Minister of India and President of Maldives. A sum of US $ 50 million was disbursed in two installments in October 2011 and February 2012 to help stabilize the fiscal situation of the Government of Maldives. A third installment of US $ 25 million was released in March 2014 towards trade credit facility. The last tranche of USD 25 million was to be disbursed during a VVIP visit to take place in March 2015, but was deferred due to developments at the time in Maldives and hence, no budgetary allocation was made under 'Loans and Advances' to Maldives in BE 2016-17.

5.42 Further, regarding the reasons for enhanced allocation under 'Aid to Maldives' the Ministry stated that given their renewed diplomatic engagement with Maldives, their engagement in a large number of capacity building and infrastructure measures/projects in the areas including, but not limited to, election commission, media, parliamentary interaction, tourism, training and education sectors are envisioned in 2017-18. Construction works in the Institute of Security & Law Enforcement Studies (ISLES), formerly National Police Academy, would be in full swing during FY 2017-18. Similarly, the Government of Maldives has conveyed that construction of Ministry of Defence building and additional facilities in the Composite Training Centre would be undertaken in 2017-18. The final payment on the Coastal Surveillance Radars installed in Maldives will also be released during the next financial year. The requirement of funds during 2017-18 has been realistically projected to ensure timely settlement of dues in connection with these projects.

5.43 As per the Ministry, the following projects are at various stage of progress in Maldives:-

a. Renovation of Indira Gandhi Memorial Hospital, Male
b. Construction of Institute for Security and Law Enforcement Studies at Addu City
c. Construction of Composite Training Centre (additional facilities under Phase-I)
d. Construction of Ministry of Defence Building."

5.44 Furnishing the status Report pertaining to the construction of the National Police Academy in Maldives, the Ministry stated that India is committed to setting up of a National Police Academy in Maldives, which has now been renamed as the Institute for Security and Law Enforcement Studies (ISLES) at the request of the Maldivian side. The National Building Construction Corporation Limited (NBCC) is the executing agency. In November 2011, the competent authority had approved Rs. 98.75 crores as the project cost. A Memorandum of Understanding between India and Maldives was signed in September 2012, but the project implementation was delayed as the Government of Maldives changed the location of the project twice and finalized land acquisition and the new location at Addu City only by end-February 2015. Based on a fresh layout and updated project cost prepared by the NBCC, the Committee on Non-Plan Expenditure approved the revised project cost of Rs. 188.18 crores in February 2016. The project implementation has commenced with the issue of tender for selection of contractor on March 2, 2016. Based on the tender cost, Ministry's approval for the increased project cost of Rs. 195.05 crore was conveyed to NBCC on 3 June 2016. NBCC awarded the work to M/s Sri

Avantika Contractors India Pvt Ltd., Hyderabad on 4 June 2016. Construction works for ISLES project has commenced at Addu City with the takeover of the project site by NBCC on 26 December 2016. From the date of award of work, it is scheduled to take two years for completion of the project.

5.45 The Committee are pleased to note that under 'Aid to Maldives' an amount of Rs. 75.00 crore has been provided at BE stage of 2017-18 and allocation under 'Loans and Advances' has been enhanced to Rs. 170.00 crore. The Ministry has stated that the allocation during 2017-18 will be used for construction work at the Institute of Security & Law Enforcement Studies (ISLES), additional facilities in the Composite Training Centre and final payment for Costal Surveillance Radars. Given the precarious political situation in Maldives, it is important that India should leave a mark on the average citizen of Maldives by delivering rapidly on aid / assistance. The Committee also note that the last tranche of USD 25 million has been put on hold by India. An allocation of Rs. 170.00 crore during 2017-18 has been envisioned for various capacity building and infrastructure measures and the Committee desire that with this allocation the final tranche should also be disbursed under renewed diplomatic engagement with Maldives.

(Recommendation No. 21)

F. Aid to Myanmar

5.46 The allocation under 'Aid to Myanmar' was Rs. 400.00 crore in BE 2016-17. However it was reduced to Rs. 120.00 crore at RE 2016-17. For BE 2017-18 the allocation has been kept at Rs. 225.00 crore.

5.47 Explaining the reasons for reducing the allocation in BE 2017-18 as compared to BE 2016-17, the Ministry replied that Government of India has a long standing policy of deepening integration with Myanmar, which shares a border with four of our North Eastern States. Such integration will not only help us meet the needs of our North-eastern States but also further our Act East policy. Myanmar is India's gateway to South-East Asia and thus holds the key to our Act East Policy. This Ministry has undertaken several projects in the field of development of infrastructure, health, culture, education etc. Monywa hospital has been upgraded and handed over to Myanmar. We have also helped establish the Myanmar Institute of Information

Technology (MIIT), the Advanced Centre of Agriculture Research and Education (ACARE) in recent years. It was envisaged that work in projects like Kaladan Road, Construction of 69 bridges for the Trilateral Highway Project and construction of the Kalewa-Yargi Road would be awarded in FY 2016-17, which would necessitate release of a mobilization advance to the contractor and settlement of RA bills. However, the tendering process has not been able to be completed due to various reasons including the bids received being at high variance from the estimated cost of work in some cases. Therefore, the allocation was reduced at RE 2016-17 stage to avoid lapsing of unutilized funds. The work in these projects is expected to be awarded in the first half of FY 2017-18. The commencement of these projects will ensure optimal utilization of the allocated budget.

5.48 Regarding reduction in allocations to Rs. 80.00 crore at RE stage, the Ministry submitted that the allocation of Rs. 200 crore for Aid to Myanmar (Plan) at BE stage was reduced to Rs. 80 crore. This was because a key tender package for the Trilateral Highway project could not be awarded as the bids received were at large variance with the estimated cost, and also as the tender for the road component of the Kaladan multi-modal transit transport project was undergoing detailed evaluation, making it unlikely for the award of work and subsequent release of mobilization advance to take place within the current financial year.

5.49 About the quantum of allocation being sufficient for developmental aid to Myanmar, the Ministry replied that the budget allocation made is on account of our need to finance the implementation of key projects which have been conceptualized and are now at implementation stage. These include work on construction of the road component of the Kaladan project, construction of 69 Bridges and the Kalewa-Yargi Road of the Trilateral Highway project, the Advance Center for Agriculture Research and Education, Myanmar Institute of Information Technology to name a few. Funds have been allocated based on the current status of various ongoing projects and commitments made by GOI for FY 2017-18. Allocation of additional funds would be sought, if required, at RE 2017-18 stage.

5.50 Furnishing details of the progress made in implementation of the Kaladan Multi Modal Transit Project, the Ministry stated that Kaladan Multi Modal Transit Transport Project includes a waterways component of 158 km on Kaladan River from Sittwe to Paletwa in Myanmar and a road component of 109 km from Paletwa to Zorinpui on the India-Myanmar border in Mizoram State. The approval for the revised cost was obtained in October 2015. The construction of original waterways component is close to completion and this is scheduled to be ready by March 2017. Work awarded on additional facilities approved subsequently under waterways is progressing well. As regards the construction of the road between Paletwa and Zorinpui, a project consultant has been appointed, bids for construction of road under engineering, procurement and construction (EPC) mode have been obtained after due site inspection and the evaluation is currently underway. The construction of road will take 36 months after the award of work. All efforts are being made to complete the project as per the revised schedule.

5.51 About the various ongoing projects in Myanmar, the Ministry submitted that India is committed to support the Government of Myanmar in its initiatives for the socio-economic development of its people. In keeping with this, several people centric projects are being undertaken by India in Myanmar. Projects currently underway include mega connectivity projects such as Kaladan Multi Modal Transit Transport Project and Trilateral Highway, human resource development projects like Myanmar Institute of Information Technology, ACARE, health infrastructure projects like Monywa Hospital and Yangon CHildren Hospital, social projects such as renovation of the Ananda Temple in Bagan and numerous training programs. Following is the status on various ongoing and completed projects in Myanmar since the last Financial Year:

a. <u>Kaladan Multi Modal Transit Transport Project:</u> Works under original waterways are nearing completion. Additional works under waterways, approved subsequently, are also under various stages of implementation. Tendering for construction of road component is currently underway.

b. <u>Myanmar Institute of Information Technology (MIIT):</u> The MIIT project is being implemented through IIIT Bangalore since June 2015. B Tech degree and PG Diploma programmes have started procurement and supply of equipment by IIIT Bangalore is underway.

c. <u>Advance Centre of Agriculture Research and Education (ACARE):</u> The project is being implemented through IARI. Training for Myanmar faculty and procurement of equipment by IARI is underway.

d. <u>Rice Bio-Park at Nay Pyi Taw, Myanmar:</u> The project is being implemented M S Swaminathan Research Foundation (MSSRF), Chennai. The equipment has been procured and its installation underway.

e. Up-gradation of Yangon Children Hospital and Sittwe General Hospital: The project is being implemented through HSCC India Ltd. Training of doctors, technicians, nurses and para-medic staff completed. Majority of the equipment have been procured and installed. Procurement of a few remaining equipment by HSCC is underway.

f. Construction of 69 Bridges including approach roads in the Tamu-Kyigone-Kalewa (TKK) road section of the Trilateral Highway in Myanmar: The GoI is undertaking construction of 69 Bridges in the Tamu-Kyigone-Kalewa (TKK) road section (149.7 kms) of the Trilateral Highway in Myanmar at a cost of Rs.371.58 crores. The Project Management Consultant (PMC) for implementing the project has been appointed. Currently, the tendering for appointment of Contractor is underway. The work is likely to be awarded in the first/second quarter of the next financial year.

g. Construction/Upgradation of the Kalewa-Yargi Road section of the Trilateral Highway in Myanmar: The GoI is undertaking construction/upgradation of the Kalewa-Yargi Road section (120.74 kms) of the Trilateral Highway in Myanmar at a cost of Rs. 1459.29 crore. The Technical Executing Agency (TEA)/ Project Management Consultant (PMC) for implementing the project has been appointed. Currently, the tendering for appointment of Contractor is underway. The work is likely to be awarded in the first/second quarter of the next financial year

h. Construction/Upgradation of the Rih-Tedim Road in Myanmar:The GoI is undertaking construction/upgradation of the Rih-Tedim Road (100.495 kms) in Myanmar. The Detailed Project Report (DPR) of the project has been recently finalized. The proposal for seeking approvals is being initiated.

i. **Upgradation of Monywa Women and Children Hospital in Sagaing region:** The project involves upgradation of hospital by increasing the number of beds and construction of new structures. The building has been inaugurated in March 2016. (// Financial details: We have spent an amount of USD 0.62 Million in CFY 2016-17. Only an amount of USD 0.76 million remains to be spent out of the total USD 2 Million allocated for the upgaradation of Monywa Hospital. This has been earmarked for procurement of equipment, for which the process is underway."

5.52 The Committee note that the allocation under 'Aid to Myanmar' has been reduced from Rs. 400 crore to Rs. 120 crore at RE 2016-17 Stage due to non-awarding of works related to road component of Kaladan project, Trilateral Highway Project and Kalewa-Yargi Road. The Ministry has stated that the tendering process could not be completed due to various reasons including the bids received being at high variance from the estimated cost of work. The Committee desire that the Ministry should strictly ensure that works are awarded in the first half of 2017-18, and a strict timeline is followed for completion of the project without repetition of similar issues. The Committee have been informed that the waterway component of the Kaladan Multi Modal Transit Transport Project is scheduled to be ready by March, 2017. The Committee hope that due progress has been made on the

ground. The Committee also desire that the evaluation of the road between Paletwa and Zorinpui should be expedited and construction work started immediately.

(Recommendation No. 22)

G. Indian Technical and Economic Cooperation (ITEC) Programme

5.53 Allocation under ITEC is for defence and civilian training programmes for foreign candidates, deputation of Indian experts to other countries and technical assistance to developing countries.

5.54 As per the Ministry, under the Indian Technical and Economic Cooperation Programmes, the budgetary allocation for BE 2016-17 and RE 2016-17 was Rs. 200.00 crore, while the BE 2017-18 has been pegged at Rs. 220.00 crore.

5.55 According to the Ministry, in the year 2016-17, the Ministry has reviewed the capacity building programmes offered under the ITEC Programme. Based upon the assessment of needs of the partner countries and India's foreign policy priorities, some courses / institutions have been dropped and new courses have been introduced, including at reputed institutions where ITEC courses had hitherto not been conducted.

5.56 Allocation under ITEC Programme, SCAAP and TCS under Colombo Plan in FY 2016-17 and FY 2017-18 is given below:-

Name of Scheme		BE 2016-17	RE 2016-17	BE 2017-18
TCS under Colombo Plan	Experts and Trainers	9.00	9.00	9.00
	Materials and Supply	0.60	0.60	0.60
ITEC		200.00	200.00	220.00
SCAAP		35.00	35.00	45.00
Total		244.60	244.60	274.60

5.57 The Ministry has furnished the details of actual expenditure for the last three years which are given below:-

(Rs. in Crore)

Year	BE	RE	Actual
2013-14	140.00	150.00	169.66
2014-15	155.00	155.00	162.27
2015-16	180.00	180.00	196.17

5.58 The details of utilization quarter-wise during FY 2016-17 are given below:-

(Rs. in Crore)

Quarter	Utilization
I	33.36
II	48.48
III	52.62
IV	16.62*

**Expenditure up to January 2017"*

5.59 The Ministry was asked whether any structural review of the programme has been carried out by the Ministry. The Ministry through a written reply submitted that since ITEC comprises of capacity building courses conducted at the request of partner countries, there is a system of regular and continuous review. No overall structural review seems to have been carried out as the requirement for this was not felt. The reason is that under ITEC, training in diverse areas such as Accounts, Audit, Banking and Finance courses, IT, Telecommunication and English Courses, Management Courses, SME/Rural Development Courses, Specialized Courses, Technical Courses and Environment and Renewable Energy Courses have already been covered. Moreover, special courses are also conducted to cater to the specific requirements of ITEC partner countries and our foreign policy priorities. However, as recommended by the Hon Standing Committee, Ministry is currently considering various modalities for conducting a comprehensive review of ITEC programme.

5.60 About initiatives taken by the Ministry to evaluate training programmes under the ITEC / SCAAP / TCS Colombo Plan, the Ministry replied it that regularly evaluates such training programmes. The feedback from participants is carefully analyzed to evaluate training courses. Inputs are examined to assess the course contents, duration and requirement of practical exercises/project works. The courses are evaluated on a yearly basis based on the popularity of the course, *i.e.*, number of participants received during that training period, feedback of the participants who attended the course, etc. Depending on the response received, popular courses are continued and unpopular courses are discontinued in the next academic year.

5.61 About institutional mechanisms to periodically review the ITEC programme, the Ministry replied that an assessment of the ITEC Programme is regularly performed by the DPA-II Division of MEA. Since the programme is demand-driven, feedback from participants and requests from friendly partner countries are analyzed and reviewed from time to time. Special courses are also conducted to cater to the specific requirements of ITEC partner countries and our foreign policy priorities. The popularity of ITEC Programme can also be assessed during the discussions at mechanisms such as Foreign Office Consultations, Joint Commission Meetings, Heads of Mission Conferences and during the incoming and outgoing visits of VVIPs, when Government of India receives requests for capacity building, upgradation of skills and human resource development from partner countries.

5.62 As per the Ministry, the deputation of experts under ITEC programme has served as a very important tool for sharing Indian expertise with the developing world. Up to October 2016, 41 experts in various fields were on deputation to partner countries in area of Forensic Science, Ayurveda, Rice Production and as Advisers to Government and as State Counsels. Defence training teams have also been deputed in partner countries. In addition, India has been deputing lecturers to various colleges affiliated to the Royal University of Bhutan and also providing Indian faculty on secondment to Colombo Plan staff College (CPSC) Manila.

5.63 The Committee note that the training of foreign nationals in various civil and defence training programmes is an integral part of India's developmental cooperation. The Committee welcome the enhanced allocation of Rs. 220.00 crore under this head for BE 2017-18 against the BE and RE of Rs. 180 crore during 2016-17. The Committee has been continuously recommending a structural review of the ITEC programme in their previous Reports. But such a review was never done and the exercise had been limited to some courses / institutions being dropped and new courses being introduced. Now, the Ministry has stated that in view of the recommendation of the Committee, they are currently considering various modalities for conducting a comprehensive review of the ITEC programme. The Committee desire that after quick finalization of the modalities, the review should be carried out without any further delay. The Committee have also noted that around 41 experts in various fields are on deputation to partner countries in areas of Forensic Science, Ayurveda, Rice Production, etc. The Committee do not find the numbers of deputed experts sufficient in view of the number of countries and the fields of variation of the ITEC programme. The Committee would, therefore, strongly recommend that the Ministry should increase the number of experts on deputation under the ITEC programme for a better sharing of Indian expertise with the developing world.

(Recommendation No. 23)

H. Aid for Disaster Relief

5.64 This head provides for humanitarian/relief assistance to countries hit by natural calamities. The allocation under this head at BE stage is based on past experience since it cannot be forecast. The requirement is reviewed at RE stage keeping in view commitments made by GoI toward disaster relief. The past practice had been to provide relief and humanitarian assistance from the budget allocation for regular schemes/programmes for aid. This resulted in disruption in the implementation of ongoing projects due to diversion of budget allocation for projects to providing immediate humanitarian assistance. It was therefore decided to have a separate budget head for disaster relief/assistance. RE 2015-16 allocation was increased due to assistance for the Nepal earthquake.

5.65 Under this sub-head, the budgetary allocation for BE 2016-17 was Rs. 25 crores which remained the same at the RE stage. For BE 2017-18, it has again been budgeted at Rs. 25.00 crore.

5.66 As per the Ministry, the figures for actual expenditure for this budget head are given below: *(Rs. in Crore)*

	2014-15	**2015-16**	**2016-17**
Actuals	24.77	117.22	19.54*

**Up to January 2017*"

5.67 According to the Ministry, the details of utilization of funds towards humanitarian and relief assistance during FY 2016-17, up to January 2017, from the 'Aid for Disaster Relief' budget head are as under:

Country	**Funds Utilized** *(In Rs. crores)*	**Details of Assistance**
DPR Korea	**5.04**	Part of grant of USD 1 million to World Food Programme for supply of soya beans
Zimbabwe	**6.83**	Cash grant of USD 1 million as humanitarian assistance to cope with civil disaster.
Malawi	**6.76**	Cash grant of USD 1 million as humanitarian assistance to cope with 'National Disaster' declared in Malawi
Ecuador	**0.91**	Humanitarian relief assistance in the wake of earthquake
Total	**19.54**	

5.68 The Committee have noted that the allocation under the Head 'Aid for Disaster Relief' is Rs. 25.00 crore in the BE stage of 2017-18. During 2016-17 aid to disaster relief was given to DPR Korea, Zimbabwe, Malawi, Ecuador and a utilization of Rs. 19.54 crore has been made up to January, 2017. The Committee would recommend that allocation under the head should be enhanced in future so as to ensure that it is commensurate with India's rising international profile. The requirements of the funds under this head are not amenable to forecast and therefore it is imperative that it has sufficient allocation to facilitate immediate relief measures from India's side.

(Recommendation No. 24)

I. Aid to African Countries

5.69 As per the Brief furnished by the Ministry, under the Head 'Aid to African Countries', the BE 2016-17 was Rs. 290.00 crore which was retained at same level during RE 2016-17 stage. During BE 2017-18, the budgetary allocation has been pegged at Rs. 330.00 crore.

5.70 As per the Ministry, India's partnership with Africa is based on a consultative model of cooperation, sharing of development experience and is focused on addressing the priorities and needs of African countries. This engagement with African countries through various development partnership initiatives has witnessed a marked increase in the last decade. The three India-Africa Forum Summits (IAFS I, II &III) in 2008, 2011 and 2015 have further reinforced the development partnership with the continent. The third India-Africa Forum Summit (IAFS-III), in particular, placed development cooperation at the heart of the India-Africa partnership, unveiling US $10 billion in Lines of Credit for a host of development projects over the next five years and a grant assistance of US$ 600 million. DPA played an active role during the Summit. The projects identified under IAFS-II e.g. setting up of Centres on Geo-Informatics Application in Rural Development (CGARD) and establishment of Rural Technology Parks are under implementation.

5.71 About the programmes on which the augmented allocation is likely to be spent, the Ministry submitted that under the IAFS-I and II, India had offered to set up over 100 institutions at a cost of around Rs. 2687 crores. Work is ongoing on more than 60, which include some that have started functioning. There has been little or no interest from host countries in around 40 cases, of which 20 proposals were dropped at IAFS-III. For the rest, discussions are being held with the African side whether any other countries would be interested in hosting those institutions. The continued pursuance of implementation of these projects (now around 80) would require availability of funds amounting to around Rs. 2100 crores (from the already approved figure of Rs. 2687 crores), over a five year period. The enhanced allocation in BE 2017-18 is reflective of this requirement. Under IAFS-III, no fresh proposals for setting up institutions of excellence have been made. The budgetary proposals comprise estimates to complete projects committed under IAFS-I and II. Fresh proposals under IAFS-III include training, capacity building and outreach elements, which have been largely successfully implemented.

5.72 Explaining the reasons for the delay in setting up projects committed under IAFS-I, II and III, the Ministry replied that considerable challenges were faced in the implementation of the proposals to set up over 100 institutions in Africa. These include long delays in decision making on choice of locations to host institutions by the African Union, the Regional Economic Communities or the countries selected; sub-optimal choice of location in several cases; lack of interest in several designated host countries; lack of funds with the host countries, mostly Least Developed Countries, to provide land, building or running costs as per the terms and conditions of the partnership model; lack of adequate funds and manpower on the Indian side in certain cases to implement the projects offered under IAFS mechanism.

5.73 When asked about the experience gained while implementing developmental partnership in Africa and for involving African Union in monitoring of these projects, the Ministry through a written reply submitted that both sides have gained some experience in institutionalizing and implementing various forms of development partnership. The experience has revealed the areas of unqualified success, such as various forms of specialized training and higher education scholarships which are actively sought after by the African countries; others where considerable progress is being achieved, such as project execution in areas of interest to Africa, especially power generation and distribution, water supply and irrigation, agriculture, light manufacturing, renewable energy, construction of infrastructure *etc.* by Indian companies funded by concessional credit, which are also actively sought after by the African countries; and, some areas where progress is limited due to various reasons, such as in setting up of institutions. The lessons learnt on the basis of challenges faced, such as difficulties of delayed decision-making and sub-optimal choice of institutions and their locations by the African Union, lack of funds with the African countries to provide land, building, running costs, inadequate funds and manpower available on the Indian side etc, have been factored in as we plan for the next phase of cooperation under IAFS-III. A monitoring mechanism at the level of the African Union is also being explored. This has been delayed due to African Union elections especially for the post of Chairperson. Ministry will engage the new leadership of the African Union Commission to finalize a plan of action for the IAFS-III process.

5.74 Further, the Ministry has furnished the following status note on Pan Africa e-network Project:-

Pan African e-Network project (PaeNP) is an initiative of Government of India in collaboration with African Union Commission, a non-commercial project, an excellent example for utilization of technological advancements for sharing India's expertise in the fields of education and health. The project is the brain child of the then Hon'ble President of India Dr. A.P.J. Abdul Kalam. TCIL is the implementing agency of the project network, providing O&M support, Tele-Education & Tele-Medicine Services for the project in collaboration with designated Indian Universities and Super Specialty Hospitals. The aim of the project is to provide through video conferencing and VoIP services, capacity building in recipient countries by imparting education to African students, providing on-line and off-line medical consultations and providing continuing medical education. There are 48 AU countries that have signed the agreement with TCIL. 169 sites/centres have been commissioned/integrated with the e-Network. 48 countries have identified the National Coordinators and Consignees (both). 47 countries have identified all the sites [Learning Center, Patient-end Hospital, VVIP Node, Regional University Centre (where applicable), Regional Super Specialty Hospital (where applicable)]. Various capacity building activities under PaeNP are:-

Educational Programmes: The programmes are based on the five areas of interest shown by AU, viz., Physical Sciences, Engineering & Technology, Computer Science and IT, Management – Business and Finance, and Some International languages – English, French, German, Arabic, 6 PG, 5 UG, 6 Diploma and 10 certificate programs. Leading Indian universities have signed MoU with 39 universities in 38 countries. There are total of **21242** students registered in under this service, and 5,500 sessions by various Indian universities till date offering various courses of interest to African students.

Tele-Medicine Services: 18 Medical disciplines offered by 12 Super Specialty Hospitals of India for online medical consultations and CME, and 6,300 continued medical education sessions attended daily by 50 specialists.

Phase I of the project is going to be completed in March 2017. The second phase of the project will be started from April 2017. The Cabinet had approved Rs 542.9 crore as the estimated cost ceiling for the Phase I of the project for a period of 5 years. During IAFS-III, Cabinet has approved Rs. 951.22 crore as the estimated cost ceiling for technology upgradation and extension of tenure for next 5 years. Independent evaluation committee comprising members from NIC, CDAC, STPI and MeitY was constituted, that identified new areas/services for better utilization of the existing facilities/infrastructure created under the PaeNP developed by TCIL.

5.75 As per the Ministry, 48 countries are beneficiaries of the project and there has been no time and cost overrun in the project during 2016-17.

5.76 The Committee note that under the Head 'Aid to African Countries' the allocation at BE 2016-17 was Rs. 290.00 crore which remained the same at RE stage. BE 2017-18 allocation has been pegged at Rs. 330.00 crore. The Committee also note that India's engagement with Africa is based on a consultative model of cooperation, sharing of developmental experience and is focused on addressing the priorities and needs of the African countries. Such priorities and needs have been expressed during the three editions of the India-Africa Forum Summits (IAFS-I, II and III) held in 2008, 2011 and 2015. The Committee desire that the lessons learnt on the basis of challenges faced in the execution of the projects covered under IAFS-I and II should be incorporated in the plans of IAFS-III projects. The Committee also desire that a monitoring mechanism to monitor these projects should also be established at the level of the African Union on priority basis. The Pan African e-Network Project (PaeNP) is a prime example for utilization of technology advancements for sharing India's expertise in the fields of education and health. The Committee expect that the deadline related to the Phase-I of the project in March, 2017 will be adhered to by the Ministry and they also recommend that Phase-II should be started at the stipulated time *i.e.* April, 2017.

(Recommendation No. 25)

J. Aid to Afghanistan

5.77 The budgetary allocation under the Head 'Aid to Afghanistan' was Rs. 520.00 crore for BE 2016-17. It was reduced drastically to Rs. 315.00 crore at RE stage and Rs. 350 crore at 2017-18 (BE).

5.78 Explaining the reasons for decrease in allocation during RE 2016-17 and BE 2017-18, the Ministry through a written reply submitted that the budget allocation has been decreased as per the progress made in respect of different projects, which depended on the pace at which various statutory clearances, handing over of encumbrance-free land, etc. were accorded by the host government.

5.79 The Ministry has provided a list of the projects which were undertaken in FY 2016-17 in Afghanistan:-

a. Establishment of Afghanistan National Agriculture Sciences and Technology University
b. Empanelment of Hospitals for treatment of Afghan patients
c. Supply of 1000 Buses
d. Agricultural Fellowships through DARE/ICAR
e. Construction of Afghanistan India Friendship Dam (AIFD)
f. Construction of Afghan Parliament Building
g. Construction of 220 kV double circuit transmission line from Pul-e-Khumri to Kabul
h. Construction of a sub-station at Kabul at Chimtala.
i. Restoration of Stor Palace
j. Capacity Building of Afghans for Operation and Maintenance of Afghanistan India Friendship Dam
k. Training of 34 Afghan Revenue Department officers at National Academy of Direct Taxes Nagpur.
l. Special Scholarship Scheme for Afghan Nationals annually for 1000 Afghan Students for pursuing University Education in India for a further period of 5 years *w.e.f.* Academic Year
m. Establishment of Mining Institute.

5.80 Furnishing details of the Phase-III of the Small Development Project, the Ministry replied that projects under the Small Development Project (SDP) Scheme are being implemented locally by the Government of Afghanistan (GoA) agencies. Ministry of Economy, GoA is the nodal Ministry. 304 projects with a total project cost of around US$ 78 million have been approved as on 31 October 2016. Of the 304 approved projects, 27 projects have been completed and the remaining projects are at various stages of preparation/implementation. Tripartite

Agreements have been signed in respect of 179 projects. While tendering has been completed for 134 projects, work has been awarded in respect of 76 projects.

5.81 About lessons taken from Afghanistan, for project implementation in order to expedite further project in other countries, the Ministry through a written reply submitted that the recently completed projects in Afghanistan such as the Afghan Parliament Building, Afghan India Friendship Dam, Doshi and Charikar Substations etc have offered several lessons owing to the extreme challenging conditions under which they were implemented. Adverse security, uncertain access/transit, lack of skilled workforce, non-availability of construction material locally, severe logistical constraints and huge import content of key construction products, assured resources both financial and material had made the project execution very difficult. The Ministry has gained experience and learnt lessons to overcome these challenges which include suitable project conceptualisation, planning and methodology of implementation, suitable monitoring involving all stakeholders, greater involvement of local expertise and community participation etc.

5.82 The Committee have taken note of the allocation under the Head 'Aid to Afghanistan'. This was Rs. 520.00 crore at BE 2016-17 stage and was reduced drastically to Rs. 315.00 crore at the RE stage. An allocation of Rs. 350.00 crore has been made in BE 2017-18. The Committee are concerned to note that the budget allocation has been decreased in view of the slow progress made in respect of different projects due to delay by the host Government in statutory clearances, handing over of encumbrance-free land, etc. The Committee desire that the pace of progress of the ongoing projects should be stepped up by better engagement with the host Government. The Committee also desire that the lessons learnt and the experiences gained with regard to severe security, political and logistical constraints faced during project execution in Afghanistan should also be used appropriately at every stage starting from conceptualization till implementation in India's developmental assistance in other countries as well.

(Recommendation No. 26)

K. Chabahar Port / Aid to Mauritius / Aid to Seychelles

5.83 The Ministry has informed that the separate budget head for Chabahar Port was created in FY 2014-15 and the allocation is to meet the capital expenditure, recurring expenditure, Bank

Guarantee and purchase of port equipment for Chabahar Port in Iran; Rs. 100.00 crore has been allocated for it in the First Supplementary of FY 2016-17. The full allocation of Rs, 100.00 crore under this head was placed at the disposal of the Ministry of Shipping in October, 2016 to be released to the implementing agency. Now Rs. 150.00 crore has been allocated at the BE stage of 2017-18.

5.84 As per the Ministry, the Chabahar contract was signed during the visit of PM to Iran on 23 May 2016 in Tehran between India Ports Global Pvt. Ltd. (IPGPL) and Arya Banader. Out of the US$ 90 million, US$ 15.1 million has been released to IPGPL.

5.85 With regard to the reasons for opening separate budget heads for Mauritius and Seychelles, the Ministry replied that separate budget heads for Mauritius and Seychelles were opened in FY 2016-17. In December 2015, an administrative decision was taken to create a new Division of 'Indian Ocean Region (IOR)' within the Ministry with a focus on the foreign policy initiatives related to the Indian Ocean region. Accordingly, Mauritius and Seychelles were moved from the East and Southern Africa Division of the Ministry to the newly-created IOR Division. Previously, the projects in Mauritius and Seychelles were being undertaken from the budget head 'Aid to African Countries'. However, after the transfer of these countries to the new IOR Division, it was felt that creation of separate budget heads for these countries would facilitate better financial and budgetary control on the expenditure related to projects being implemented in Mauritius and Seychelles.

5.86 The Ministry was asked to furnish details of the projects implemented during 2016-17 under these heads. In its reply, the Ministry submitted that allocations for these budget heads were made after additional funds of Rs.600 crores were received from the Ministry of Finance for these heads in the first supplementary demand for grants. The initial allocations made were as follows: Rs. 445 crore for 'Aid to Mauritius'; Rs. 55 crores for 'Aid to Seychelles'; and, Rs. 100 crores for Chabahar Port. At RE stage, allocation for 'Aid to Mauritius' was reduced to Rs.410 crores and for 'Aid to Seychelles' to Rs. 50 crores, as per assessment of funds requirement based on project progress.

5.87 According to the Ministry, the actual expenditure under 'Aid to Mauritius' budget till date are as follows:-

S.No.	Name of the Project	Amount *(In Rs Crore)*
1	**Agalega Island Infrastructure Project:** Mobilisation advance paid to M/s RITES for preparation of Detailed Project Report (DPR)	6.82
2	Release of 15% of US$ 353 million grant to Mauritius under Special Economic Package for implementation of key infrastructure projects in Mauritius	357.68
3	Viability gap funding towards Price Differential for first year of petroleum supply contract signed between MRPL and STC Mauritius	22.67
	Total	**387.18**

5.88 As per the Ministry, Metro Express project, New Supreme Court Building, Education-Tablets, Special Housing for Poor and New ENT Hospital projects are being implemented by the Government of Mauritius with the special economic package from India and its own resources. The Government of Mauritius will implement the projects with Indian consultants and contractors under the supervision of Joint Project Monitoring Committees.

5.89 According to the Ministry, the actual expenditure under 'Aid to Seychelles' budget head till date is as follows:

S. No.	Name of the Project	Amount *(In Rs Crore)*
1	**Assomption Island Infrastructure Project:** Mobilisation advance paid to M/s RITES for preparation of Detailed Project Report (DPR)	6.36
	Total	**6.36**

5.90 The Committee have noted that the separate budget head for Chabahar Port was created in FY 2014-15 and the allocation is to meet the capital expenditure, recurring expenditure, bank guarantee and purchase of port equipment for Chabahar port in Iran. As Rs. 150.00 crore has been allocated under this head at the BE stage of 2017-18, the Committee desire that the Ministry should make every effort to expedite the project and ensure that the allocated funds are optimally and fully utilized.

The Committee also note that separate budget heads for Mauritius and Seychelles were opened in FY 2016-17 and initial allocations of Rs. 445.00 crore and Rs. 55.00 crore were made during the first Supplementary Demands for Grants. By making separate heads for aid to these two countries, India has accorded them high priority. The Committee would, therefore, recommend that the Ministry should ensure that funds allocated under this head are optimally and fully utilized and simultaneously show good progress on the ground. ***(Recommendation No. 27)***

CHAPTER –VI

OVERSEAS INDIAN AFFAIRS

Spread across the world, the Overseas Indian community is estimated to be about 25 million and constitutes the second largest Diaspora in the world. The community of global Indians comprises Non-Residents Indians (NRIs) and Persons of Indian Origin (PIO). The erstwhile Ministry of Overseas Indian Affairs (MOIA) was merged with the Ministry of External Affairs in February 2016.

6.2 After merger with Ministry of External Affairs (MEA) the allocation for Schemes under the erstwhile Ministry of Overseas India Affairs (MOIA) has been continuously reduced. The following table provide details of the allocations made in BE 2015-16, BE 2016-17 and BE 2017-18 for selected schemes:-

Name of Scheme	BE 2015-16	BE 2016-17	BE 2017-18
Know India Programme	1.94 crore	1.5 crore	0.9 crore
Scholarship Scheme for Diaspora Children	6.5 crore	6 crore	4 crore
Promotion of Cultural Ties	9.50 crore	2 crore	1 crore
Awareness campaign/media plan	9.50 crore	5.54 crore	2.5 crore
Overseas Indian Centres	3.69 crore	3.2 crore	1.2 crore
Legal assistance to women facing problems in NRI marriages	0.10 crore	0.25 crore	0.02 crore

6.3 Providing reasons for reducing the allocation of the schemes under the erstwhile MOIA, the Ministry replied that in view of the overall budgetary constraints being faced by the Ministry due to the drastic reduction of its budget in RE 2016-17, allocations across all budget heads were assessed in line with their utilization till the end of the third quarter of the financial year as a 33% expenditure ceiling in the last quarter of the financial year is to be enforced for the overall budget as well as in each sub-head/scheme. This was the main reason for the reduction of allocation at RE stage in these heads. However, since expenditure has picked up in January 2017 with pending bills being cleared, allocation would be restored/enhanced at Final Estimates stage.

6.4 Further, explaining the reasons for reduced expenditure under these schemes during the first two quarters of FY 2016-17, the Ministry through a written reply submitted that during the first two quarters of FY 2016-17, following the merger of erstwhile Ministry of Overseas Indian Affairs with MEA, many Diaspora engagement schemes were reviewed. Therefore, schemes such as Know India Programme, Bharat Ko Janiye Quiz and Scholarship for Diaspora Children were implemented only in the third quarter of the financial year. Further, these programmes were timed to coincide with the Pravasi Bharatiya Divas Convention held in January 2017 at Bengaluru. Therefore, the expenditure on these schemes in the first two quarters of FY 2016-17 was less. However in the third and fourth quarters, funds allocated were utilized fully.

6.5 The Ministry was specifically asked whether similar budgetary reductions have been effected in the allocation of other programmes / schemes which showed lower utilization in the first two quarters. The Ministry through a written reply submitted that reductions were made in several budget heads based on low utilization of allocated budget in the first two quarters of the financial year. Allocations were reduced in Aid Bhutan, Aid to Myanmar, Aid to Afghanistan, Aid to Sri Lanka, Aid to Bangladesh, Aid to Eurasia, Aid to Latin American Countries, Nalanda University, and other smaller budget heads.

6.6 On the issue of lower allocations to Overseas Indians Schemes, the representative of the Ministry during the course of evidence submitted:-

> "......Coming to the issue of outlays and expenditure, I would say that while there has been some cut in the outlays because of the general overall cut of the Ministry, in effect, we have spent more than last year. For example, Pravasi Bharatiya Divas conferences, while we have provided Rs. 5 crore, we might have spent around Rs. 10 crore to Rs. 15 crore. We have requested for supplementary expenditures some of which will go to the next financial year also. Similarly, while the outlay for our Know India Programme has been only Rs. 1.5 crore, we might have spent about Rs. 4 crore. This is the first year when we got about 160 of them coming for the Pravasi Bharatiya Divas in Bengaluru and 240 participants were covered which is the highest number so far. So, in terms of engagement, in terms of content, in terms of diversity we had revised these schemes because we wanted not to leave any of the pravasis outside the engagement. Now, coming to the Media campaign, the advantage of merger has been that the entire resources of MEA are now available with OIA. Also, we had realized that the issues that are handled by CPV Division, they are also closely connected with our interest and our engagement with the overseas Indians. So, the entire workforce of MEA is available to us and that is why we are able to reduce certain expenditure because that is where the synergy comes from. So, the point I would like to make is even if in some cases the outlays are lower and in some cases the expenditure is lower, overall the synergies of MEA mainstream are now available to the OIA Divisions including the support at the Mission level the expenditures sometimes are reduced. But I am sure the overall expenditure last year is going to be higher than we have projected or has been allotted to us and we have made requests for budget enhancement….."

6.7 While analyzing the budgetary allocations during the BE of 2017-18, the Committee have noted a pattern wherein budgetary allocation to most schemes / programmes administered by the erstwhile Ministry of Overseas Indian Affairs (MOIA) had been progressively reduced. The Committee were not convinced by the arguments put forth by the Ministry that the allocations across all budget heads were assessed in line with their utilization till the end of third quarter of the financial year. The Committee have noted that the budgetary cuts have been more harshly effected on the Overseas Schemes than with the rest of the heads under the Ministry. Similarly, the Committee are not convinced with the justifications of the Ministry that these lower allocations are borne out of the synergy between MEA mainstream and the Overseas Indian Affairs (OIA) Divisions. The Committee, therefore, strongly recommend that due priority and financial sanctity must be given to welfare schemes related to the Overseas Indians by the Ministry and it should ensure that sufficient budgetary allocations are made to these schemes at RE stage. The focus on welfare measures of Overseas Indians should not be allowed to wither under the merged entity.

(Recommendation No. 28)

A. Engagement with Diaspora / Assistance to workers Abroad

6.8 About the ways in which the Ministry seeks to renew its engagement with the Diaspora through new endeavours, the Ministry stated that the Ministry is engaging with the Diaspora in a more sustained and regular manner, especially on issues which are of significance to the Government. The 10 Pravasi Bharatiya Divas Conferences initiated in 2016 provided platforms on which domain experts among the Diaspora could engage directly with policymakers and stakeholders in India. Similarly Indian Missions abroad are also engaging with the Diaspora in a more regular manner, seeking their insights, suggestions and discussing their problems. Through these regular dialogue mechanisms, the Government is also able to leverage the Indian Diaspora on issues of concern to us. The young Indian Diaspora is of special significance in the context of soft power. The Ministry is engaging with the young overseas Indian community through programs such as the Know India Programme, the *Bharat Ko Janiye* Quiz and the Scholarship Programme for Diaspora Children. They have also utilized social media platforms, especially Facebook, to connect with various young Indian Diaspora members worldwide. Missions/Posts are working closely with other stakeholders such as the Indian community organizations; local Municipalities and foreign Governments; corporate sector; universities; Indian student bodies; organizations promoting Indian culture and heritage, to promote India's culture abroad. By doing so, the Ministry and Missions are able to maximize resources at hand and ensure that our efforts to leverage soft power are more sustainable in the long run. The Pravasi Bharatiya Samman Awards conferred by the Government on overseas Indians, recognizing their achievements in various fields, including art and culture, also serve the purpose of motivating the Diaspora to continue their efforts in cultural promotion. Further, overseas Indians have also been contributing funds through the India Development Foundation of Overseas Indians to flagship programmes, Swachh Bharat Mission, National Mission for Clean Ganga, and social and development programmes in India.

6.9 The Committee discerned that the NRI's and PIOs settled abroad are the focus of the Ministry's policies and programmes at the cost of welfare of ordinary workers who go abroad for employment. The representative of the Ministry during the course of evidence submitted the following clarification:-

> "Sir, this perception, perhaps, exists but this is not entirely rooted in the ground realities. OIA Divisions are consistently trying to upgrade their engagements or strengthen their engagements, particularly, with the Gulf diaspora where our blue-collar workers are there. A number of schemes such as Indian Community Welfare Funds are very effectively deployed and over 90,000 people have benefited from this Scheme. Our policy, we encapsulate in this particular term: ºÉÖ®ÉÊFÉiÉ VÉÉ+ÉÉä, |ÉÉÊ¶ÉÉÊFÉiÉ VÉÉ+ÉÉä ´É¶´ÉÉºÉ BÉEä ºÉÉlÉ VÉÉ+ÉÉ' That really is a motto with which we actually are trying to move our approach towards the Gulf. That is why we have introduced the scholarship scheme for the Gulf workers' children here. Our people regularly visit the shelters, the jails. There is a proper enumeration now of people who are being jailed. For example, if somebody has completed his or her sentence to get their release, on daily basis our Missions in the Gulf and elsewhere are rescuing people from difficulties and distress."

6.10 The Committee are happy to note that the Ministry has shown renewed commitment to continuously engage with the Diaspora through new endeavours. This is quite important in view of the diverse needs of our Diaspora. The Committee have noted that 10 Pravasi Bhartiya Divas Conferences were initiated in 2016 which provided platforms on which domain experts among the Diaspora could engage directly with

policymakers and stakeholders in India. The Committee would desire that the ambit and reach of the *Bharat Ko Janiye* Quiz should be expanded for a wider reach-out to young Diaspora children.

The Committee, however, note that NRIs and PIOs settled abroad are the primary focus of the Ministry's policies and programmes and it is not giving proportionate attention to problems / grievances of ordinary workers who go abroad for employment and contribute to India in a huge way through remittances. The Committee, therefore, recommend that the Ministry should take expeditious steps to remove this general perception and show a renewed commitment to the welfare of ordinary Indian workers in Gulf countries. The Committee also desire that a mechanism in the Indian Missions / Posts in the Gulf countries should be created to gather feedback from Pravasi Indians regarding ways and means of approaching their common problems and grievances.

(Recommendation No. 29)

B. Pravasi Bhartiya Bima Yojana (PBBY)

6.11 The Ministry is in the process of closing the Mahatma Gandhi Pravasi Suraksha Yojana (MGPSY) due to its very low subscription base. However, it is strengthening other measures including the Mandatory Insurance Scheme Pravasi Bharatiya Bima Yojana (PBBY).

6.12 The Ministry stated that the following measures were taken by the Ministry of Overseas Indian Affairs to popularize the MGPSY before it was decide to close it.

- All PoEs and Recruitment agents were sensitized to assist in spreading awareness about the Scheme among the emigrants.
- Awareness cum enrolment camps for MGPSY were organized in UAE.
- Media campaign for MGPSY (audio-video) subscriber awareness was taken up.
- Service providers were requested for appointment of facilitators in ECR countries.
- Publicity materials were prepared in six languages commonly spoken by the emigrants and made available to service providers, POEs and Indian Missions in GCC Countries.
- Indian Missions in GCC Countries were involved for creating awareness about the MGPSY. Ambassadors as well as delegations visiting the ECR countries were requested to meet the emigrant workers in labour camps to make them understand the benefits of the Scheme.
- The number of stakeholders and service providers were increased so that the intended subscribers do not face problems while enrolling.

The Ministry made efforts to make the scheme popular. However, the Scheme did not get the desired response.

6.13 As per the Ministry, the details of the Pravasi Bharatiya Bima Yojana (PBBY) are as follows:-

(a) Premium: One time premium of Rs. 275 and Rs. 375 for two years and three years respectively.

(b) Coverage and Benefits:

Accidental Death/Permanent total disability	Rs. 10 Lakhs
Repatriation Facilities in case of death	Actual cost of transportation of the Insured's mortal remains to India.
Air Fare for Attendant	Actual economy class return airfare
Repatriation following loss of employment due to major illness/accident or due to substantive change in employment.	Actual economy class one way airfare
Hopitalization Expenses to Insured following accident/disease	Up to Rs.75000
Hospitalisation cover for dependents of insured in case of his/her death and permanent total disability	Up to Rs.50000
Maternity Expenses	Up to Rs.25000
Legal Expenses	Up to Rs.30000

(c) Pravasi Bhartiya Bima Yojana (PBBY) is a mandatory insurance scheme for the welfare of Overseas Indian Workers going abroad on Emigration Check Required (ECR) Passports. During the last three years, 8.04 lakhs (2014), 7.82 lakhs (2015) and apprx. 5.2 lakhs (2016) Emigration Clearances were issued by PGE for ECR category passport holders going to ECR countries. On the other hand, the objective of Mahatma Gandhi Pravasi Suraksha Yojana (MGPSY) is to address social security related issues of the emigrant workers in ECR countries and providing an integrated package consisting of following three components:

- Savings for Return and Resettlement by investment in a SEBI regulated UTI MIS scheme
- Pension in old age through investment in PFRDA regulated NPS Lite
- Free Life Insurance cover against natural and Accidental death during the period of coverage under Aam Admi Bima Yojana (AABY) of LIC."

6.14 Regarding the capacity of the PBBY to achieve the objectives of the MGPSY, the Ministry stated that they are working towards expanding the scope of the Pravasi Bharatiya Bima

Yojana (PBBY) and also to introduce a revamped scheme to cover natural death. PBBY, as of now, only covers accidental death and permanent disability.

6.15 Elaborating on the poor response from workers in ECR countries towards insurance schemes, the Ministry through a written reply submitted that the poor response of the ECR category workers in ECR countries towards insurance schemes in general such as the MGPSY may be attributed to a variety of reasons including limited awareness among workers, difficulty in payment of subscriptions from NRI accounts, stringent KYC criteria and excessive documentation, limited insurance coverage, restricted regulatory environment in destination countries where such schemes have to be rolled out. The MGPSY, the scheme being closed, has not attracted the desired response mainly due to above reasons, lack of clarity on the pension component and the inherent complexities involved. The life insurance benefits offered under MGPSY (Rs. 30,000/- for natural death and Rs. 75,000/- for accidental death) were very low. In addition, the age profile of migrating workers, there limited tenure abroad and immediate pressing concerns do not make an attractive proposition for an emigrant worker to focus on voluntary schemes related to return and resettlement and pension related issues. In view of the above, the Ministry is working towards expanding the scope of the Pravasi Bharatiya Bima Yojana and to introduce a revamped scheme to cover natural death.

6.16 The Committee have noted that the Ministry is in the process of closing the Mahatma Gandhi Pravasi Suraksha Yojana (MGPSY) due to it having a very low subscription base. Simultaneously, the Ministry is working towards expanding the scope of strengthening mandatory Insurance scheme called Pravasi Bhartiya Bima Yojana (PBBY). The Committee are aware that MGPSY is a wider and comprehensive social security measure as it also covers savings for return and resettlement and pension in old age, and free life insurance in case of both natural and accidental death. The Committee, therefore, recommend that while revamping the PBBY the Ministry should not only cover natural death but should also include beneficial measures of the MGPSY and make it an integrated package incorporating the mandatory subscription of the former and wider social security features of the latter.

(Recommendation No. 30)

C. Know India Programme (KIP)

6.17 Know India Programme is a flagship initiative of the MEA to reconnect young persons of Indian-origin with their roots. The three-week orientation programme organised in India gives them an overview of India's heritage and culture. It also seeks to enhance awareness about different facets of contemporary India and progress made by the country in various fields. From 2016 six KIPs have been organized each year in partnership with State Governments. Each KIP group includes 40 Persons of Indian-origin in the age group of 18-30 years

6.18 Under the KIP, the allocation at BE 2016-17 was Rs. 1.5 crore which was retained at the same level at RE stage. The allocation has been reduced to Rs. 0.9 crore at BE 2017-18. Explaining the reason for this reduction, the Ministry replied that during 2016-17, six editions of Know India Programmes were organized with participation of over 240 Overseas Indians. These programmes were organized as per revised guidelines wherein the duration of the programme was increased from 21 to 25 days with 10 days in the Partner State. There is no proposal in 2017-18 to increase the number of KIP or number of participants. The Ministry will organize 6 KIPs this year with a total of 240 participants. For 2017-18, the Ministry projected a demand of Rs. 4.5 crore for organizing 7 KIPs in a year. However, only Rs.0.90 crore have been allocated due to overall reduced allocation of funds to the Ministry during BE 2017-18. Additional allocation would be made during the course of FY 2017-18 as per utilization trends.

6.19 The Ministry was specifically asked how it will organize a similar number of KIPs in 2017-18 with a significantly reduced budget than in 2016-17. The Ministry through a written reply submitted that in 2017-18, it proposes to organize six editions of the India programme, with participation of 240 young overseas Indians. The Ministry is also developing a portal for online application by participants. Additional funds will be provided during RE 2017-18 to meet expenditure, as required.

6.20 The Ministry has furnished the following information pertaining to the allocation, utilization, number of programmes / participants under the KIP during the last three years:-

(Rs in crore)

Year	Allocation	Utilization	Number of Programmes	Number of Participants
2013-14	2.10	2.05	4	132
2014-15	3.00	1.26	5	151
2015-16	1.94	1.63	2	70
2016-17	1.50	1.75 *	6	240

* *Allocation would be restored/enhanced at Final Estimates stage*

6.21 The Ministry provided the following details relating to the revamped Know India Programme (KIP):

> During 2016-17, following a complete review of KIP, six editions of Know India Programmes were organized as per the revised guidelines wherein the duration of the programme was increased from 21 to 25 days with 10 days in the Partner State. Age limit was also revised from 18 to 30 years. Participants of four KIP groups which visited India during Dec 2016 to Jan 2017 participated in the Youth Pravasi Bharatiya Divas and the 14th Pravasi Bharatiya Divas Convention from 7 to 8 January 2017 in Bengaluru. Preference is also given to selection of Indian origin youth from *Grimitya* countries who have not visited India previously. Due to participation of state government in KIPs the Indian origin youth got the opportunity to visit a specific state and familiarize themselves with the culture, cuisine and other aspects of that particular state. Partnership with states in organizing KIPs also enabled the State Government to connect directly with Indian Diaspora Youth from all over the world and showcase their respective states. The KIP participants attended a two day orientation programme in the Foreign Service Institute to familiarize them with India's political, social and cultural, economic aspects. Their programme now includes interaction with civil society groups; industrial visits, interaction with Indian students at a college or university, in addition to places of historical, cultural and spiritual importance. At the end of the programme the KIP participants also meet EAM/MoS to share their impressions about the visit and suggestions. Further, Ministry also started a Facebook page for KIP participants, to enable us and Missions/Consulates to remain in contact with them even after they return to their respective countries.

6.22 The Committee have noted that KIP is the flagship programme of the MEA to reconnect young persons of Indian origin with their roots. Further, the allocation at BE 2016-17 was Rs. 1.5 crore which was retained at the same level at RE stage. The allocation has been reduced to Rs. 0.9 crore at BE 2017-18. The Ministry proposes to organize a similar number of programmes, with the same number of participants in 2017-18 as in 2016-17 with a considerably reduced allocation. The Ministry has furnished a vague reply on the modalities of organizing the Programme in 2017-18 with the help of reduced allocation. The Committee are apprehensive about how six KIPs with a total of 240 participants can be held through an allocation of Rs. 0.9 crore when it has utilized Rs. 1.75 crore for six such programmes during 2016-17. The claims of the Ministry to get additional allocations in the course of FY 2017-18 are not supported by past allocations. The Committee, therefore, recommend that the Ministry should make strong and sustained

efforts to obtain additional allocation to organize the eight proposed KIPs during the year 2017-18.

(Recommendation No.31)

D. Scholarship Programme for Diaspora Children (SPDC)

6.23 Scholarship Programme for Diaspora Children enables students of Indian-origin (PIOs) and Non-Resident Indian students (NRIs), to pursue Under Graduate courses in Indian Universities/Institutes in different fields (except medical and related courses) both professional and non-professional in Engineering/Technology, Humanities/Liberal Arts, Commerce, Management, Journalism, Hotel Management, Agriculture/Animal husbandry, *etc.*

6.24 The allocation under the Scheme has been reduced from Rs. 6.00 crore in 2016-17 (BE) to Rs. 4.00 crore in 2017-18 (BE). Justifying the reduced budgetary allocation, the Ministry has furnished that in view of the overall budgetary constraints being faced by the Ministry due to the allocation for 2017-18 being only 62.90% of its demand, allocations across all budget heads have been curtailed as per past utilization trends However, if expenditure picks up, allocation would be enhanced during the course of FY 2017-18.

6.25 The Ministry has furnished the following data regarding the number of candidates who have availed this scholarship in the last five years:-

AY 2015-16		**AY 2014-15**		**AY 2013-14**	
Batch	**Students**	**Batch**	**Students**	**Batch**	**Students**
2015-16	Holiday Year	2014-15	100	2013-14	100
2014-15	96	2013-14	93	2012-13	98
2013-14	90	2012-13	97	2011-12	98
2012-13	96	2011-12	91	2010-11	94
2011-12	05	2010-11	04	2009-10	04
Total	**287**	**Total**	**385**	**Total**	**394**

6.26 In 2015-16, following a review, a revamped SPDC was launched from academic year 2016-17 with following changes:-

- Scheme was extended from 40 to 66 countries including 17 ECR countries.
- Number of scholarships was increased from 100 to 150 with 50 slots earmarked for Children of Indian Workers in ECR counties. One third of these 50 scholarships are reserved for children of Indian workers in ECR countries studying in India.

- Income criteria would be applicable to all categories of students and has been raised from US$2250 to US$4000.

6.27 On being asked about the impact of the revision of SPDC, the Ministry through a written reply submitted that after the revamping of the SPDC scheme, applications have been received from students who have been admitted to Under graduate courses in premier institutions like NITs, IIITs, Schools of Planning and Architecture, Central Universities and 'A 'Grade institutions accredited by NAAC and recognized by UGC and other premier institutions covered under Direct Admission of Students Abroad (DASA) Scheme.

6.28. Regarding the procedure for selecting students for SPDC Scheme, the Ministry through a written reply stated that the following process is followed for selecting PIO/OCI/NRI students for award of SPDC scholarships:-

a. Students, who have secured admission in the approved Institutions, are eligible to apply on the SPDC portal of the Ministry, which was launched on August 23, 2016. Applications received on the portal are examined. Admission in Under Graduate Course is permitted only in Central Universities, NAAC "A" Grade Institutions, Central Universities, National Institutes of Technology (NITs), School of Planning & Architecture (SPAs), International Institute of information Technology (IIITs) as covered under DASA Scheme.
b. Scholarship application is now accepted only through SPDC portal. All requisite Certificates regarding Income Criteria, Date of Birth, Marks List, Undertaking by the Institution etc. are to be uploaded at the time of application.
c. After scrutiny of applications, applicants are requested by email to send additional documents or to send documents as per specific format.
d. Selection Committee appointed by the Ministry finalises the list of students who are to be awarded the scholarship, on the basis of marks/score obtained at 10+2 level along with proof of Admission Letter issued by the Institution, duly stamped and signed by Authorized Signatory of that Institution and other required documents submitted online (on SPDC portal)**.**
e. Thereafter, the list of candidates awarded scholarships is finalised by Ministry with approval of competent authority.

6.29 The Committee have noted that a revamped SPDC has been launched from academic year 2016-17 which expands the scheme to children of Indian Workers in ECR countries. The Committee are hopeful that such a measure will go a long way in the welfare of Indian workers abroad. The Committee also welcome other features of the revamped

scheme such as increase in number of scholarships, raising the income criteria and award of scholarship on the basis of admission already sought. The Committee are, however, unhappy to note that the allocation under the scheme has been reduced from Rs. 6.00 crore in 2016-17 (BE) to Rs. 4.00 crore in 2017-18 (BE), These budgetary cuts have been effected at a time when the expanse and scope of the scheme has been considerably widened. They, therefore, recommend that the Ministry should make all efforts to seek additional funds during the course of the year so as to ensure that a more meaningful direction is given to this project.

(Recommendation No. 32)

E. Awareness Campaign / Media Plan

6.30 The allocation under Awareness campaign / Media Plan has been reduced from Rs. 5.54 crore to Rs. 2.5 crore on a year to year basis between the BE of 2016-17 and 2017-18. Explaining the reasons for the reduction in allocation, the Ministry replied that in view of the overall budgetary constraints being faced by the Ministry due to the allocation for 2017-18 being only 62.90% of its demand, allocations across all budget heads have been curtailed as per their past utilization trends However, allocation would be enhanced during the course of FY 2017-18 as per requirement.

6.31 Furnishing the details of the media campaign carried out in 2016-17, the Ministry through a written reply submitted that Ministry undertook a media campaign in 2016 about 'Safe and legal Migration of the Indian Migrant worker (सुरक्षित जाओ,प्रशिक्षित जाओ(Advertisements about "Safe and legal Migration of the Indian Migrant worker (सुरक्षितजाओ,प्रशिक्षितजाओ(were broadcast on Doordarshan, All India Radio (AIR), Lok Sabha Television, Private TV channel , Private Radio/FM Channel and Digital Cinema in six languages (Hindi, Punjabi, Telugu, Malayalam, Tamil and Kannada) in target states *i.e.* Uttar Pradesh, Bihar, Tamil Nadu, West Bengal, Punjab, Rajasthan, Kerala, Andhra Pradesh, Telangana, Maharashtra, Karnataka and Delhi. The campaign was carried out from 12 to 28 May 2016 on Doordarshan, from 1 to 15 June 2016 over All India Radio (AIR), and from 18 July to 1 August 2016 over Doordarshan, All India Radio (AIR), Lok Sabha Television, Private TV channel, Private Radio/FM Channel and Digital Cinema. Ministry requested State Governments to broadcast the advertisement in their State on television and digital cinema theatres. Ministry also requested the Ministry of

Labour & Employment to post the advertisement on their website and their social media platforms.

Rs. 3.81 Crores was incurred on the media campaign in 2016-17.

FY 2016-17	
Media of campaign	**Amount** *(In Lakhs)*
All India Radio Broadcast of Audio spots - 1 to 15 June 2016	51.72
All India Radio Broadcast of Audio spots - 19 July to 2 August 2016	27.09
Lok Sabha TV Telecast of video spots – 19 July to 2 August 2016	9.76
Doordarshan Telecast of video spots - 18 July to 1 August 2016	69.93
Total	**158.52**
FY 2015-16	
Doordarshan Telecast of video spots - 12 to 28 May 2016	100.00
Campaign through NFDC on private TV, radio and digital cinema - 20 July to 3 Aug 2016	123.23 *(From credit balance with NFDC)*
Total	**381.75**

6.32 Furnishing details related to the use of social media for media campaign and proposed media campaign for 2017-18, the Ministry stated that the Hindi advertisement about Safe and legal Migration was uploaded on Ministry's social media platforms including Facebook, YouTube and Twitter *etc.* Our Missions/Posts abroad also uploaded the film on their respective websites and Social Media platforms.

Proposed Campaign in 2017-18: The External Affairs Minister has decided to launch an awareness campaign on the following two themes on TV and Radio in Hindi and regional languages (Tamil, Bengali, Malayalam, Punjabi, Telugu, Marathi, Odia and Kannada): Advisory for Indian Students Abroad and Important Advisory for Indian Workers Seeking Employment Abroad. The campaign was expected to be from 1 March 2017 to 30 April 2017 extended to four months, as per availability of funds. These advertisements will also be released on social media platforms by the Ministry and in our Missions and Posts worldwide.

6.33 Regarding the details of various media formats for the campaigns, the Ministry stated that Ministry did not undertake any campaign about safe and legal migration in print media. Hindi hoardings have been set-up at the Passport Offices and Passport Service Kendras in India about 'Safe and legal Migration". Ministry is setting up hoardings calling on workers seeking overseas employment to apply only through registered recruitment agents, and to acquire necessary skills. Hoardings in Hindi and regional languages will be set up at the offices of Protector of Emigrants all over India by 15 February. Regional translations of banners are being prepared. State Governments will be requested to display these banners and hoardings (in regional languages) at vantage points for recruitment for overseas employment. As a result of the media campaign Ministry's Toll-Free Helpline in India (Overseas Workers Resource Centre) telephone calls from potential Indian Migrant workers increased 4 to 5 time during campaign period.

6.34 The Committee are unhappy to note that the allocation under this head has been reduced from Rs. 5.54 crore in 2016-17 (BE) to Rs. 2.5 crore in 2017-18 (BE). The budget has been more than halved at a time when renewed efforts are required to spread awareness about safe and legal migration by warning people about fraudulent Recruitment Agents (RAs) active in the country. The Committee do not approve the reduction effected in such an important area of emigrant welfare. In the opinion of the Committee it reflects a lack of purpose/clarity within the Ministry to tackle issues concerning our workers who go out to work overseas. The Committee are also perturbed to note that the Ministry has not undertaken any campaign about safe and legal migration in print media during 2016-17. In view of the larger and long lasting outreach of the print media, the Committee recommend that print media should also be made an integral part of the Ministry's awareness campaign/media plan and funds should be enhanced during the year as per requirement to achieve this.

(Recommendation No. 33)

F. Pre-Departure Orientation and Skill Upgradation of Emigrant Workers

6.35 Pre Departure Orientation is aimed at enhancing the soft skills of potential emigrants in terms of culture, language, traditions and local rules and regulations of the destination countries. Under this head Rs. 1.00 crore has been allocated during BE of 2017-18.

6.36 Explaining the reasons for making an allocation apart from that of Pravasi Kaushal Vikas Yojana, the Ministry through a written reply submitted that it is proposed to utilize the allocation for interaction with State Governments and for information dissemination, printing of booklets, brochures etc. specifically targeted at the emigrant workers.

6.37 While elaborating on the scheme, the representative of the Ministry during the course of evidence informed the Committee:-

> "Sir, in June this year, we have signed a MoU with the Ministry of Skill Development & Entrepreneurship. We, in-house, with the help of IOM, created a manual which called pre-departure orientation manual. This is a very detailed manual which we have prepared. We are making available funds from our Budget to the Ministry of Skill Development & Entrepreneurship. People who are going abroad, their top up skills – how to contact the Embassy, some basic expressions if they are going to Arabic countries or the Gulf countries, some basic expressions in Arabic are taught and explained to them in a short capsule format. Around 16 centres throughout India have already been identified and the courses are about to begin with the help of the Ministry of Skill Development."

6.38 The Committee have noted that this scheme is aimed at enhancing the soft skills of potential emigrants in terms of culture, language, tradition and local rules and regulations of the destination countries. In view of the fact that a large number of emigrants from India belong to the semi-skilled category of workers and they are not aware about rules and regulations of the host countries, the scope and ambit of the scheme should be widened by highlighting it in the media. The Committee are also of the considered view that such a training would go a long way in tackling the root of exploitation and harassment of workers in the Gulf countries. The Committee, therefore, recommend that the Ministry work to add more centres for these courses and enhance the allocation under the scheme as per the need in this regard.

(Recommendation No. 34)

G. Legal Assistance to Women facing problem in NRI Marriages

6.39 The Ministry launched in 2007 a Scheme under which Indian women deserted by their overseas spouses can obtain financial assistance for access to counselling and legal services, through Indian Women's Organisations/Indian Community Associations and NGOs empanelled with the Indian Missions/ Posts abroad in USA, UK, Canada, Australia, New Zealand, Malaysia, Singapore; and some Gulf countries.

6.40 During 2017-18 (BE) Rs. 0.02 crore has been allocated under the Scheme. Regarding the proposals to help distressed women, the Ministry stated that in FY 2016-17, Rs.25 lakh were allocated under the scheme. On the recommendation of the Missions, Ministry considered nine applications from aggrieved Indian women for legal assistance and found that eight applicants (after initial legal advice from the Indian Missions) took the decision to litigate in India rather than the country of their spouses. Therefore, only one application was approved. Presently, the Ministry is awaiting documents from three more applicants seeking legal assistance, which are mandatory as per the laid down procedures, who are willing to litigate abroad. Women who seek legal assistance in the foreign countries of their spouse have been finding it easier to file their cases in India rather than abroad. In some cases, after approaching the Indian Mission for counseling, many women did not file legal proceedings and found redressal for their grievances and returned to India. The Ministry is considering inclusion of the existing scheme for legal and financial assistance to Indian women under ICWF as it would enable Missions and Posts to provide legal and financial assistance directly to the aggrieved Indian women. The proposal for revised ICWF guidelines is being considered by the Ministry in coordination with the Ministry of Finance. Enhancement of budget allocation would be sought, if found necessary during the RE 2017-18 stage.

6.41 Furnishing details about the petitions received during 2016-17 for assistance, the Ministry submitted that nine petitions were received from Indian women seeking legal assistance in the first half of 2016-17. Eight applicants have since returned to India, after initial counseling by the Indian Mission and decided to litigate in India, rather than the country of their spouses. Therefore, only one application was approved and Rs. 2 lakh (equivalent to $3000) was sanctioned for litigation in Singapore through the Indian Mission there. Ministry has received three applications directly requesting assistance under the scheme, to initiate litigation abroad. These cases are under process as additional documents required as per the guidelines are awaited. The legal assistance under the scheme is a onetime initial aid to get maintenance order, restoration of conjugal rights, and prosecution of overseas Indian husbands for abandonment, abuse and child custody.

6.42. The Ministry was asked to provide details of the steps taken to prevent the exploitation of Indian women from fraudulent marriages. The Ministry through a written reply submitted that Ministry apart from preparing FAQs, which help handle the problems faced by Indian women married to NRI/PIO spouses, has also compiled the following information and placed on Ministry's website:

a. Data about Legal Provisions in foreign countries with reference to problems faced by Indian women cheated/abandoned/abused by Overseas spouses
b. Information/guidance is provided on Ministry's 24/7 Helpline: 1800 113090 (in India) and "Open houses" in Indian Missions during which distressed Indian nationals including Indian women can seek assistance.
c. Ministry released two Short-films on NRI Marriages which are available at Ministry website in six languages Hindi, Punjabi, Tamil, Malayalam, Kannada and Telugu.
d. Criteria for empanelment of NGOs with Indian Missions/ Consulates and application form for NGOs for empanelment under the Scheme.
e. List of Indian Women's Organizations/Indian Community Associations/NGOs empanelled with Indian Missions/Consulates to provide legal/financial assistance to Indian Women deserted by overseas spouses.
f. Ministry receives numerous petitions from Indian women regarding abandonment, cheating and abuse by overseas Indian spouses. The Ministry provides guidance about how they can deal with these issues. Since January 2016 to 31st January, 2017, this Ministry has addressed 1028 petitions and grievances on Marital disputes through Madad Portal, E-mail, CP Grams and letters of which 746 grievances were directly addressed by the Ministry.

Inclusion of scheme under ICWF: Ministry is considering inclusion of existing scheme for legal and financial assistance to Indian women under ICWF with the following objectives:

a. To extend coverage of the scheme to Missions and Consulates;
b. To enable Mission/consulates to provide assistance directly to distressed Indian women, without approaching Ministry.
c. To enable legal assistance beyond the scope of initial legal assistance; and provide Boarding Lodging and other assistance available to distressed Indian nationals under ICWF.

6.43 Explaining the reasons for inclusion of this scheme under ICWF, the Ministry elaborated that the scheme for legal and financial assistance for Indian women facing abandonment, cheating and abuse by their overseas Indian spouses, was set up by the erstwhile Ministry of Overseas Indian Affairs. It is operational only in 13 countries. Further on the basis of an application submitted by distressed women to the Ministry, financial assistance is provided for seeking legal advice regarding judicial proceedings abroad or for counselling, sustenance abroad. The financial assistance is provided by the Ministry to the Indian Mission or Post abroad, which in turn releases the funds to the empanelled lawyer or NGO. There is a need for reviewing the scheme and making it applicable world-wide. There is also a need for enhancing the amount provided under the scheme, as the present amount allotted is not sufficient considering the exorbitant fees charged by lawyers abroad. Lastly, to ensure quick assistance to the distressed Indian women, it would be appropriate if assistance is provided directly by the Mission, and not by Ministry. ICWF is presently utilized by Missions and Posts to provide legal assistance for distressed Indian nationals and arrange board and lodging for those who are stranded and need shelter. Therefore distressed Indian women are already being provided consular and other forms of assistance under ICWF. Since the Ministry had initiated a review of ICWF, we proposed that the present scheme for legal and financial assistance for Indian women should be brought under the ambit of ICWF which would address the issues described in the para (b) above. It would also ensure rational utilization of resources and avoid operation of multiple schemes for welfare and protection of Indian nationals.

6.44 In view of the fact that the corpus under ICWF is not same for all the Missions, the Ministry was asked whether adequate attention will be paid to the cause of distressed women. The Ministry replied that problems faced by distressed Indian women range from loss of contact with the spouse, abandonment/abuse by the spouse after marriage, difficulties in serving judicial summons and non-payment of maintenance, and custody of children. To address these issues the aggrieved women are being empowered with information, guidance, advise and counseling on how they can initiate legal proceedings, whom to approach for issuing court summons, how complaints can be registered with the local police etc. The Ministry has prepared a comprehensive set of FAQs which are provided to the women as a ready reckoner on how they can address these issues abroad. Secondly some women also need immediate assistance in the form of shelter or boarding and lodging which is also provided either by NGOs empanelled with the Mission, Indian community organizations or by Missions themselves under ICWF. Although the corpus of the ICWF is not the same amount in all Missions, given that the corpus is being built over a period of 7+ years, most Missions and Consulates have sufficient amounts for purpose of addressing issues faced by distressed/abandoned/abused Indian women.

6.45 Furnishing details of the expenditure incurred by Missions / Posts abroad on distressed women under ICWR, the Ministry through a written reply submitted that since its inception in 2009, approximately Rs. 100 crores have been spent till February 2016 out of ICWF for various welfare activities including legal and financial assistance to Indian women in distress abroad. The Ministry will soon be collecting details of expenditure incurred by the Missions/Posts abroad so far specifically on legal and financial assistance rendered to distressed/abandoned/abused Indian women abroad under ICWF.

6.46 About the rationale of bringing this assistance under the ambit of the ICWF, the representatives of the Ministry clarified during the course of Oral Evidence:-

> "Sir, this scheme is specifically for enabling Indian women to file a case in a foreign court. So, there is an inherent limitation on what the money can be used for and the number of applications have been low this year. Our focus has been on advising and counselling women on how to handle cases and empowering them with information and we are anyhow considering a review of this scheme to bring it under the ambit of the Indian Community Welfare Fund so that it can be used for a much larger purpose and the funds are also at the disposal directly of the Missions rather than applications coming to headquarters. So, the scheme in itself is not perfect and we are trying to make it more functional and effective."

6.47 The Committee have noted that the Ministry has launched this scheme in 2007 under which Indian women deserted by their overseas spouses can obtain financial assistance for access to counseling and legal services. However, the Committee are unhappy to note that the allocation under the scheme has been drastically reduced from Rs. 25 lakh in 2016-17 to Rs. 2 lakh in 2017-18. Further, only assistance to one woman was provided in 2016-17. The Committee are completely puzzled as to what sort of worthwhile assistance to distressed women can be rendered through a paltry allocation of Rs. 2.00 lakh. The Ministry has submitted that it is considering inclusion of existing schemes for legal and financial assistance to Indian women under the Indian Community Welfare Fund (ICWF). The Committee while welcoming this step however feel that the scheme requires a complete review and sufficient allocation for inclusion of desired legal assistance and provision of boarding, lodging and other assistance to such distressed Indian women. This is necessitated by the fact that the corpus of ICWF varies from one Mission/Post to the other and at times it may prove to be insufficient in cases where the number of distressed women

rises up. The Committee, therefore, recommend that a complete and thorough review of this scheme should be effected to expand the ambit of the scheme beyond initial legal assistance, enhancing the amount provided under this scheme and to make it applicable worldwide and not merely in 13 countries.

(Recommendation No. 35)

H. Pravasi Kaushal Vikas Yojana (PKVY)

6.48 The Pravasi Kaushal Vikas Yojana (PKVY) aims at enhancing the skill set of potential emigrant workers in select sectors and job roles in line with international standards, to facilitate overseas employment. The allocation under the scheme during 2016-17 (BE) was Rs. 10.00 crore. However, allocation was reduced to zero at the RE stage.

6.49 Explaining the reasons for no allocation at RE stage, the Ministry replied that allocation was reduced at RE stage as there had been no demand raised till end of December 2016 from the Ministry of Skill Development and Entrepreneurship (MSDE), which is the nodal Ministry for the implementation of the Pravasi Kaushal Vikas Yojana (PKVY). However, in end-January 2017, a demand of Rs.10 crores was raised by MSDE to this Ministry for the current year. The funds allocation for PKVY is being considered for restoration to the BE 2016-17 level, and will be done if the requisite approval of the competent authority for release of funds is obtained in time to enable funds release to take place within the current financial year.

6.50 The Ministry was asked to furnish reasons for the MSDE not raising any demand till December, 2016 and them instantly raising a demand of Rs. 10.00 crore. The Ministry explained that the implementation of the scheme is dependent on the progress made by the Ministry of Skill Development and Entrepreneurship (MSDE). The National Skill Development Corporation, an agency of the MSDE, has been entrusted the responsibility by MSDE for overall coordination for implementation of the scheme.Preparatory work like identification of training centres, training of trainers, benchmarking of training with international standards, identification of training providers *etc*. to operationalize the scheme was undertaken by MSDE. Thereafter, a request for transfer of funds was made to MEA on 25 January 2017.

6.51 Regarding the progress made in the implementation of Pravasi Kaushal Vikas Yojana (PKVY), the Ministry stated that PKVY is aimed at enhancing the skill set of potential emigrant workers in select sectors and job roles, in line with international standards, to facilitate their overseas employment opportunities. The scheme is part of the government's efforts towards strengthening the eco-system that supports migrant workers in all stages of the migration cycle and to ensure that Indian workers should migrate safely with an enhanced skills set The motto is: "सुरक्षित जाएँ, प्रशिक्षित जाएँ, विश्वास के साथ जाएँ". Towards this end, a Memorandum of Understanding was signed on 2 July 2016 between MEA and MSDE for implementation of PKVY. The MoU details the broad parameters of cooperation and envisages collaboration for developing a robust skill training, assessment and certification system for workers who seek overseas employment. The scheme will be implemented through MSDE and its agencies. Initially, the scheme would focus on sectors that are in demand in ECR countries. The PKVY would include a technical top up training to be provided by MSDE through the National Skill Development Corporation (NSDC). This will be complemented by Pre-Departure Orientation Training aimed at enhancing soft skills of potential emigrants in terms of culture, language, traditions and local rules and regulations of the destination country. MEA, on its part, has finalized the module for the Pre-Departure Orientation Training and a handbook for participants. NSDC has already identified 16 India International Skill Centres to operationalize this Scheme and is in process of identifying 34 additional centres for the initial phase. The list of 16 Centres is given below:

S. No.	State	City	No. of Centres
1	Uttar Pradesh	Varanasi	2
		Lucknow	2
		Gorakhpur	1
		Maharajganj	1
		Allahabad	1
2	Kerala	Kochi	2
3	Andhra Pradesh	Hyderabad	1
4	Chandigarh	Chandigarh	1
5	Rajasthan	Ajmer	1
6	Jharkhand	Ranchi	1
7	West Bengal	Kolkata	1
8	Bihar	Araria	1
9	Maharashtra	Mumbai	1

The 16 Centres would cover eight sectors Domestic Workers, Retail, Tourism & Hospitality, Capital Goods, Healthcare, Construction, Automotive and Security. The modalities

of implementation of the scheme have not been finalized as yet. The Ministry has allocated Rs. 10.00 crore for PKVY for the current financial year. The implementation of the scheme will be done by the MSDE through the NSDC. The targets will depend on the pace at which the scheme will be rolled out by the NSDC. On its part, OIA-I Division has requested for a budget allocation of Rs. 40 crores for the scheme for 2017-18.

6.52 On the issue of the expansion of Skill Centres, the representative of the Ministry during the course of evidence submitted:

> ".....About the absence of skill centres in North East and Karnataka, I would like to say that 34 additional centres are being identified right now. Hopefully, the concern of the hon. Member would be taken into account. What we generally are focussing is on the labour exporting States. Generally they are likely to have more centres. But the point that there are new places coming from where labour is being exported and we are fully cognisant of that. We would like to have a balanced distribution. Even though, the actual implementation is with the Ministry of Skill Development, we will be working very closely with them....."

6.53 The Committee note that Pravasi Kaushal Vikas Yojana aims at enhancing the skill set of potential emigrant workers in select sectors and job roles in line with international standards, to facilitate overseas employment. However, no real progress has been made in the implementation of this scheme as no demand has been raised till December, 2016 by the implementing agency *i.e.* the Ministry of Skill Development and Entrepreneurship (MSDE). As a result the allocation was reduced to zero during the RE stage of 2016-17 from an allocation of Rs. 10.00 crore at the BE stage. Now, in January, 2017 MSDE has made a request for release of Rs. 10 crores. The Committee desire that a restoration of funds to the BE 2016-17 level should be made so that the fund of Rs. 10 crore is released to MSDE during 2016-17. An allocation of Rs. 10 crore has been made for 2017-18 also. The Committee, however, observe that only 16 centres have been identified and in many States no centre has been identified at all. The Committee desire that while identifying the centres a balanced view should be taken and it should incorporate all the States from where labour is exported. The Committee have been critical about non-implementation of such an important scheme of the Ministry in previous Reports and once again they have been confronted with the same facts of zero utilization. In this respect, the Committee would recommend that the MEA should take up the matter of non-implementation at the highest levels in the MSDE and ensure an early roll-out of this ambitious scheme.

(Recommendation No. 36)

I. Repatriation of Indian Destitute / Evacuation of Indian Due to War / Civil Disturbances

6.54 The allocations for the Heads 'Repatriation of Indian Destitute' and 'Evacuation of Indian due to war / civil disturbance' has been kept at Rs. 0.01 crore a piece during 2017-18 (BE).

6.55 Explaining the reason for such meager allocation for this very important Scheme, the Ministry replied that allocation has remained low as most of such assistance is provided by our Missions and Posts from their own allocated budgets, or from the funds available in the Indian Community Welfare Fund (ICWF) in Missions and Posts.

6.56 The Committee are unhappy to note that the allocations for the Heads 'Repatriation of Indian Destitute' and 'Evacuation of Indian due to war/civil disturbance' has been kept at a mere Rs. 0.01 crore apiece during 2017-18 (BE). The Committee are of a considered opinion that such a small allocation will never be able to do justice with the actual requirements of providing timely succour to our nationals stranded on foreign shores. A small amount of Rs. 0.01 crore will be insufficient to address the cases of numerous Indian workers who are rendered destitute in the Gulf countries due to a variety of reasons. Similarly, in cases of multiple wars/civil disturbances, funds of the Indian Community Welfare Fund (ICWF) will not be able to cater to the huge requirement of funds needed to coordinate the rescue/relief operations. In view of the above, the Committee recommend that the allocation under these two heads should be enhanced to a realistic level in the course of the year.

(Recommendation No. 37)

J. Legislative Reforms

6.57 There is a need to redefine the scope of regulation, redesign the emigration process by setting standards and defining the roles and responsibilities of key stakeholders in the emigration process with the objective of making emigration an orderly economic process. There is need to modernize the legislative framework as in the Emigration Act, 1983 and the Emigration Rules that governs emigration of Indians for overseas employment. It will facilitate legal migration, preventing irregular migration while also empowering emigrants.

6.58 Furnishing the status of the Draft Emigration Management Bill, the Ministry through a written reply submitted that the proposal for revision of Emigration Act 1983 has been under consideration with erstwhile MOIA since 2009 by a new Emigration Management Bill (EMB). The erstwhile MOIA commenced work for drafting an EMB in 2009 but the same has not been finalized. A considerable period of time has elapsed since then. Many changes in immigration laws of different countries have taken place globally in the last seven years. A number of measures have also been taken by the government during this period to address problems & difficulties faced by emigrants. The utility of proposed provisions in the Draft Emigration Management Bill of 2009 is limited and it needs to be examined from a global perspective. The Ministry is conscious of the need to modernize the legislative framework prescribed by the Emigration Act, 1983. At the same time, several administrative and operative measures have already been put in place towards further strengthening the protection of emigrant workers and avoid their exploitation by unscrupulous agents. These are specifically aimed at making a difference at the ground level. The Ministry is in process of considering all aspects of international migration in its totality in consultation with various stakeholders and is working towards evolving a comprehensive emigration management framework. It has also been decided to set up a Committee including all stakeholders in this regard.

6.59 The Committee have noted that the proposal for revision of Emigration Act, 1983 has been under consideration with the erstwhile MOIA since 2009 thorugh a new Emigration Management Bill (EMB). The EMB could not be finalized despite persistent recommendations from the Committee in this direction. The Ministry is still in the process of considering all aspects of International Migration in its totality in consultation with various stakeholders to evolve a comprehensive emigration management framework. The Committee recommend that work relating to setting up of a Committee of stakeholders should be expedited and the Ministry should fix a timeframe to complete the groundwork for the preparation of a new Emigration Management Bill.

(Recommendation No. 38)

CHAPTER –VII

MISCELLANEOUS

A. States Division

As per the Ministry, the states Division was set up in the MEA in October 2014 with the objective of facilitating trade, investment, tourism, academic and other external linkages of the States and Union Territories. In this respect, MEA Branch Secretariats were to act as the main outreach arm of the MEA with State Governments. In States where there is no MEA Branch Secretariat as yet, such coordination work is to be carried out by Regional Passport Offices (RPOs) or Passport Offices (POs). To enable the MEA Branch Secretariats in carrying out their new State-specific outreach activities, funds were allocated to Branch Secretariats, RPOs and POs to enhance their external outreach to States and Union Territories by undertaking activities such as seminars, conferences, liaison with the State Government authorities and businesses in the State, facilitation of foreign diplomats and foreign ambassadors visiting the State for official visits etc. To achieve this purpose, MEA Branch Secretariats, RPOs and POs may also undertake market analyses, events, seminars, public diplomacy events etc. highlighting MEA's role in projection of domestic interests.

7.2 Regarding the important steps being taken for facilitating India's cultural and economic diplomacy abroad, the Ministry submitted that MEA's States Division supports and facilitates the hosting of events organized by the States by coordinating with various foreign Missions in India as well as Indian Missions and Posts abroad to encourage participation in the events and to ensure the events meet their desired objectives. Officers of the Division are deputed to attend these events in the states to obtain first-hand knowledge and for purposes of facilitattion . The Division also facilitates visits of State dignitaries to foreign countries to promote investment in the states. Some of the recent events which showcased India's cultural and commercial diplomacy and invited participation from foreign countries, that were facilitated by the Division, including coordinating foreign participation, are as under:

Date	Event	Place
12 - 14 May 2016	Simhasth Kumbh Mela	Ujjain
6 April 2016	Curtain raiser event by Chief Minister of Madhya Pradesh including screening of film on *Simhastha Kumbh Mahaparva* at Ujjain as well as to promote the	Madhya Pradesh

	Global Investors Summit 2016 to be held in October 2016 in Indore	
20-23 Sept 2016	North East Connectivity Summit organized by Ministry of DONER, Government of Tripura and FICCI to promote trade and investment in the North East through enhanced connectivity	Agartala
20 October 2016	The Division arranged interaction of a delegation of Government of Odisha headed by Chief Minister with Heads of Missions of 33 foreign countries to showcase Odisha's investment opportunities.	New Delhi
6-10 Oct 2016	SWITCH Global Expo 2016	Vadodara
22-23 Oct 2016	Global Investors Summit-Madhya Pradesh	Indore
15 Nov 2016	Division facilitated hosting of an interaction by Government of Karnataka to showcase investment opportunities focusing on 'Making Karnataka a Global Manufacturing Hub' by liaising with resident foreign missions in New Delhi	New Delhi
21-30 Nov 2016	Manipur International Sangai Festival 2016	Imphal
30 Nov-02 Dec 2016	Make in Odisha Conclave	Odisha
9 - 12 February 2017	Udaipur World Music Festival	Udaipur

7.3 The Ministry was asked how the involvement of States Division would contribute to the concept of 'Diplomacy for Development'. The Ministry through a written reply submitted that by facilitating State-specific activities, the Division would promote activities and take measures for the target countries in the spheres of trade, investment, tourism, education, entertainment, industries etc. These measures would help in establishing relationships between foreign countries and States in India and in turn contribute to the concept of 'Diplomacy for Development'."

7.4 During BE of 2017-18 Rs.10.00 crore has been allocated for 'States Facilitation Abroad' and Rs. 9.00 crore to the 'States Facilitation and Knowledge Support. Furnishing the details of the expenditure under these two sub-heads, the Ministry replied that under the budget head 'State Facilitation Abroad', sanctions amounting to Rs.11.48 crores were issued on 8 December 2016 to 179 Indian Missions and Posts abroad to facilitate State-specific activities. Under the budget head 'States Facilitation and Knowledge Support', sanctions amounting to Rs. 31.5 lakhs were issued on 27 December 2016 to MEA Branch Secretariats, Regional Passport Offices and Passport Offices to undertake State-specific activities. Since these sanctions were issued in the third quarter of the financial year, there has been nil expenditure in these heads till the end of January 2017. The allocations of Rs. 15 crores in the budget head 'States Facilitation Abroad' and of Rs. 5.65 crores in the budget head 'States Facilitation and Knowledge Support' have accordingly been reduced in RE 2016-17 to Rs. 5 crores and Rs. 2 crores respectively. Further reduction would be considered in Final Estimates stage as per utilization.

7.5 The Committee have noted that the States Division was set up in 2014 with the objective of facilitating trade, investment, tourism, academic and other external linkages of States and Union Territories. Further, the Division supports and facilitates hosting of events organized by the States by coordinating with various Foreign Missions in India as well as Indian Missions and Posts abroad. However, the Committee are unhappy to note that budgetary utilization under the heads 'States Facilitation Abroad' and 'States Facilitation and Knowledge Support' has not been satisfactory in 2016-17. There has been nil expenditure in these heads till the end of January, 2017 and accordingly the allocations have been considerably reduced at the RE stage. The Committee recommend that the Division should expand its activities to achieve its objectives in a realistic way and the Ministry should ensure that funds allocated under this head are optimally and fully utilized.

(Recommendation No. 39)

B. Transfer of Haj Responsibility

7.6 The Ministry has informed that under the Government of India (Allocation of Business Rules) 1961, the subject of 'Management of Haj Pilgrimage, including administration of the Haj Committee Act 1959' has been shifted from MEA to Ministry of Minority Affairs with effect from 1 October, 2016. Since the activities related to Haj have been transferred to the Ministry of Minority Affairs, this Ministry has not allocated any funds for expenditure on Haj activities in BE 2017-18. After transfer of Haj Management to Ministry of Minority Affairs (MOMA), the Haj Division in MEA has been wound up, with transfer of all Haj-related documents to Ministry of Minority Affairs.

7.7 Explaining the reason for the transfer of Haj responsibility from the MEA to MOMA, the Ministry replied that this has been a long standing request from MOMA. The matter was considered by the Cabinet in 2013 which referred it to a Group of Ministers (GoM) with the task of examining the transfer of work related to Annual Haj Pilgrimage from MEA to MOMA. After a series of meetings, the GoM recommended transfer of Haj related work from MEA to MOMA. In pursuance of the recommendations made by the GoM, the transfer of Haj Pilgrimage Management to MOMA was affected on 1 October 2016.

7.8 When asked whether there has been any Report by a Review Committee evaluating the performance of the MEA in managing the Haj Pilgrimage, the Ministry stated that there has been no report of any review committee evaluating the performance of MEA in this regard.

7.9 Regarding the problems likely to be encountered during the transfer, the Ministry replied that transition of Haj Management from MEA to MOMA has been a well coordinated and smooth exercise. All relevant official documents, files etc. were duly transferred to MoMA by 1 October 2016. The transfer of Haj related work to MoMA was undertaken under the supervision and guidance of the Cabinet Secretariat.

7.10 On the issue of transfer of Haj responsibility, the Foreign Secretary during the course of evidence stated:-

> "....But what I want you to understand is because today the budget and the responsibility and the allocation has moved to the Ministry of Minority Affairs does not mean that MEA or our Consulate or our Embassy washes its hands off it. When we go out as an Embassy or a Consulate, we may be under the Ministry of External Affairs, but we are really a whole of the Government and whole of the country representation. What you will see is that the Embassy in Saudi Arabia and the Consulate in Jeddah will do everything which they are required to do in that regard. It was felt that for reasons of administrative efficiency that this should be moved to another Ministry. I cannot complain because another Ministry was also moved to me. So I was also a beneficiary at one point of such thinking. Therefore, I would not have the concern which I thought you had expressed about the fact that by shifting it to the Ministry of Minority Affairs, in some way the quality and the efficiency of the support was being compromised."

7.11 The Committee have been informed that under the Government of India (Allocation of Business Rules) 1961, the subject of 'Management of Haj Pilgrimage, including administration of the Haj Committee Act, 1959' has been shifted to the Ministry of Minority Affairs with effect from 1 October, 2016. The shifting of this subject has been a long standing request from MOMA and the MEA has submitted that it has been a well

coordinated and smooth exercise. The Committee are aware that the Haj Portfolio entails a number of coordinations and arrangements at the levels of Embassy in Saudi Arabia and Consulate in Jeddah and therefore, they would specifically desire that the quality and efficiency of the support structure is not compromised even after MEA being divested of the formal responsibility. The Committee would also desire that a comprehensive status Report on effects of the transfer should be furnished to the Committee at the action taken stage.

(Recommendation No. 40)

C. Indian Community Welfare Fund (ICWF)

7.12 The Indian Community Welfare Fund (ICWF) is maintained at the level of Missions / Posts through contributions by NRIs and other Indian workers. The ICWF is collected and kept with accounts which are helped by the Missions so that they are in a position to dispense aid.

7.13 A token amount of Rs. 0.05 crore has been allocated during BE 2017-18 under legal counseling / assistance to Indian workers in the Gulf. Regarding the adequacy of the allocation towards meeting welfare requirement of Indian workers, the Ministry through a written reply submitted that allocation has remained low as most of such assistance is provided by our Missions and Posts in the Gulf region from their own allocated budgets or from the funds available in the Indian Community Welfare Fund (ICWF) in these Missions and Posts.

7.14 Explaining the rationale for maintaining a separate sub-head for providing legal counseling / assistance to Indian workers in the Gulf, the Ministry replied that they will examine whether there is a need to maintain this sub-head at the MEA headquarters, in consultation with Missions and Posts in the Gulf region.

7.15 The Ministry was asked to provide details of the expenditure made for legal counseling for Indian workers in the Gulf Region in the last 3 years, country-wise from the budget and from the ICWF separately. The Ministry provided the following data:-

All Amounts in Indian Rupees											
Country	Name of Mission/ Post	ICWF Funds Collected			Legal Assistance provided through ICWF						
		2014	2015	2016	2014		2015		2016		
					No. of Cases	Funds Utilized	No. of Cases	Funds Utilized	No. of Cases	Funds Utilized
Bahrain	EoI Bahrain	11712352	14061229	8534479	nil	nil	nil	nil	nil	nil
Kuwait	EoI Kuwait	34460879	39785513	39547172	1	86300	nil	nil	nil	nil
Oman	EoI Muscat	29712562	38619352	36995752	NA	60000	nil	nil	nil	524700
Qatar	EoI Doha	13560509	21221043	15690263	35	135738	46	517552	46	117867
Saudi Arabia	CGI Jeddah	NA	21894029	20280163	3	111943	1	85543	2	NA
United Arab Emirates	EoI Abu Dhabi	33430492	31540715	24572137	1	219302	NIL	NIL	1	93284
TOTAL		**122876794**	**167121881**	**145619966**	**40**	**553283**	**47**	**603095**	**49**	**735851**

7.16 The details of funds collected and utilized under the Indian Community Welfare Fund (ICWF) by various Indian Missions/Posts abroad in the last 3 years are given in the **Annexure**.

7.17 It may be seen that Indian Community Welfare Fund has been created in 86 Missions/Posts and the fund has seen zero utilization by some of them during the preceding three years.

7.18 The Committee have noted that the ICWF is maintained at the level of Missions/Posts through contributions by NRIs and other Indian workers and it is collected and kept with accounts which are helped by the Missions so that they are in a position to dispense aid. The ICWF fund is being used to dispense help in cases ranging from

repatriation of the destitute, evacuation of Indians due to war/civil disturbance and providing legal counseling and assistance to Indian workers in the Gulf. The Committee are pleased to note that the ICWF has been created in 86 Missions/ Posts and 14.56 crore has been collected under the ICWF in the Gulf Region where most of the assistance work would be required. The Committee recommend that modalities of sanctioning funds should be worked out by the Ministry and that periodic audits of the ICWF should also be initiated at the earliest. The Committee would also like to ask the Ministry to consider whether there is any need of maintaining a sub-head of legal counseling/assistance to Indian workers in Gulf region at MEA headquarters, if they are assisted through ICWF.

(Recommendation No. 41)

D. Research and Information System for Developing Countries (RIS)

7.19 The Research and Information System for Developing Countries (RIS) is a New Delhi–based autonomous policy research institute under the MEA that specializes in issues relating to international economic development with special focus on trade, investment and technology. The RIS is envisioned as a forum for fostering effective policy dialogue and capacity-building among developing countries on global and regional economic issues. The focus of the work programme of RIS is to promote South-South Cooperation (SSC) and collaborate with developing countries in multilateral negotiations in various fora. RIS is engaged across inter-governmental processes of several regional economic cooperation initiatives. Through its intensive network of think tanks, RIS seeks to enhance policy coherence on international economic issues and the development partnership canvas.

(Rs. in Crores)

Year	BE		RE		Actual Expenditure
	Demand	Allocation	Demand	Allocation	
2014-15	5.35	5.35	5.35	5.28	5.28
2015-16	6.35	5.85	7.50	5.85	5.85
2016-17	8.90	6.90	10.01	6.90	3.46*

**Up to December 2016*

7.20 Elaborating on the exact role of the RIS, *vis-à-vis* the Policy, Planning and Research Division, the Ministry through a written reply submitted that RIS undertakes research activities and also forges links between research institutions of other Nonaligned and developing countries.

It organizes discussions, seminars and workshops and involves research institutions of other countries in these undertakings. It advises the Government of India on matters pertaining to multilateral economic and social issues as are referred to it from time to time. The research inputs provided by the RIS feed into foreign policy formulation by the PP&R Division and other parts of the MEA. Some of the areas where such inputs have recently proved beneficial in enriching the Ministry's understanding include IBSA related programmes in the area of micro credit and health; narratives of 'Blue Economy' in the context of the Indian Ocean Rim Association (IORA) and BIMSTEC meetings; inputs for G-20 meetings; inputs on South-South cooperation, Free Trade Agreements at bilateral and regional level ; imports and exports of bulk drugs; issues regarding the functioning of Indian development assistance projects abroad and on new definition of Official Development Assistance (ODA).

7.21 On the areas of overlap between the RIS and the Policy Planning and Research Division, the Ministry replied that the Policy Planning and Research Division have the broad mandate of undertaking continuous and forward looking analysis of our principal foreign policy objectives, providing research based perspectives on ongoing issues/policies to the Ministry, and expanding outreach to Indian think tanks to gain ideas and perspectives for foreign policy formulation. The RIS is one such think tank which specializes in primary research on international economic issues and development cooperation, and also serves as a forum for forging links between research institutions of other Nonaligned and developing countries. The research inputs provided by RIS feed into foreign policy formulation by the PP&R Division and other parts of MEA. Given the difference in mandate and function of the two entities, it is felt that merging the two is not required for ensuring effective policy coordination. The Ministry will continue to support and guide the RIS in undertaking research and in fostering policy dialogue on relevant subjects, which will serve as valuable inputs to the Ministry's larger policy formulation process.

7.22 The Committee are aware that Research and Information System for Developing Countries (RIS) is a new Delhi based autonomous policy research institute under the MEA that specializes in issues relating to international economic development with special focus on trade, investment and technology. The Research inputs provided by RIS feed into foreign policy formulation by the Policy Planning & Research (PP&R) Division and other parts of the Ministry of External Affairs. The profile and outreach of India within the international community is undergoing rapid transformation and, therefore, it is

imperative that the RIS is at the vanguard for shaping India's views and opinions on subjects like G-20, Free Trade Agreements, IBSA and South-South Cooperation. The Committee would, therefore, desire that the RIS should step up its research output in terms of policy papers for internal use of the Ministry and there should be more synergy between the RIS and PP&R Division for providing actionable points.

(Recommendation No. 42)

E. Low utilization of funds by Indian Council for Cultural Relations (ICCR)

7.23 The Indian Council for Cultural Relations (ICCR) is one of the three autonomous bodies under the Ministry of External Affairs. A budget of Rs. 215.80 crore has been allocated in BE 2016-17 and it was reduced to Rs. 185.80 crore in RE 2016-17. During BE 2017-18 the allocation has been enhanced to Rs. 233.14 crore.

7.24 As per the Ministry, the details of allocation sought and provided, and actual expenditure by ICCR for last three years are given below:

(Rs. in Crore)

Year	BE		RE		Actual Expenditure
	Demand	Allocation	Demand	Allocation	
2014-15	217.68	176.00	193.00	167.20	160.29
2015-16	250.48	192.00	202.80	192.00	161.57*
2016-17	255.23	215.80	222.70	185.80	176.25 *(up to Jan 2017)*

**subject to certification by statutory audit*

7.25 About the adequacy or otherwise of the budgetary allocation in view of ICCR's expanding activities, the Ministry stated that in CFY various activities approved in the Plan of Action had to be reduced keeping in view of the budgetary allocation. A sum of Rs.273.39 crores for BE 2017-18 was sought, with due approval by Council's Statutory Bodies. While ICCR's mandate is increasing by each year and events for increasing its engagement with countries abroad with matching activities, however since the BE 2017-18 is pegged at Rs.233.14 crores, ICCR would have no option but to scale down its activities.

7.26 Regarding extra budgetary resources at the disposal of the ICCR, the Ministry through a written reply submitted that about Rs.4.20 crores are generated from fees charged from the students attending various cultural classes run by Indian Cultural Centres abroad, renting of premises and miscellaneous receipts.

7.27 Elaborating upon the mechanism for ensuring optimum utilization of funds by the ICCR. The Ministry through a written reply submitted that in order to ensure optimum utilization of funds, the following mechanism is being adopted:

a. Synergising its efforts with related line Ministries to converge funds.
b. Partnership with the State Governments.
c. Initiated negotiations with its counterparts in foreign countries for establishing institutional partnerships. It is currently negotiating a Memorandum of Understanding with China Federation of Literary and Art Circle (CFLAC).
d. Introduced cost-sharing model for establishing and sustaining Indian studies chairs in Universities abroad. Maximising use of Indian Chairs and teachers. And,
e. Establishing panel of multi-talented teachers to minimize costs incurred on sending many teachers to a centre/Mission.
f. Cultural groups are sent abroad with the aim to cover maximum countries in one go. The leaders of these groups also conduct lecture demonstrations apart from performing.
g. Yoga Teachers deputed in various Centres also participate in Yoga/Yoga Day celebrations.

7.28 The Committee have noted that the budgetary allocation for ICCR during 2017-18 (BE) has been kept at Rs.233.14 crore. The Ministry has stated that since the actual allocation is less than the projected demand of Rs. 273.39 crore, the ICCR would be forced to scale down its activities. However, when it comes to full utilization of the allocated budget, ICCR was always found off the mark. The Committee are unhappy to note that ICCR was unable to fully utilize its budget during 2014-15 and again in 2015-16 the gap between allocation and utilization was worryingly wide. The Committee would, therefore, recommend that the ICCR should further streamline its machinery to ensure that it does not lag behind in the utilization of funds. Further, the Committee desire that in view of lacklustre utilization, the ICCR should try to maintain its demand at a reasonable level. The Committee also desire that the ICCR should explore further avenues for generating extra-budgetary resources in relation to various programmes and property it is holding in its command.

(Recommendation No. 43)

NEW DELHI
16 March, 2017
25 Phalguna, 1938 (Saka)

DR. SHASHI THAROOR
Chairperson,
Committee on External Affairs

ANNEXURE

S. No.	Name of the Mission/ Post	ICWF Funds Collected			ICWF Funds Utilized		
		2014	2015	2016	2014	2015	2016
1	CGI, Herat, AFG01	Nil	85932	89244	Nil	25983	Nil
2	CGI, Jalalabad, AFG02	248292	28710	77418	Nil	NIL	NIL
3	EoI, Kabul, AFG03	1311266	1082995	1447334	261998	1235026	217150
4	CGI, Mazar-e-Sharif, AFG05	NIL	NIL	176200	NIL	NIL	NIL
5	EoI, Abudhabi, ARE01	33430492	31540715	24572137	55515584	19968137	29234963
6	EoI, Yerevan, ARM01	174064	173059	117002	NIL	NIL	795213
7	HCI, Canberra, AUS01	21357912	7072380	2801725	1982200	1269890	2980426
8	CGI,MelbourneAUS02	253571	4090913	6875659	113636	198245	204082
9	CGI, Perth, AUS03	158625	1939264	2526987	353347	250000	843980
10	CGI, Sydney, AUS04	336194	4662432	6794530	441652	497915	413333
11	EoI, Vienna, AUT01	NA	NA	NA	4		
12	EoI, Brussels, BEL01	4991827	3257181	4496412	574117	220381	474767
13	AHCI, Chittagong, BGD01	64936	86418	88183	32097	0	0
14	AHCI,Rajshahi BGD03	NIL	NIL	NIL	NIL	NIL	NIL
15	EoI, Sofia, BGR01	527992	1019640				
16	EoI, Adliya, BHR01	11712352	14061229	8534479	2382455	2850598	3234945
17	HCI, Brunei Darussalam, BRN01	492213	479219	554567	0	0	5,60,026
18	EoI, Thimphu, BTN02	347700	424500	494500	0	0	0
19	HCI, Ottawa, CAN01	749929	1420408	1664816	Nil	182031	9903
20	EoI, Berne, CHE01	4989902	5053177	4062464	Nil	Nil	Nil
21	CGI, Geneva, CHE02	1638630	1423219	1255753	NIL	NIL	NIL
22	EoI, Santiago, CHL01	542323	175579	494777	NIL	623102	NIL
23	EoI, Beijing, CHN01	8247010	8509731	6908151	3597	355524	427206
24	CGI, Guangzhou, CHN02	7094852	9781281	11364069	3300828	147591	9695558
25	CGI, Shanghai, CHN04	9062346	11215250	5715463	35189	8951	263990
26	EoI, Abidjan, CIV01	CI-	CI-	CI-489545	CI-84063	CI-	CI-16496

S. No.	Name of the Mission/ Post	ICWF Funds Collected			ICWF Funds Utilized		
		2014	2015	2016	2014	2015	2016
	[Cote d'Ivoire- (CI); Guinea - (Gui); Liberia - (Lbr)]	254836 Gui-19195 Lbr-47184	271576 Gui-41435 Lbr-69978	Gui-59813 Lbr-138257	Gui-Nil Lbr-Nil	305705 Gui-Nil Lbr-Nil	Gui-Nil Lbr-Nil
27	EoI, Berlin, DEU01	8049517	4279960	3252620	371071	22235411	1924592
28	CGI, Munich, DEU04	8524024	6793199	7740298	525764	664583	1523383
29	EoI, Copenhagen, DNK01	4646673	3724679	3248962	360840	400800	147872
30	EoI, Algiers, DZA01	221556	193458	318028	Nil	Nil	86319
31	EoI, Cairo, EGY01	903901	1400251	1792970	431257	874848	1824346
32	EoI, Helsinki, FIN01	Nil	1778511	1750550	Nil	Nil	Nil
33	HCI, Suva, FJI01	327776	305562	365774	91605	160476	441237
34	EoI, Paris, FRA01	38594825	32065820	46871110	10249200	21708347	906980
35	CGI, St. Denis-Reunion Island, FRA02	NA	NA	399856	NA	NA	NIL
36	CGI, Edinburgh, GBR02	5145087	3041678	4408655.34	99460	NIL	NIL
37	EoI, Guatemala City, GTM01	1,51,285	1,34,913	125022	Nil	Nil	Nil
38	HCI, Georgetown, GUY01	57410	64213	96179	nil	Nil	Nil
39	CGI, Bali, IDN01	325293	285818	292607	4757	35272	99561
40	EoI, Tehran, IRN02	3011144					2202815
41	EoI, Baghdad, IRQ01	7042024	6381934	8725033	168130157	20590264	927369
42	EoI, Rome, ITA02	8102794	7389355	7840879	565287	1126400	1914001
43	HCI, Kingston, JAM01	180361	156398	151829	Nil	Nil	Nil
44	EoI, Amman, JOR01	1252973	1396365	1407930	309352	286716	1763720
45	CGI, Osaka-Kobe, JPN01	3700653	2725002	2869423	0	0	0
46	EoI, Tokyo, JPN02	10543373	8617387	9954253	Nil	Nil	Nil
47	EoI, Astana, KAZ01	69531412	86710049	63819616	Nil	Nil	nil
48	EoI, Bishkek, KGZ01	238019	248655	312508	116346	92756	352948
49	EoI, Phnom Penh, KHM01	542163	615675	578712	Nil	417208	361350
50	EoI, Seoul, KOR01	8531521	7454738	7901495	1100704	154223	470814
51	EoI, Kuwait, KWT01	34460879	39785513	39547172	9094236	6106566	5611591
52	HCI, Colombo, LKA01	6096401	7454242	8101858	3697901	1645062	359894
53	AHCI, Kandy,	818214	884260	894907	152199	NIL	NIL

S. No.	Name of the Mission/ Post	ICWF Funds Collected			ICWF Funds Utilized		
		2014	2015	2016	2014	2015	2016
	LKA04						
54	EoI, Antananarivo, MDG01	271930	232249	190492	18495		NIL
55	CGI,Mandalay, MMR01	8240	4560	8964	NIL	450	NIL
56	EoI, Yangon, MMR02	3341110	3407639	4505297	206	nil	339
57	EoI, Ulaanbaatar, MNG01	10573	9891	8071	Nil	Nil	Nil
58	HCI, Maputo, MOZ01	884694	1085148	1057068	NIL	1304	110500
59	HCI,Lilongwe, MWI01	187660	188296	272571	NIL	NIL	NIL
60	HCI, Kualalumpur, MYS01	30238368	26002206	26583981	11736016	15905175	46629978
61	EoI, Oslo, NOR01	1551467		1668899	Nil	Nil	Nil
62	CGI, Birganj, NPL01	166791	190738	147137	1257	15913	23126
63	EoI, Kathmandu, NPL03	2994353	818235	3254514	NIL	409236	NIL
64	EoI, Muscat, OMN01	29712562	38619352	36995752	11128455	95100129	20720345
65	EoI, Lima, PER01	330009	322269	251171	66704	NIL	104569
66	EoI, Manila, PHL01	4110288	3859424	3711278	600	69447	2840348
67	RoI, Ramallah, PSE01	78439	71547	49101	196174	NIL	NIL
68	EoI, Doha, QAT01	13560509	21221043	15690263	3886537	8585479	9697714
69	EoI, Bucharest, ROU01	331159	307689				
70	CGI, Jeddah, SAU02	NA	21894029	20280163	8463276	10011392	23257914
71	EoI, Juba, SDN02	321692	342345	118078	0	0	0
72	EoI, Paramaribo, SUR01	170768	206313	180847	8590	NIL	NIL
73	EoI, Stockholm, SWE01	15230045	17404546	19883004	Nil	39495	Nil
74	EoI,Damascus, SYR01	154295	286725	433937	Nil	55881	
75	CGI,Chiangmai, THA02	252043	240112	265272	NIL	NIL	NIL
76	EoI, Dushanbe, TJK01	227801	252952	303144	89522	33130	Nil
77	EoI, Ashgabat, TKM01	21064	1083385	1586662	Nil	Nil	Nil
78	EoI, Ankara, TUR01	606538	634104	698490	3032	182010	10043
79	HCI,Kampala, UGA01	1230956	2168965	1574860	nil	2042146	1035419
80	CGI, Atlanta, USA01	9538471	11135913	12367631	Nil	1310239	202650

S. No.	Name of the Mission/ Post	ICWF Funds Collected			ICWF Funds Utilized		
		2014	2015	2016	2014	2015	2016
81	CGI,Chicago, USA02	14001076	14746231	19064635	Nil	Nil	40395042
82	EoI, Tashkent, UZB01	1843260	2174256	2855800	32928	54921	5318
83	EoI, Hanoi, VNM01	1038150	1199480	1484167	Nil	31695	Nil
84	CGI, Ho Chi Minh City, VNM02	1345926	1467655	1669502	5929	Nil	543695
85	CGI, Durban, ZAF02	327660	292350	272291	NIL	NIL	NIL
86	HCI, Lusaka, ZMB01	650725	585727	486970	Nil	Nil	Nil

APPENDIX I

MINUTES OF THE EIGHTH SITTING OF THE COMMITTEE ON EXTERNAL AFFAIRS (2016-17) HELD ON 16 FEBRUARY, 2017

The Committee sat on Thursday, the 16 February, 2017 from 1100hrs. to 1420hrs. in the Main Committee Room, Parliament House Annexe, New Delhi.

PRESENT

Dr. Shashi Tharoor – Chairperson

MEMBERS
LOK SABHA

2. Shri Arka Keshari Deo
3. Prof. Richard Hay
4. Shri Mohammad Salim
5. Prof. (Dr.) Mamtaz Sanghamita
6. Shri Ram Swaroop Sharma
7. Shri Sharad Tripathi

RAJYA SABHA

8. Shri Satyavrat Chaturvedi
9. Shri Swapan Dasgupta
10. Dr. Karan Singh

SECRETARIAT

1.	Dr. Ram Raj Rai	-	Director
2.	Shri Janmesh Singh	-	Under Secretary

REPRESENTATIVES OF THE MINISTRY OF EXTERNAL AFFAIRS

S.No.	Name		Designation
1.	Dr. S. Jaishankar	-	Foreign Secretary
2.	Shri Amarendra Khatua	-	Director General, ICCR
3.	Shri Amar Sinha	-	Secretary (ER)
4.	Shri Dnyaneshwar M. Mulay	-	Secretary (CPV &OIA)
5.	Ms. Mukta D. Tomar	-	AS (AD)
6.	Dr. Sumeet Jerath	-	Additional Secretary (FA)
7.	Shri Sanjay Kumar Verma	-	JS (GEM & EGIT)
8.	Shri Jaideep Maxumdar	-	JS (South & Nalanda)
9.	Shri C. Rajaskhar	-	JS (WA)
10.	Shri Sanjay Verma	-	JS (COP)
11.	Shri Ajit Vinayak Gupte	-	Joint Secretary (DPA-II)
12.	Shri Sanjay Panda	-	Joint Secretary (IOR)
13.	Dr. Neena Malhotra	-	Joint Secretary (E&SA)

14.	Shri Gopal Baglay	-	Joint Secretary (PAI)
15.	Shri Arun K. Chatterjee	-	JS (PSP) & CPO
16.	Shri Sudhakar Dalela	-	Joint Secretary (North)
17.	Shri Sibi George	-	JS (AD/Estt./Welfare)
18.	Ms. Sripriya Ranganathan	-	JS (BM)
19.	Ms. Vani S. Rao	-	JS (OIA-II)
20.	Shri M. Subbarayadu	-	Joint Secretary (DPA-III)
21.	Ms. Nutan Kapoor Mahawar	-	Joint Secretary (Parl & Coord)
22.	Shri Prashant Agrawal	-	JS (SAARC & BIMSTEC)
23.	Shri Manish Gupta	-	JS (OIA-I)
24.	Dr. Deepak Mittal	-	JS (CPV)
25.	Ms. Padmaja	-	Dir (CPV)
26.	Shri Vinod K Jacob	-	Dir (PAK)

2. At the outset, the Chairperson welcomed the members of the Committee and the representatives of the Ministry of External Affairs to the Sitting of the Committee to take evidence of the representatives of the Ministry on Demands for Grants of the Ministry for the year 2017-18. The Chairperson in his opening remarks highlighted the classification of the budget into 'Scheme' and 'Non-Scheme' categories and the reductions effected in allocations to the schemes administered by erstwhile Ministry of Overseas Indian Affairs (MOIA). Then he drew the attention of the representatives of the Ministry to Direction 55 (1) of Directions by the Speaker, Lok Sabha.

3. Thereafter, the Foreign Secretary provided an overview of the Ministry's functioning and significance of budgetary allocations for 2017-18 alongwith the challenges faced in project implementation abroad. The members raised queries on certain key issues which *inter-alia* included investments in Nepal, classification of the budget into 'scheme' and 'non-scheme' categories; uneven quarterly spending by the Ministry; insufficient budgetary allocation to the diaspora functions of the Ministry; status of Post Office Passport Seva Kendras (POPSKs) including recruitment of staff for that purpose; reduction in the MEA's budget in proportion to the Government's overall budget; inability of the Ministry to take up the cause of lower budgetary allocations with the Ministry of Finance in a convincing manner; transfer of Haj responsibility to the Ministry of Minority Affairs; status of Nalanda University and South Asian University Projects, status of Emigration Management Bill, etc.

4. The Foreign Secretary responded to the queries raised by the Committee and emphasized on the rationale for strong delivery on projects. The Committee desired the Ministry to furnish written replies to the various points raised by the members during discussion and to the Supplementary List of Points send by the Secretariat within a week.

The witnesses then withdrew.

The Committee then adjourned

A verbatim record of the proceedings has been kept.

APPENDIX II

MINUTES OF THE ELEVENTH SITTING OF THE COMMITTEE ON EXTERNAL AFFAIRS (2016-17) HELD ON 16 MARCH, 2017

The Committee sat on Thursday, 16 March, 2017 from 1010 hrs. to 1040 hrs. in Room No. 62, Parliament House, New Delhi.

PRESENT

Dr. Shashi Tharoor – Chairperson

Members

2. Prof. (Dr.) Sugata Bose
3. Prof. Richard Hay
4. Shri Raghav Lakhanpal
5. Shri Venakateswara Rao Magannti
6. Shri A. Anwhar Raajhaa
7. Shri Vishnu Dayal Ram
8. Shri Mohammad Salim
9. Prof. (Dr.) Mamtaz Sanghamita
10. Smt. Supriya Sule
11. Shri Sharad Tripathi

Rajya Sabha

12. Shri Swapan Dasgupta
13. Shri Amar Singh
14. Shri R.K. Sinha

Secretariat

1.	Shri P.C. Koul	-	Joint Secretary
2.	Dr. Ram Raj Rai	-	Director
3.	Shri Janmesh Singh	-	Under Secretary

2. At the outset, the Chairperson welcomed the members to the Sitting of the Committee.

3. The Committee took up for consideration the draft Report on Demands for Grants of the Ministry of External Affairs for the year 2017-18.

4. The Chairperson 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 these minor modifications.

5. The Committee then authorized the Chairperson to finalize the Report incorporating the suggestions made by the members and present the same to Parliament.

The Committee then adjourned.