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**STANDING COMMITTEE ON FINANCE
(2022-23)**

SEVENTEENTH LOK SABHA

MINISTRY OF PLANNING

*[Action taken by the Government on the Observations/Recommendations
contained in Fifty-Seventh Report of the Standing Committee on Finance on
'Demands for Grants (2023-24) of the Ministry of Planning']*

SIXTY-FOURTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

July, 2023/ Ashadha, 1945 (Saka)

SIXTY-FOURTH REPORT

STANDING COMMITTEE ON FINANCE
(2022-2023)

(SEVENTEENTH LOK SABHA)

MINISTRY OF PLANNING

[Action taken by the Government on the Observations/Recommendations contained in Fifty-Seventh Report of the Standing Committee on Finance on 'Demands for Grants (2023-24) of the Ministry of Planning']

Presented to Lok Sabha on 27th July, 2023

Laid in Rajya Sabha on 27th July, 2023



LOK SABHA SECRETARIAT
NEW DELHI

July, 2023/ Ashadha, 1945 (Saka)

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COMPOSITION OF STANDING COMMITTEE ON FINANCE (2022-23)

Shri Jayant Sinha - Chairperson

MEMBERS

LOK SABHA

2. Shri S.S. Ahluwalia
3. Shri Sukhbir Singh Badal
4. Shri Subhash Chandra Baheria
5. Dr. Subhash Ramrao Bhamre
6. Smt. Sunita Duggal
7. Shri Gaurav Gogoi
8. Shri Sudheer Gupta
9. Shri Manoj Kishorbhai Kotak
10. Shri Pinaki Misra
11. Shri Hemant Shriram Patil
12. Shri Ravi Shankar Prasad
13. Shri Nama Nageshwara Rao
14. Prof. Sougata Ray
15. Shri P.V. Midhun Reddy
16. Shri Gopal Chinayya Shetty
17. Shri Parvesh Sahib Singh
18. Dr. (Prof) Kirit Premjibhai Solanki
19. Shri Manish Tewari
20. Shri Balashowry Vallabbhaneni
21. Shri Rajesh Verma

RAJYA SABHA

22. Dr. Radha Mohan Das Agarwal
23. Shri Raghav Chadha
24. Shri P. Chidambaram
25. Shri Damodar Rao Divakonda
26. Shri Ryaga Krishnaiah
27. Shri Sushil Kumar Modi
28. Dr.Amar Patnaik
29. Dr. C.M. Ramesh
30. Shri G.V.L. Narasimha Rao
31. Shri Pramod Tiwari*

SECRETARIAT

1. Shri Siddharth Mahajan - Joint Secretary
2. Shri Ramkumar Suryanarayanan - Director
3. Shri Puneet Bhatia - Deputy Secretary
4. Shri Manish Kumar - Committee Officer

* *Vide* Rajya Sabha Bulletin Part-II no. 63014 dated 13.03.2023, Shri Pramod Tiwari was nominated to the Standing Committee on Finance (2022-23) on 13th March, 2023 *vice* Dr. Manmohan Singh, who resigned from the Committee w.e.f. 9th February, 2023.

INTRODUCTION

I, the Chairperson of the Standing Committee on Finance, having been authorized by the Committee, present this Sixty-Fourth Report on action taken by the Government on the Observations / Recommendations contained in the Fifty-Seventh Report of the Committee (Seventeenth Lok Sabha) on Demands for Grants (2023-24) of the Ministry of Planning.

2. The Fifty-Seventh Report was presented to Lok Sabha / laid on the table of Rajya Sabha on 23 March, 2023. The Action Taken Notes on the Observations/Recommendations were received from the Government vide their communication dated 31 May, 2023.

3. The Committee considered and adopted this Report at their sitting held on 20 July 2023.

4. An analysis of the action taken by the Government on the recommendations contained in the Fifty-Seventh Report of the Committee is given in the Appendix.

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

NEW DELHI
20 July, 2023
29 Ashadha, 1945 (Saka)

JAYANT SINHA,
Chairperson,
Standing Committee on Finance

REPORT
CHAPTER - I

This Report of the Standing Committee on Finance deals with the action taken by the Government on the Observations/ Recommendations contained in the 57th Report (17th Lok Sabha) on Demands for Grants (2023-24) of the Ministry of Planning.

2. The 57th Report (17th Lok Sabha) was presented to the Lok Sabha on 23rd March, 2023 and was laid in Rajya Sabha on the same day. The Report contained 9 Observations/Recommendations.

3. Action-taken replies in respect of all the Observations/Recommendations contained in the 57th Report were received on 31st May, 2023. These have been categorized as follows:

- (i) Observations/Recommendations which have been accepted by the Government:
Serial Nos. 1,2,3,4,5,6,7,8 and 9 Total - 9
(Chapter-II)
- (ii) Observation/Recommendation which the Committee do not desire to pursue in view of the Government's reply:
- Nil - (Total – NIL)
(Chapter-III)
- (iii) Observation/Recommendation in respect of which the reply of the Government has not been accepted by the Committee and which require reiteration:
- Nil - (Total–NIL)
(Chapter-IV)
- (iv) Observation/Recommendation in respect of which the final reply of the Government is still awaited:
- Nil - (Total – NIL)
(Chapter-V)

4. The Committee desire that action taken statement on the Observations/Recommendations contained in Chapter-I of this Report may be furnished to the Committee within three months of its presentation.

5. The Committee will now deal with action taken by the Government on some of their Observations/Recommendations that require reiteration or merit comments.

(Recommendation Serial No 3)

Development Monitoring and Evaluation Office (DMEO)

6. The Committee, in their Report, had observed/ recommended as under:

“The committee note that the allocation towards DMEO in BE (2023-24) has reminded at Rs. 17 crores since last year. The Ministry of Planning in a written submission have informed the Committee that in current Financial Year 2023-24, DMEO is planning to launch a sizeable number of evaluation studies that would cover most of the flagship schemes of the Government of India and hence, the fund requirement is likely to be higher. The Ministry further informed that based on the actual expenditure, additional funds will be requested during the RE stage of FY 2023-24. Last year also, the Ministry had informed the Committee that they had sought an allocation of Rs. 36.44 crores but only Rs. 17.00 crores was allocated. The Committee believe that some shortfall can be balanced at supplementary stages. Therefore, the Committee are of the opinion that the Ministry should be more proactive at budget preparation stage itself by planning in advance about the probable research studies to be undertaken in a year and the fund requirements for the same.”

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

“The observation of the standing committee is noted for due consideration and action.”

8. The Committee noting that DMEO has to launch a sizeable number of evaluation studies during the current fiscal that would cover most of the flagship schemes of the Government of India, had recommended the Ministry to be more proactive in assessing the need of funds with a view to ensure that the paucity of funds does not hinder execution of such endeavours. The Committee would have

appreciated better if the Ministry had provided more information about the steps they have taken to address this issue, as well as the status of the evaluation studies and the funds that have been utilized so far. However, the Committee expects that the same will be furnished when the Ministry submits its Final Action Taken Statement.

(Recommendation Serial No 5)

Aspirational Districts Programme (ADP)

9. The Committee, in their Report, had observed/ recommended as under:

“The Committee note that budgetary allocation for Official Development Assistance (ODA) from Japan International Cooperation Agency (JICA) for Sustainable Development Goals (SDGs) in BE (2023-24) is Rs. 433 crores against an allocation of Rs. 0.01 crore and Rs. 500 crores in BE and RE of 2022- 23 respectively. The Committee appreciate the timely allocation made this year vis-à-vis last year when only a token of Rs. 0.01 crore was made at BE (2022-23) due to non-submission of Expenditure Finance Committee (EFC). However, the Committee also feels that ADP should move beyond its twin function of tracking the progress of districts and awarding the best performing districts, to serious alignment with line ministries' key schemes having an increased focus on development of these backward districts. The Committee would also like the Ministry to deliberate upon the possibility of enhanced fund allocations to aspirational districts vis-à-vis other districts to effectively implement the flagship schemes of the Government. Further, apart from real-time data, the Committee would also like the Ministry to constantly evolve new methodologies and undertake third-party evaluations to ensure high quality of the data being submitted by district authorities. The Committee would further like to highlight the need for sincere capacity building of the staff tasked with data collection, collation, and analysis with regard to ADP.”

10. The Ministry, in their action taken reply, have stated as under:

1) *“The Committee has recommended that ADP should align with key schemes of line ministries to focus on the development of backward districts. The recommendation of the Committee is duly noted and is built into the design of the Programme. The objective of Aspirational Districts Programme is to accelerate*

the development of selected districts through robust monitoring of key indicators. These indicators have been designed keeping in mind saturation of schemes to achieve key socio-economic outcomes. Effective implementation of schemes of Line-Ministries is critical to the progress of these key performance indicators. In this regard, the Ministry has prepared a 'Primer to Aspirational Districts Programme' mapping indicators against the relevant schemes of Line-Ministries.

2) The Committee has recommended that enhanced fund allocation should be provided to aspirational districts compared to other districts to effectively implement flagship schemes. The recommendation of the Committee is duly noted. Given that the goal of the Programme is to improve governance using the existing resource envelope of a District Administration, large infusion of additional funds is not envisaged. However, the Ministry is working closely with all Line-Ministries to ensure that the Aspirational Districts are prioritized under existing and new schemes. Additionally, the Ministry has also liaised with the Department of Public Enterprises to ensure prioritization of Aspirational Districts by Central Public Sector Enterprises under their CSR.

Under the EAP-SDG, in addition to awarding districts based on performance wherein, districts undertake projects to meet critical gaps; the Ministry also undertakes large-scale projects impacting many districts to achieve key social outcomes and for capacity building.

3) The Committee has recommended that the Ministry should evolve new methodologies and undertake third-party evaluations to ensure high-quality data being submitted by district authorities. In order to ensure data accuracy, NITI Aayog has designed a 3-stage verification strategy. State/District administrations conduct sample-based checks led by supervisors and senior officials. Once the data is entered in the Champions of Change dashboard, it detects any anomalous movement of data and alerts the concerned District Magistrates accordingly. Also, third-party verification has been envisaged as in the past, by deploying teams at the field-level to undertake cross-checks and help District Officers to improve the quality of data.

Going forward, the Ministry is in the process of constituting a mechanism for fetching data directly from the Line-Ministries' data sources instead of districts

self-reporting the data. This will help in reducing chances of errors associated with manual data entry and to avoid duplication of efforts.

4) *The Committee has highlighted the need for sincere capacity building of staff tasked with data collection, collation, and analysis. The ADP team at NITI Aayog regularly conducts training of the district officers on aspects such as entering data on the 'Champions of Change' dashboard, and using the same to analyze performance and design interventions. Going forward, the Ministry is planning to organize various regional-level capacity building workshops focused on both sectoral and technical aspects for staff at block and district levels to help them better implement the programme and make best use of the available data."*

11. The Committee are happy with the efforts made by the Ministry in the wake of their recommendations. The Committee are particularly pleased that the Ministry is in the process of constituting a mechanism for fetching data directly from the Line-Ministries' data sources instead of districts self-reporting the data. The Committee believe that this will help to improve the accuracy and timeliness of the data, which is essential for effective planning and implementation of the programme. The Committee also note with satisfaction that the Ministry is planning to organize various regional-level capacity building workshops focused on both sectoral and technical aspects for staff at block and district levels. This will help to ensure that the staff have the skills and knowledge they need to implement the programme effectively. The Committee expect that the said proposals will be finalized promptly and the Ministry will provide details thereof at the time of submitting the Final Action Taken Statement.

(Recommendation Serial No. 7)

State Support Mission (SSM)

12. The Committee, in their Report, had observed/ recommended as under:

"The Committee note the new scheme launched by NITI Aayog viz. State Support Mission (SSM), under which NITI Aayog in coordination with Lead Knowledge Institutions like IITs/IIMs, development partners, multilateral agencies and civil societies

is supporting States to set up State Institution of Transformation (SIT). The Committee further note that this schemes has been allocated a sum of Rs. 40 crores in BE (2023-24) against an earlier allocation of Rs. 50 lakhs in RE (2022-23) and the mission is to be implemented from 2022-23 to 2024-25 with a total outlay of Rs. 237.50 crores. The Committee, while appreciating the provision that States/UTs may either choose to establish SITs or reimagine the role of their existing institutions such as planning departments and boards, would also like to understand the exact role of SIT as currently the different Planning structures in different States serve different purposes and there is no uniformity among them. The Committee would further like to be made aware of the nature of collaboration between SITs and NITI Aayog. The Committee are of the opinion that economic and social planning being a subject of the concurrent list should have a harmonious participation of both States and Centre, with States doing the ground and institutions like NITI Aayog assisting them with their technical expertise. The Committee are also of the view that schemes like SSM should be carefully planned and executed so that States do not feel that their power to plan is being infringed upon. The Committee, therefore, recommend NITI Aayog to undertake capacity building and sensitization of the staff involved so that technical expertise is appropriately balanced with unique local features of each State.”

13. The Ministry, in their action taken reply, have stated as under:

- 1) *“The envisaged roles and functions of the SIT are as follows:*
 - (i). *To support and facilitate the States/UTs in formulating their development strategies and State Visions in alignment with India Vision@ 2047 and other national development priorities*
 - (ii). *To support the development of robust Monitoring & Evaluation unit and Data Analytics Unit in the States/UTs.*
 - (iii). *To facilitate States/UTs on collaborating with academic institutions, research institutions and think tanks to leverage their expertise and domain-specific knowledge for achieving the development priorities of the States.*
- 2) *State Support Mission is a demand-based Central Sector Scheme for deepening the ongoing partnership between the States/UTs and NITI Aayog.*

Accordingly, technical and financial support would be extended to the interested States/UTs for strengthening their existing planning departments or establishing a State Institution of Transformation. In this regard, a multi-disciplinary Programme Implementation Unit comprising sector experts will be deployed by the States/UTs to be funded under the Mission. This team of experts will be located in the States/UTs and will work under the supervision of the State/UT Government. Dedicated funds have also been earmarked exclusively for the strengthening of the Monitoring & Evaluation Unit, Conduct Research Studies, projects, workshops, and conferences. States/UTs are also encouraged to collaborate with a Knowledge Institution in their states which will support them in providing research inputs and capacity-building workshops among others.

3) The recommendations of the Committee regarding capacity building and sensitization of the staff to balance the technical expertise with unique local features of each State have been noted and adequate measures would be taken in this regard.”

14. The Committee would like to be apprised of the details of specific measures taken by the Ministry regarding capacity building and sensitization of the staff at the stage of furnishing the Final Action Taken Statement.

CHAPTER II

OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Serial No. 1)

Analysis of Budget

1. The Committee note that the Budget Estimates (BE) of the Ministry of Planning under Demand No. 77 for the year 2023-24 is Rs. 824.39 crores. Similarly for the year 2022-23, the BE and RE stood at Rs.321.42 crores and Rs. 1031.53 crores respectively, while the Actuals for the year 2021-22 was Rs.1064.13 crores. The scrutiny of the Budget of the Ministry of Planning reveal that the BE (2023-24) has increased by 156.48% and decreased by 20.08% with respect to BE and RE of 2022-23 respectively. Further, the BE (2023-24) has decreased by 22.53% over the Actuals of 2021-22. The Committee also noted that the RE (2022-23) rose by 221% over BE (2022-23). The Committee would like to highlight varied allocations over the years as well as within the same fiscal between BE and RE. The Committee would also like to highlight the utilization of funds by the Ministry as only 21.77% (Rs. 244.60 crores) out of the allocated fund of Rs.1064.13 crores in RE (2022-23) were utilized till December 2022. Therefore, the Committee again recommend that the Ministry should take steps to plan the budgetary proposal so that adequate funds are allocated to this premier think tank of the country at BE stage itself.

Reply of the Government:

“The observations of the Hon’ble Standing Committee on Finance have been noted. It is noteworthy to mention that increase in BE (2023-24) by 156.48% is mainly due to allocation of Rs.433 crores under Aspirational Districts Programme at BE 2023-24 stage against the token provision of Rs.0.01 crore at BE 2022-23 stage. The decrease in BE 2023-24 by 20.08% with respect to RE 2022-23 is mainly due to reduction in allocation under Atal Innovation Mission (AIM) from Rs.343.21 crores (RE 2022-23) to Rs.155 crores (BE 2023-24) and reduction in allocation under Aspirational Districts Programme (ADP) from Rs.500 crores (RE 2022-23) to Rs.433 crores (BE 2023-24). The utilization of funds by the Ministry of Planning is 90% (Rs. 849.31 crores) out of the final allocation of Rs.943.63 crores during FY 2022-23”.

[Ministry of Planning O.M. No. 18/3/2023-Parl., Dated 31st May, 2023]

Recommendation (Serial No. 2)

Analysis of Budget (IFD&AIM)

The Committee note that the total budgetary allocation under Revenue Head and Capital Head of BE (2023-24) are Rs. 805.73 crores and Rs.18.66 crores respectively. In BE (2022-23), the allocation were Rs.310.67 crores and Rs.10.75 crores respectively, which were then revised to Rs.1011.23 crores and Rs.20.30 crores respectively. The Committee would like to highlight the limited share of Capital section in overall budget with only 2.26% of Capital share in BE (2023-24) whereas it was 3.34% and 1.97% in BE and RE of 2022-23 respectively. The Committee, therefore, recommend for adequate budgetary allocation under the head Capital Section so that flagship programme like 'Atal New India Challenge Programme' do not suffer.

Reply of the Government:

"There is a limited share of Capital Section in overall budget of Ministry of Planning with only 2.26% of Capital share in BE (2023-24) whereas it was 3.34% and 1.97% in BE 2022-23 and RE 2022-23 respectively. The proposal for the Cabinet approval for the continuation of AIM scheme is under process.

The Budgetary allocation under the Revenue Head and Capital Head for the year 2022-23 of Atal Innovation Mission (AIM) was Rs. 145.31 crores and Rs. 10.00 crores respectively, which were then revised to Rs. 323.21 crores and Rs. 20.00 crores under Revenue Head and Capital Head respectively. Similarly, the budgetary allocation for AIM in the year 2023-24 under Revenue Head and Capital Head is Rs. 144.30 crores and Rs.10.70 crores respectively. In other words, the share of the Capital Section in the overall budget of AIM for the FY 2022-23 was 6.44% and 5.83% in BE and RE respectively whereas the share of the Capital Section in the total budget allocation for the FY 2023-24 is 6.90%.

As per the budgetary provision of the Ministry of Finance of AIM for the year 2023-24 and also as per the guidelines of the Atal New India Challenge (ANIC)/Atal Research & Innovation in Small Enterprises (ARISE) Program, Atal Innovation Mission is required to invest in Equities of 50 Nos. of Start-ups @Rs. 20.00 Lakhs each during the FY 2023-24

which is subject to change depending upon the availability of funds through the Supplementary Demand for Grants

[Ministry of Planning O.M. No. 18/3/2023-Parl., Dated 31st May, 2023]

Recommendation (Serial No. 3)

Development Monitoring and Evaluation Office (DMEO)

The committee note that the allocation towards DMEO in BE (2023-24) has reminded at Rs. 17 crores since last year. The Ministry of Planning in a written submission have informed the Committee that in current Financial Year 2023-24, DMEO is planning to launch a sizeable number of evaluation studies that would cover most of the flagship schemes of the Government of India and hence, the fund requirement is likely to be higher. The Ministry further informed that based on the actual expenditure, additional funds will be requested during the RE stage of FY 2023-24. Last year also, the Ministry had informed the Committee that they had sought an allocation of Rs. 36.44 crores but only Rs. 17.00 crores was allocated. The Committee believe that some shortfall can be balanced at supplementary stages. Therefore, the Committee are of the opinion that the Ministry should be more proactive at budget preparation stage itself by planning in advance about the probable research studies to be undertaken in a year and the fund requirements for the same.

Reply of the Government:

“The observation of the standing committee is noted for due consideration and action.”

[Ministry of Planning O.M. No. 18/3/2023-Parl., Dated 31st May, 2023]

(For Comments of the Committee on Recommendation No 3, please refer para no. 8 of Chapter I of the Report)

Recommendation (Serial No. 4)

Atal Inovation Mission (AIM)

The Committee note that an allocation of Rs. 155 crores have been sought in BE (2023-24) towards the flagship scheme of Atal Innovation Mission (AIM) against the earlier allocations of Rs. 155.31 crores and Rs. 342 crores in BE (2022-23) and BE (2021-22) respectively. The Committee further noted that there has been a marginal

decrease of 0.20% and a significant decrease of 54.68% in BE (2023-24) over BE (2022-23) and BE (2021-22) respectively. The Ministry of Planning in a written submission have informed the Committee that against BE (2022-23) of Rs. 155.31 crores for AIM, Rs. 343.21 crores were allocated at RE (2022-23) stage. The Ministry had also informed the Committee last year that major component of AIM's expenditure over the years had been for establishing Atal Tinkering Labs (ATLs) in schools and since AIM was accomplishing their mandate of establishing 10,000 ATLs in the year 2021-22, they had sought a reduced allocation in BE (2022-23). The Committee note the discrepancy in the statement made by NITI Aayog and the allocation sought at RE (2022-23). The Committee would like to understand as to why additional fund to the tune of 221% of BE (2022-23) sought at supplementary stage if the mandate of establishing Atal Tinkering Labs (ATLs) had been accomplished in 2021-22. The Committee noted that the Ministry have made a similar submission of having no plan of establishing new ATLs this year, to justify lower allocation to BE (2023-24). However, the Committee feel that the objective of AIM to create an ecosystem of innovation and entrepreneurship in the country requires more efforts. In such a scenario, the Committee believe that instead of lowering the budget allocation for AIM, NITI Aayog should use remaining funds to effectively monitor the upkeep of ATLs and implement AIM's other initiatives. The Ministry have further informed the Committee that AIM is in the process of a new Expenditure Finance Committee (EFC) and Cabinet approval for expanded scope of work and increased budget.

Reply of the Government:

“AIM acknowledges the observations of the committee and is committed to working towards developing an ecosystem of innovation and entrepreneurship. In this regard, the Expenditure Finance Committee (EFC) of the Ministry of Finance, Deptt. of Expenditure has already appraised the AIM Scheme and recommended a budget of INR 2750 crores for the period of 2023-24 to 2027-28 with an expanded scope of work. AIM is in the process of obtaining Cabinet approval on the proposed recommendations.”

[Ministry of Planning O.M. No. 18/3/2023-Parl., Dated 31st May, 2023]

Recommendation (Serial No. 5)

Aspirational Districts Programme (ADP)

The Committee note that budgetary allocation for Official Development Assistance (ODA) from Japan International Cooperation Agency (JICA) for Sustainable Development Goals (SDGs) in BE (2023-24) is Rs. 433 crores against an allocation of Rs. 0.01 crore and Rs. 500 crores in BE and RE of 2022- 23 respectively. The Committee appreciate the timely allocation made this year vis-à-vis last year when only a token of Rs. 0.01 crore was made at BE (2022-23) due to non-submission of Expenditure Finance Committee (EFC). However, the Committee also feels that ADP should move beyond its twin function of tracking the progress of districts and awarding the best performing districts, to serious alignment with line ministries' key schemes having an increased focus on development of these backward districts. The Committee would also like the Ministry to deliberate upon the possibility of enhanced fund allocations to aspirational districts vis-à-vis other districts to effectively implement the flagship schemes of the Government. Further, apart from real-time data, the Committee would also like the Ministry to constantly evolve new methodologies and undertake third-party evaluations to ensure high quality of the data being submitted by district authorities. The Committee would further like to highlight the need for sincere capacity building of the staff tasked with data collection, collation, and analysis with regard to ADP.

Reply of the Government:

“The Committee has recommended that ADP should align with key schemes of line ministries to focus on the development of backward districts. The recommendation of the Committee is duly noted and is built into the design of the Programme. The objective of Aspirational Districts Programme is to accelerate the development of selected districts through robust monitoring of key indicators. These indicators have been designed keeping in mind saturation of schemes to achieve key socio-economic outcomes. Effective implementation of schemes of Line-Ministries is critical to the progress of these key performance indicators. In this regard, the Ministry has prepared a ‘Primer to Aspirational Districts Programme’ mapping indicators against the relevant schemes of Line-Ministries.

2) The Committee has recommended that enhanced fund allocation should be provided to aspirational districts compared to other districts to effectively implement flagship schemes. The recommendation of the Committee is duly noted. Given that the goal of the Programme is to improve governance using the existing resource envelope of a District Administration, large infusion of additional funds is not envisaged. However, the Ministry is working closely with all Line-Ministries to ensure that the Aspirational Districts are prioritized under existing and new schemes. Additionally, the Ministry has also liaised with the Department of Public Enterprises to ensure prioritization of Aspirational Districts by Central Public Sector Enterprises under their CSR.

Under the EAP-SDG, in addition to awarding districts based on performance wherein, districts undertake projects to meet critical gaps; the Ministry also undertakes large-scale projects impacting many districts to achieve key social outcomes and for capacity building.

3) The Committee has recommended that the Ministry should evolve new methodologies and undertake third-party evaluations to ensure high-quality data being submitted by district authorities. In order to ensure data accuracy, NITI Aayog has designed a 3-stage verification strategy. State/District administrations conduct sample-based checks led by supervisors and senior officials. Once the data is entered in the Champions of Change dashboard, it detects any anomalous movement of data and alerts the concerned District Magistrates accordingly. Also, third-party verification has been envisaged as in the past, by deploying teams at the field-level to undertake cross-checks and help District Officers to improve the quality of data.

Going forward, the Ministry is in the process of constituting a mechanism for fetching data directly from the Line-Ministries' data sources instead of districts self-reporting the data. This will help in reducing chances of errors associated with manual data entry and to avoid duplication of efforts.

4) The Committee has highlighted the need for sincere capacity building of staff tasked with data collection, collation, and analysis. The ADP team at NITI Aayog regularly conducts training of the district officers on aspects such as entering data on the 'Champions of Change' dashboard, and using the same to analyze performance and design interventions. Going forward, the Ministry is planning to organize various regional-level capacity building workshops focused on both sectoral and technical

aspects for staff at block and district levels to help them better implement the programme and make best use of the available data”

[Ministry of Planning O.M. No. 18/3/2023-Parl., Dated 31st May, 2023]

(For Comments of the Committee on Recommendation No 5, please refer para no. 11 of Chapter I of the Report)

Recommendation (Serial No. 6)

Aspirational Blocks Programme (ABP)

The Committee note the new initiative of NITI Aayog viz. Aspirational Blocks Programme (ABP) which is aimed at improving the performance of blocks that are lagging on various development parameters by taking the aspirational district model to the block level. The Committee further note that under this programme, 500 backward blocks have been selected from 28 States and 4 UTs in India through extensive consultation with different ministries and State Governments. The Ministry of Planning informed the Committee that a sum of Rs. 100 crores has been kept for incentivizing the blocks which are doing good work. The Committee appreciate the inclusive nature of ABP where it acknowledges that each State has its own contextual needs and hence all States have the freedom to choose sectors over and above the ones already identified viz. Social Development, Health and Nutrition, Education, Agriculture, Basic Infrastructure, Financial Inclusion and Skill Development, to monitor progress of the selected blocks. The Committee would also like the Ministry to come out with regular reports on the working of ABP.

Reply of the Government:

“The committee has recommended the Ministry to come out with regular reports on the working of Aspirational Blocks Programme. The recommendation of the Committee is duly noted for necessary action.”

[Ministry of Planning O.M. No. 18/3/2023-Parl., Dated 31st May, 2023]

Recommendation (Serial No. 7)

State Support Mission (SSM)

The Committee note the new scheme launched by NITI Aayog viz. State Support Mission (SSM), under which NITI Aayog in coordination with Lead Knowledge Institutions like IITs/IIMs, development partners, multilateral agencies and civil societies

is supporting States to set up State Institution of Transformation (SIT). The Committee further note that this schemes has been allocated a sum of Rs. 40 crores in BE (2023-24) against an earlier allocation of Rs. 50 lakhs in RE (2022-23) and the mission is to be implemented from 2022-23 to 2024-25 with a total outlay of Rs. 237.50 crores. The Committee, while appreciating the provision that States/UTs may either choose to establish SITs or reimagine the role of their existing institutions such as planning departments and boards, would also like to understand the exact role of SIT as currently the different Planning structures in different States serve different purposes and there is no uniformity among them. The Committee would further like to be made aware of the nature of collaboration between SITs and NITI Aayog. The Committee are of the opinion that economic and social planning being a subject of the concurrent list should have a harmonious participation of both States and Centre, with States doing the ground and institutions like NITI Aayog assisting them with their technical expertise. The Committee are also of the view that schemes like SSM should be carefully planned and executed so that States do not feel that their power to plan is being infringed upon. The Committee, therefore, recommend NITI Aayog to undertake capacity building and sensitization of the staff involved so that technical expertise is appropriately balanced with unique local features of each State.

Reply of the Government:

“The envisaged roles and functions of the SIT are as follows:

- (i). To support and facilitate the States/UTs in formulating their development strategies and State Visions in alignment with India Vision@ 2047 and other national development priorities
- (ii). To support the development of robust Monitoring & Evaluation unit and Data Analytics Unit in the States/UTs.
- (iii). To facilitate States/UTs on collaborating with academic institutions, research institutions and think tanks to leverage their expertise and domain-specific knowledge for achieving the development priorities of the States.

2. State Support Mission is a demand-based Central Sector Scheme for deepening the ongoing partnership between the States/UTs and NITI Aayog. Accordingly, technical and financial support would be extended to the interested States/UTs for strengthening their existing planning departments or establishing a State Institution of

Transformation. In this regard, a multi-disciplinary Programme Implementation Unit comprising sector experts will be deployed by the States/UTs to be funded under the Mission. This team of experts will be located in the States/UTs and will work under the supervision of the State/UT Government. Dedicated funds have also been earmarked exclusively for the strengthening of the Monitoring & Evaluation Unit, Conduct Research Studies, projects, workshops, and conferences. States/UTs are also encouraged to collaborate with a Knowledge Institution in their states which will support them in providing research inputs and capacity-building workshops among others.

3. The recommendations of the Committee regarding capacity building and sensitization of the staff to balance the technical expertise with unique local features of each State have been noted and adequate measures would be taken in this regard.”

[Ministry of Planning O.M. No. 18/3/2023-Parl., Dated 31st May, 2023]

(For Comments of the Committee on Recommendation No 7, please refer para no. 14 of Chapter I of the Report)

Recommendation (Serial No. 8)

Research and Study (R&S)

The Committee note that ‘Research and Study’ is a Central sector Scheme of Ministry of Planning, which provides for the expenditure in respect of erstwhile Planning Commission’s ongoing programmes and schemes. The Committee also note the reduced budget allocation to this important scheme from Rs. 6 crores in BE (2022-23) to only Rs. 4 crores in BE (2023-2024) and the low expenditure of only 28.16% (Rs. 1.69 crores) till December 2022. The Ministry of Planning in a written submission have stated that they had anticipated to aid higher number of studies at around 20 during FY 2022-23 compared to 17 studies sanctioned in FY 2021-22 but only 10 studies were determined fit for sanction during April- December of FY 2022-23, hence the amount disbursed during April – December of FY2022-23 stood at Rs 1.69 crores only. The Committee is of the opinion that research is an integral part of any think tank and NITI Aayog being the premier policy think tank of the Government having been tasked with the important function of designing long term policies/ programmes and providing relevant strategic and technical advice to the Center, States, and Union Territories, should focus immensely on research studies.

Reply of the Government:

“1. Total number of studies awarded in FY 2022-23 was 13 and the amount disbursed for FY2022-23 stood at Rs 3.38 Crore as against Rs 1.69 Crore till December 31, 2022 attributed mainly to efforts made by NITI in completing the studies.

2. Further, it is stated that RSNA is Central Sector Scheme to promote research in India. Under RSNA, the proposals are screened on the basis of the impact of outcome in the necessary policy interventions.

3. Keeping in view the Committee’s observations, necessary efforts will be made in the current financial year to promote this scheme by facilitating more research studies and to maximize utilization of the funds allocated.”

[Ministry of Planning O.M. No. 18/3/2023-Parl., Dated 31st May, 2023]

Recommendation (Serial No. 9)

Sustainable Development Goals (SDGs)

The Committee note that the twin mandate of NITI Aayog is to oversee the adoption and monitoring of the Sustainable Development Goals (SDGs) in the country and promote competitive and cooperative federalism among States and UTs. The task at hand for NITI Aayog is not just to periodically collect data on SDGs but to proactively help realize the goals and targets. The Committee are of the opinion that since only few years are left for completing the targets of SDGs, the Ministry should come out with a detailed report on their status of implementation. The Committee appreciate the use of technologies by the Ministry to monitor and collect updated data on SDGs viz. SDG India Index and Dashboard, Sustainable Development Goals North-Eastern Region District Index and Sustainable Development Goals Urban Index. The Committee note that localisation of the SDGs is crucial to any strategy aimed at achieving the 2030 Agenda. The Committee are of the opinion that such SDG localization plans should be made a part of other Govt. schemes as the overall objective of any good scheme involves sustainable development of that sector. The Committee, therefore, recommend the Ministry to put in place a comprehensive plan of localizing methods and processes, wherever possible, while implementing key Govt. schemes/policies to achieve local and sustainable outputs.

Reply of the Government:

“The year 2023 is the mid year of SDGs. Hence, due focus is being given to SDGs in India. Globally, to review the progress of SDGs across Nations, SDG Summit in the month of September, 2023 is planned at UN level. NITI Aayog, in coordination and collaboration with the States, will continue its endeavor to achieve 2030 Agenda. The recommendations of the committee have been noted and adequate action will be taken in this regard.

[Ministry of Planning O.M. No. 18/3/2023-Parl., Dated 31st May, 2023]

CHAPTER III

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

-NIL-

CHAPTER IV

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

-NIL-

CHAPTER V

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

-NIL-

**NEW DELHI;
20 July, 2023
29 Ashadha, 1945 (Saka)**

**SHRI JAYANT SINHA,
Chairperson,
Standing Committee on Finance**

Minutes of the Twenty-first sitting of the Standing Committee on Finance (2022-23) The Committee sat on Thursday, the 20th July, 2023 from 1500hrs. to 1700 hrs. in Committee Room '2', Parliament House Annexe Extension Block A, New Delhi.

PRESENT

Shri Jayant Sinha – Chairperson

LOK SABHA

2. Shri S.S Ahluwalia
3. Shri Subhash Chandra Baheria
4. Dr. Subhash Ramrao Bhamre
5. Smt. Sunita Duggal
6. Shri Gaurav Gogoi
7. Shri Sudheer Gupta
8. Shri Manoj Kishorbhai Kotak
9. Shri Hemant Shriram Patil
10. Shri Nama Nageswara Rao
11. Shri Gopal Chinayya Shetty
12. Shri Parvesh Sahib Singh
13. Dr. (Prof.) Kirit Premjibhai Solanki
14. Shri Manish Tewari
15. Shri Balashowry Vallabbhaneni

RAJYA SABHA

16. Dr. Radha Mohan Das Agarwal
17. Shri Ryaga Krishnaiah
18. Shri Sushil Kumar Modi
19. Dr. Amar Patnaik
20. Shri G.V.L Narasimha Rao
21. Shri Pramod Tiwari

SECRETARIAT

- | | | | |
|----|------------------------------|---|------------------|
| 1. | Shri Siddharth Mahajan | - | Joint Secretary |
| 2. | Shri Ramkumar Suryanarayanan | - | Director |
| 3. | Shri Puneet Bhatia | - | Deputy Secretary |

PART I

2. XX XX XX XX XX XX
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(The witnesses then withdrew)

PART II

3. XX XX XX XX XX XX
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(The witnesses then withdrew)

4. Thereafter, the Committee took up the following draft reports for consideration and adoption:

- (i) Draft Report on the subject 'Cyber security and rising incidence of cyber/white collar crimes' of the Ministry of Finance (Department of Financial Services), Ministry of Electronics and Information Technology and Ministry of Home Affairs.
- (ii) Draft Action Taken Report on the recommendations contained in the Fifty-Third Report on the subject 'Anti-Competitive Practices by Big-Tech Companies' of the Ministry of Corporate Affairs.
- (iii) Draft Action Taken Report on the recommendations contained in the Fifty-Fourth Report on Demands for Grants (2023-24) of the Ministry of Finance (Departments of Economic Affairs, Expenditure, Financial Services, Investment & Public Asset Management and Public Enterprises).
- (iv) Draft Action Taken Report on the recommendations contained in the Fifty-Fifth Report on Demands for Grants (2023-24) of the Ministry of Finance (Department of Revenue).

- (v) Draft Action Taken Report on the recommendations contained in the Fifty-Sixth Report on Demands for Grants (2023-24) of the Ministry of Corporate Affairs.
- (vi) Draft Action Taken Report on the recommendations contained in the Fifty-Seventh Report on Demands for Grants (2023-24) of the Ministry of Planning.
- (vii) Draft Action Taken Report on the recommendations contained in the Fifty-Eighth Report on Demands for Grants (2023-24) of the Ministry of Statistics and Programme Implementation.

After some deliberations, the Committee adopted the above draft Reports and authorised the Chairperson to finalise them and present the Reports to the Parliament. The Chairperson also appreciated the Committee Secretariat for putting their sincere efforts in drafting comprehensive reports within a short span of time. The Committee also decided to undertake a Study Tour during the third or fourth week of August, 2023.

The Committee then adjourned.

A verbatim record of the proceedings has been kept.

APPENDIX

(Vide Para 4 of the Introduction)

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE OBSERVATIONS/ RECOMMENDATIONS CONTAINED IN THE 57th REPORT OF THE STANDING COMMITTEE ON FINANCE (17th LOK SABHA) ON DEMANDS FOR GRANTS (2023-24) OF THE MINISTRY OF PLANNING

	Total	% of total
(i) Total number of Recommendations	9	
(ii) Observations/Recommendations which have been accepted by the Government (vide Recommendation at Sl. Nos. 1, 2, 3, 4, 5, 6, 7, 8 & 9)	9	100%
(iii) Observations/Recommendations which the Committee do not desire to pursue in view of the Government's replies	Nil	0.00
(iv) Observations/Recommendations in respect of which replies of the Government have not been accepted by the Committee	Nil	0.00
(v) Observations/Recommendations in respect of which final reply of the Government are still awaited	Nil	0.00