

21

**STANDING COMMITTEE ON
FINANCE
(1995-96)**

TENTH LOK SABHA

**MINISTRY OF PLANNING AND PROGRAMME
IMPLEMENTATION**

*[Action taken by Government on the recommendations contained in the
Fourteenth Report of the Standing Committee on Finance on Demands for
Grants (1995-96)].*

TWENTY FIRST REPORT



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**LOK SABHA SECRETARIAT
NEW DELHI**

February, 1996/Phalguna, 1917 (Saka)

TWENTY FIRST REPORT

STANDING COMMITTEE ON FINANCE (1995-96)

(TENTH LOK SABHA)

MINISTRY OF PLANNING AND PROGRAMME IMPLEMENTATION DEMANDS FOR GRANTS—(1995-96)

[Action taken by the Government on the recommendations contained in the Fourteenth Report of the Standing Committee on Finance on Demands for Grants (1995-96)].

Presented to Lok Sabha on 7.3.1996

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LOK SABHA SECRETARIAT
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**COMPOSITION OF THE STANDING COMMITTEE ON FINANCE
(1995-96)**

@Smt. Maragatham Chandrasekhar — Chairperson

MEMBERS

Lok Sabha

- *2. Shri. Magunta Subbaramma Reddy
3. Prof. K.V. Thomas
4. Dr. K.V.R. Chowdary
5. Shri Chhitubhai Gamit
6. Shri Prithviraj D. Chavan
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25. Shri George Fernandes
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27. Shri Kadambur M.R. Janardhanan

Rajya Sabha

28. Shri Satish Agarwal
29. Shri Krishna Kumar Birla
30. Shri Triloki Nath Chaturvedi

@ Appointed w.e.f. 22.9.1995 vice Dr. Debi Prasad Pal ceased to be a Member and Chairman of the Committee consequent upon his appointment as Minister on 13.9.1995. Expired on 1.12.1995.

31. Shri Sanjay Dalmia
32. Dr. Biplab Dasgupta
33. Shri Gurudas Das Gupta
34. Shri K.R. Jayadevappa
35. Dr. Shrikant Ramchandra Jichkar
36. Shri Chimanbhai Mehta
37. Shri Rajubhai A. Parmar
38. Shri Narendra Pradhan
39. Shri T. Venkatram Reddy
40. Shri Surinder Kumar Singla
41. Shri Mohan Babu
42. Shri V.P. Duraisamy

SECRETARIAT

- | | |
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| 1. Shri S.N. Mishra | — <i>Secretary-General</i> |
| 2. Smt. Roli Srivastava | — <i>Joint Secretary</i> |
| 3. Shri K.L. Narang | — <i>Deputy Secretary</i> |
| 4. Shri C.S. Joon | — <i>Under Secretary</i> |

INTRODUCTION

I, the Chairperson of the Standing Committee on Finance (1995-96), having been authorised by the Committee to submit the Report on their behalf, present this Twenty-First Report on action taken by Government on the recommendations contained in the Fourteenth Report (Tenth Lok Sabha) on Demands for Grants of Ministry of Planning and Programme Implementation for the year 1995-96.

2. The Fourteenth Report was presented to Lok Sabha/laid in Rajya Sabha on 3 May, 1995. Department of Programme Implementation, Department of Statistics and Planning Commission furnished their replies indicating action taken on the recommendations contained in the Report on 1 November, 2 November and 10 November, 1995 respectively. The Draft Action Taken Report was considered and adopted by the Standing Committee on Finance at their sitting held on February 22, 1996.

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

NEW DELHI;
29 February, 1996

10 Phalgun, 1917 (Saka)

SMT. MARAGATHAM CHANDRASEKHAR,
Chairperson,
Standing Committee on Finance.

CHAPTER 1

REPORT

1.1 This Report of the Standing Committee on Finance deals with action taken by Government on the recommendations contained in their Fourteenth Report (Tenth Lok Sabha) on Demands for Grants (1995-96) of the Ministry of Planning & Programme Implementation which was presented to Lok Sabha on 3 May, 1995.

1.2 The Fourteenth Report contained ten recommendations/observations. Action taken notes have been received from the Government in respect of all ten recommendations contained in the Report. These have been categorised as follows:—

- (i) Recommendations/observations that have been accepted by Government: Sl. Nos. 2 (para 1.11), 4 (para 2.4), 5 (para 2.7), 6 (para 2.9), 7 (para 2.10) and 9 (para 3.7).**

(Chapter II, Total-6)

- (ii) Recommendations/observations which the Committee do not desire to pursue in view of Government's replies: Sl. Nos. 1 (para 1.6) and 8 (para 3.5)**

(Chapter III, Total-2)

- (iii) Recommendation/observation in respect of which reply of the Government has not been accepted by the Committee: Sl. No. 10 (para 3.8)**

(Chapter IV, Total-1)

- (iv) Recommendation/observation in respect of which final reply of the Government is still awaited: Sl. No. 3 (para 1.16)**

(Chapter V, Total-1)

1.3 The Committee desire that final reply in respect of the recommendation for which only interim reply has been given by the Government should be furnished to the Committee expeditiously.

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

Demand No. 67, Department of Statistics—Plan Schemes

Recommendation (Sl. No. 7—Para No. 2.10)

1.5 Expressing their dissatisfaction over the performance of the Department of Statistics, the Committee, in their recommendation have observed as follows:

- “The Committee would like to conclude that the Department of statistics, as a whole, has not been able to push forward and operate its plan proposals, which have been languishing for several years, in many of the wings. This indicates lack of initiative and timely monitoring by the Department resulting in a situation where schemes are not being operated as envisaged. The fact that these schemes relate to the Department of Statistics which is a focal point in the Planning process is all the more worrying to the Committee. The Committee, therefore, would like to recommend again in its present Report that the Department of Statistics should take immediate steps to improve its working and resolve the situation”.

1.6 The Ministry of Planning & Programme Implementation (Deptt. of Statistics) in their action taken reply have stated as follows:

“It is a fact that the Department of Statistics, as a whole, has not been able to push forward and operate its plan proposals as envisaged. However, after continuous efforts the Department has been able to obtain during 1995-96. Finance Ministry's approval for the creation of 353 posts under various plan schemes. Proposals for the procurement of computer equipment and photocopiers have also been approved. These steps will enable the Department to implement most of its plan schemes.

As indicated in reply to recommendation in paras 2.4, 2.7 and 2.9 above it may, however, not be possible to fully utilise plan allocations during 1995-96 mainly on account of the time taken in creation and filling up of posts and reduction in the cost of computer equipment. Therefore, reduced provision of Rs.13.04 crores has been proposed in DRE 1995-96 (Plan) against an allocation of Rs. 17.00 crores in BE 1995-96 (Plan) for the Department as a whole including N.S.S.O., C.S.O., C.C. and I.S.I”.

1.7 The Committee note from the action taken reply furnished by the Ministry of Planning & Programme Implementation (Deptt. of Statistics) that it has not been possible for them to fully utilise the Plan allocation during 1995-96 mainly on account of time taken in creation and filling up of posts. However, after continuous efforts, the Deptt. has been able to obtain during 1995-96 the Finance Ministry's approval for creation of 353 posts under various plan schemes and also obtained approval for

procurement of other equipments. The Deptt. has further stated that with these measures, they will be able to implement most of their plan schemes. The Committee desire that urgent requisite steps may be taken up for filling up of posts for expeditious implementation of the plan schemes. The Committee would like to be apprised of the progress achieved in this regard within a period of six months from presentation of the Report.

*Demand No. 68, Department of Programme Implementation
Accountability for formulation and implementation of projects.*

Recommendation (Sl. No. 10, Para 3.8)

1.8 Stressing the need for fixation of responsibility for time and cost overrun in formulation and implementation of various projects, the committee recommended as follows:—

“The Committee learnt with regret that the investment decision rules which prescribe action against defaulters, not only against contractors and suppliers but also against those responsible for implementation, if held responsible, for time and cost overrun, are not implemented. The committee is, therefore, of the view that without accountability at the level of formulation and implementation of various projects, cost and time overrun cannot be avoided. The Committee would, therefore, like to reiterate its earlier recommendations that accountability at the level of formulation and implementation of various projects should be introduced immediately so as to bring in improvement in the project implementation scenario”.

1.9 The Ministry in their action taken reply have stated as follows:—

“As per the existing directions of the Government, in each case of the revised cost estimates (RCEs), the reasons for the time and cost overrun should be gone into thoroughly and the responsibility for the same fixed. These directions are sufficient to cover all cases of time as well as cost overrun, whether occurring at the stage of formulation of the project or during the course of implementation. However, the existing institutional arrangements and procedures cover mainly the RCEs which require Government sanction. The Public sector Undertakings and Administrative Ministries have been delegated financial powers to sanction original as well as RCEs upto varying cost ceilings. The DPI feels the need to streamline the entire institutional arrangements and procedures for the fixation of responsibility covering all types of projects which are sanctioned by different institutions and under different delegated powers. The Department of Expenditure has recently advised the DPI to suggest suitable mechanism. The DPI will prepare a paper on this subject”.

1.10 The highly unsatisfactory reply of the Ministry is indicative of the inertia from which its functioning suffers in general. It was more than six months that the Committee had observed that in cases of time and cost

overruns the Investment Decision Rules which prescribe action against defaulters, including those responsible for implementation were not being implemented. Since timely execution is the *sine qua non* of planning and implementation process the committee had recommended the introduction of accountability at the level of formulation and implementation in order to usher improvement in the project implementation scenario. Rather than implementing this very important recommendation which would have helped in improving its performance substantially the Ministry has at this very belated stage only 'felt the need' to streamline institutional arrangements and procedure for fixation of responsibility. More galling is the fact that DPI is preparing a paper on this subject purportedly on a 'recent advice' of Department of Expenditure. The entire exercise of the Ministry appears to be nothing but an attempt to somehow keep out of the ambit of accountability those who are responsible for formulation and implementation.

1.11 The Committee strongly disapprove the loss of so many precious months by the Ministry under a trivial pretext and reiterate that accountability may be introduced without any further delay. The pursuits of the Ministry like preparation of papers etc. on the subject may, if still required, be carried on independent of this serious matter.

CHAPTER II

RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Sl. No. 2, para 1.11)

1.11 The Committee feels that the Government should not show their helplessness in the matter. It also feels that this important issue has not been tackled with a sense of urgency it deserved with the result that there has been a delay in responses from certain states and Union Territories. The Committee would like to emphasize that it is not the formulation of plans or schemes but their actual implementation with real zeal and vigour which matters in the final analysis. While it is true that most of the recommendations of the NDC Committee on Micro-Level Planning are to be implemented by the States, the Committee feels that a certain amount of responsibility also devolves on the Commission in as much as it can take up the matter with the Chief Ministers/Chief Administrators/Lt. Governor of the concerned States and Union Territories and convinced them of the urgency and the need for strengthening of Planning Machinery at State/District levels for achieving the objective of decentralised Planning while finalising the Annual State Plans. The Committee, therefore, recommends that Planning Commission should make every possible efforts to persuade the concerned States and Union Territories to send their views expeditiously.

Reply of the Government

The Recommendations of the Report of the NDC Committee on Micro-Level Planning and Involvement of People at Grass Root Level can be broadly classified into three types:

- (i) Concerning Unit of Planning and sharing of expenditure on technical staff at Unit Level;
- (ii) Concerning Devolution of funds to local level; and
- (iii) Other Recommendations.

(i) Unit of Planning: The responses of the State Governments regarding the smallest unit of Planning have since been obtained. The response is mixed and only a few States have accepted the recommendation that Block/Taluka be the Unit. Quite a few have preferred to continue with the District as the smallest unit of Planning. In view of these differences in opinion, it has been decided to continue the scheme for strengthening of Planning machinery only upto District Level, as is presently the case.

The Scheme for strengthening of Planning Machinery at State Level was initiated in 1972 and extended to District level in 1982-83. By now, all States have established Planning machinery at the State level and most of the States have adequately staffed District level units. The gaps are largely in terms of personnel for new districts created and deficiencies in District level units in some States. These gaps can be adequately addressed by the Scheme in its present forms.

(ii) Devolution of funds: This is a complex matter and hinges closely in the 73rd Amendment Act which allows certain subjects to be vested with Panchayati Raj Institutions by laws to be made by the States. There is also the question of awards to Panchayati Raj Institutions by the States Level Finance commissions which have been set up under the same constitutional amendment. The Tenth Finance Commission has also made provisions for Panchayati Raj Institutions from 1996-97 onwards. Devolution of funds will be pursued by Planning Commission with the state Governments depending upon the awards which may be made.

(iii) Other Recommendations: The remaining recommendations relate to various subjects such as merger of District Planning and Development bodies; Involvement of Non Government Organisations, youth and local people; systematic and methodical collection of Data, etc. These are being pursued and followed up with the States and with concerned Central Government agencies.

[Ministry of Planning and Programme Implementation, O.M. No. G-20011/2/94-IFC Dated 30th Oct., 1995]

Recommendation (Sl. No. 4, Para 2.4)

The Committee is dismayed at the explanations given by the Department for the third consecutive year. This Committee has been consistently pointing out that the utilisation of plan funds by NSSO is very poor. Despite this the Committee notes with regret that serious efforts have not been made to explain to the Ministry of Finance that these schemes will naturally have a higher staffing component since they are predominantly staff oriented. The fact that the Department has not geared up for taking up the matter with the Ministry of Finance in the correct perspective is indicative of a total lack of monitoring by the authorities concerned. It is suggested, therefore that the Department should take up this issue of non-utilisation of plan funds in a proper manner and initiate action from the beginning of the year itself.

Reply of the Government

During 1995-96 concerted efforts have been made from the beginning of the year itself for the implementation of various plan schemes of NSSO. The matter regarding creation of posts under various plan schemes was taken up with the Ministry of Finance and it was explained to the Finance

Ministry that the creation of posts is essential for the implementation of plan schemes. Consequently Finance Ministry approved the proposals for the creation of 197 posts under 5 plan schemes of NSSO, for a period of 6 months. To consider further continuance of these posts a work study is to be conducted. Necessary orders for the creation of posts have been issued and action is being taken to fill-up such posts. Proposals for the procurement of computer equipment etc. under the plan schemes have also been processed and approved.

As the posts could not be operated during the greater part of the year and the cost of computer equipment has come down considerably, it may not be possible to utilise fully the amount allocated in the plan budget for NSSO and therefore reduced provision has been proposed in RE 1995-96.

[Ministry of Planning and Programme Implementation, Department of Statistics, O.M. No. G-20017/1/95-B&F, dt. 2.11.1995]

Recommendation (Sl. No. 5, Para 2.7)

The Committee regrets that despite higher allocations provided in the budgets, both at BE and RE stages, proper utilisation could not be made. The Committee, therefore, urges upon the Department to chalk out and implement their proposals quickly.

Reply of the Government

For the plan schemes of the Computer Centre also proposals for creation of 10 posts under 2 plan schemes have been approved by the Ministry of Finance. A proposal for the procurement of computer hardware and software costing Rs. 17.00 lakhs has also been approved. Under this Head also, however, the amount allocated may not be fully utilised as fewer posts were created than envisaged in the plan schemes and such posts could not be filled for the greater part of the year. Therefore, reduced provision has been proposed in RE 1995-96.

[Ministry of Planning and Programme Implementation, Department of Statistics, O.M. No. G-20017/1/95-B&F, dt. 2.11.1995]

Recommendation (Sl. No. 6, Para 2.9)

The same position of grass under utilisation of funds is noted in the working of the Central Statistical Organisation also, despite recurrent recommendaions of this Committee, that the schemes should be formulated and implemented quickly which the Committee reiterates again.

Reply of the Government

For the 6 plan schemes of CSO also, proposals for creation of 146 posts have been approved by the Ministry of Finance. These posts are to be created for a period of a 6 months and further continuance is to be considered after work study for these is conducted. All these schemes are

staff oriented and therefore, plan allocation may not be fully utilised due to time gap between creation and filling up of posts. Therefore, a reduced provision has been proposed in RE 1995-96.

[Ministry of Planning and Programme Implementation, Department of Statistics, O.M. No. G-20017/1/95-B&F, dt. 2.11.1995]

Recommendation (Sl. No. 7, Para 2.10)

The Committee would like to conclude that the Department of Statistics, as a whole, has not been able to push forward and operate its plan proposals, which have been languishing for several years, in many of the wings. This indicates lack of initiative and timely monitoring by the Department resulting in a situation where Schemes are not being operated as envisaged. The fact that these schemes relate to the Department of Statistics which is a focal point in the planning process is all the more worrying to the Committee. The Committee, therefore, would like to recommend again in its present Report that the Department of Statistics should take immediate steps to improve its working and resolve the situation.

Reply of the Government

It is a fact that the Department of Statistics, as a whole has not been able to push forward and operate its plan proposals as envisaged. However, after continuous efforts the Department has been able to obtain during 1995-96. Finance Ministry's approval for the creation of 353 posts under various plan schemes. Proposals for the procurement of Computer Equipment and photocopiers have also been approved. These steps will enable the Department to implement most of its plan schemes.

As indicated in reply to recommendation Nos. 2.4, 2.7 and 2.9 above it may, however, not be possible to fully utilise plan allocations during 1995-96 mainly on account of the time taken in creation and filling up of posts and reduction in the cost of computer equipment. Therefore, reduced provision of Rs. 13.04 crores has been proposed in RE 1995-96 (Plan) against an allocation of Rs. 17.00 crores in BE 1995-96 (Plan) for the Department as a whole including N.S.S.O., C.S.O., C.C. and I.S.I.

[Ministry of Planning and Programme Implementation, Department of Statistics, O.M. No. G-20017/1/95-B&F, dt. 2.11.1995]

Comments of the Committee

Please see para Nos. 1.5 & 1.7 of the Chapter I of the Report.

Recommendation (Sl. No. 9, Para 3.7)

The Committee views with concern that despite the possible remedial measures suggested for resolving the major problems and for expeditious implementation of projects by the Department of Programme Implementation, no concrete action has been taken by the concerned Ministries/Departments for their implementation, as a result of which a

large number of projects led to time and consequently cost overrun. The Committee, therefore, endorses the suggestion made by the Department of Programme Implementation that there is a need for adoption of some kind of moratorium to restrict the approval of new projects. This would help in clearing the backlog of various projects languishing for want of funds. At the same time, the Committee would also like to emphasise the need for prioritisation so that the projects nearing completion or those strategically important for reasons of inter-sectoral and / other linkages are adequately and timely funded. The Committee expects that the Planning Commission should take note of the above factors at the time of formulation of plan proposals and approval of new projects, notwithstanding any extraneous consideration which may come to the fore.

Reply of the Government

(a) The Department of Programme Implementation has brought the contents of the recommendations of the Standing Committee on Finance in the notice of all the concerned Administrative Ministries / Depts. and the public sector enterprises *vide* D.O. Letter No. N11011/2/94-PMD dated and to take due note of the recommendations.

(b) According to the PIB procedures (reference OM No. I(6)/PF-II/82 dated 2nd Nov. 1982 and 24.8.92) all investment proposals of the Public Sector enterprises must contain a statement showing a total requirement of funds projectwise on the ongoing projects and new projects under contemplation. The Department of Expenditure have indicated that it may not be possible to adopt a general moratorium on the public sector investment projects because it has to take into account the generation of internal resources by the Public Sector Enterprises. The Group of Ministers set-up the Prime Minister go into the factors of time and cost overrun have recommended an institutional mechanism of Empowered Committee to look into the prioritisation of projects in various sectors keeping in view the resource constraints, crucial, operational requirements and forward and backward linkages.

(c) The Planning Commission has duly acknowledged the recommendations of the Committee and have advised all the Advisers and Head of the Divisions of the Planning Commission to take due note at the recommendations while formulating the Plans or considering new proposals for investment. The Member Secretary, Planning Commission has also made a specific mention in his letter No. N11016195-PC dated 29th Aug., 1995 addressed to all the Central Ministries, State Governments and Public Sector Enterprises to take due note of the recommendations of the

Standing Committee on Finance before suggesting any new schemes project proposals for inclusion in the Annual Plan 1996-1997 except the ones which are crucial for operational purposes and form part of the 8th Plan.

[Ministry of Planning and Programme Implementation (Department of Programme Implementation) O.M. No. G-20011/195-Admn. 26th October, 1995]

CHAPTER III

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

Recommendation (Sl. No. 1, Para 1.6)

The Committee is not satisfied with the explanation of the Department that a large number of posts are kept in abeyance which are likely to be filled up. The Committee would, therefore, like the Department to take an early decision action in the matter so that this anomalous situation is remedied.

Reply of the Government

In the set-up of the Ministry of Planning and Programme Implementation, there is a Department of Planning. Primarily the expenditure on the salary and allowances of the officers and staff posted to work with the Minister(s) has to be met out of the demands of grants for the Department of Planning. For the past few years, the Deputy Chairman, Planning Commission has not been concurrently holding the charge of Minister for Planning as well. There has, therefore, been lesser expenditure incurred than anticipated expenditure during the last few years. Since the appointments at the level of Ministers are purely of political nature, it cannot be anticipated with certainty as to how many Ministers are likely to be placed in charge of the Ministry of Planning. Normally, a Minister of Cabinet rank is designated as the Minister for Planning. As and when it is decided to appoint a Minister for Planning of the Cabinet rank, the expenditure under the head "Department of Planning" is expected to go up substantially. Further, due to exercise of utmost economy measures, it has been possible to keep the expenditure of salaries and allowances under the Department of Planning at the barest minimum, resulting in savings under the provisions made in the budget estimates and revised estimates for the respective years.

[Ministry of Planning and Programme Implementation, O.M. No. G-20011/295-IFC, Dated 30th Oct., 1995]

Recommendation (Sl. No. 8, Para 3.5)

On an analysis of the performance of different programmes under TPP during the year 1994-95, as seen from the Annual Report of the Department, it is found that the achievements are way behind the targets set under the respective programmes. While this Committee appreciates the fact that the actual achievement/performance is a responsibility of the

respective Departments/Ministries concerned with the subject, it feels, that in view of the fact that the Department of Programme Implementation has been entrusted with the task of nodal monitoring and is in fact, also involved in the formulation of the targets, it cannot be absolved of the accountability for the under achievement of various programmes under TPP. The Committee would, therefore, urge the Department of Programme Implementation to explore ways and means of ensuring fulfilment/achievement of the targets through a more purposeful dialogue with the Departments/Ministries and actual removal of bottlenecks that inhibit the achievements of the desired objectives.

Reply of the Government

Annual Report for the year 1994-95 of the Department of Programme Implementation in respect of the 20-point Programme is based on the information of the progress of the schemes upto November, 1994. Therefore, it depicted only a trend for the year and not the actual performance for the year as a whole. Taking into consideration, the information which has later become available with the Department for the whole year i.e. April, 1994—March, 1995, there is a marked improvement in the achievements over that reported for the period April-November, 1994. A comparative picture for the last five years is given below:

Performance of TPP (All India basis)

No. of items out of 28 items monitored on monthly basis

Category	1990-91	1991-92	1992-93	1993-94	1994-95	(April-Nov. 1994)
Very good	22	18	20	21	20	13
Good	1	5	3	4	4	2
Poor	5	5	5	3	3	12
Total	28	28	28	28	27	27

The above table reveals that the items falling under 'Very good' and 'Good' have increased considerably whereas the items falling under 'Poor' category have been reduced substantially. This shows a significant improvement in the achievements of the targets during the year 1994-95 over April-November, 1994 (as shown for the year 1994-95 in the Annual Report). It is normally observed that the progress of implementation of the schemes improves substantially in the last quarter of the year.

Itemwise All India performance of TPP '86 during the years 1991-92 to 1994-95 and also during April-November '94-95 is placed at Annexure I. No. of States/UTs showing 'Very Good', 'Good' and 'Poor' performance during April-November '94-95 and April-March '94-95 are shown in

Annexures IIA, IIB and IIC respectively. From these Statements, it will be observed that the no. of States for most of the items falling under 'Very Good' category increased substantially by the close of the year as compared to that by end of the third quarter.

The Department of Programme Implementation monitors and evaluates the progress of 20 Point Programme, '86 on a macro basis. Besides at the central level, the progress is monitored and reviewed both by the concerned Departments/Ministries and finally by the Department of Programme Implementation. As part of normal activities of monitoring of TPP, the following measures to improve the implementation of 20-Point Programmes in different States/UTs have been pursued by this Department.

(i) Ranking of States by DPI in the Monthly Progress Report, creates an atmosphere of competition among the States and UTs for bringing out better performance every month. The Monthly Progress Report is also circulated among the Chief Ministers of the States to apprise them of the shortfalls of their States and slow progress in certain programmes. The performance as reflected in the monthly progress report is also brought to the notice of Secretaries of the concerned States/UTs and also the Central Ministries/Departments so as to enable them to take remedial measures to improve upon the slow performance in respect of certain items and to achieve the targets within the stipulated time. Besides MOS (P & PI) also takes up the matter of slow performance with the concerned States especially pointing out the areas of poor performance of TPP and impresses upon them to effect remedial measures to gear up the progress.

(ii) The Department of Programme Implementation holds review meetings with the Central nodal Ministries/Departments to sort out the bottlenecks in the effective implementation of the programme and also the monitoring of the same. Recently, review meetings with the concerned nodal Ministries/Departments were conducted to discuss at length the possibility of improving the progress in the implementation of 20-Point Programme and also giving qualitative dimension in the reports to be sent by them to Department of Programme Implementation and also the adoption of effective monitoring design to attain the goal of poverty alleviation. They are also impressed upon the issue necessary directions to the implementing agencies on these lines.

(iii) Officers of the Department make visits to the State headquarters and field visits are undertaken by them to monitor the TPP effectively. They also review the progress of implementation of TPP and point out the areas of poor performance and impress upon them to take remedial measures in this direction. Two officers from the Department are part of the 'Area Officers System of Monitoring' rural development programmes which have been constituted by the Ministry of Rural Development to visit Karnataka and Gujarat State on quarterly basis

with a view to monitoring the progress of rural development schemes of TPP at the Central level.

(iv) MOS (P & PI) also reviews the progress at the field level whenever he visits the States/UTs.

In spite of these vigorous steps taken by DPI to monitor the implementation of various programmes under TPP during the year 1994-95, targets in respect of some items are not fully achieved. The main reasons for poor performance in respect of some of the items are as under:

(i) High targets are fixed normally for distribution of ceiling surplus lands, but the same are not achieved by most of the States and UTs due to litigation of land at various stages. In certain States there is no surplus land for distribution/as whatever land was there, it is under litigation.

(ii) In respect of certain items such as sub-centres, PHCs, CHCs there are constraints of adequate funds to achieve the targets.

(iii) In case of voluntary nature of schemes like EQ Sterilisation, IUD insertions, CC users and OP users, the achievement of the targets of these items mainly depend upon as to how the people of that particular State/UT voluntarily accept the programmes.

In order to achieve the targets for these items, the major detriments are level of education, willingness of the people to accept the scheme for family planning, their social conditions, traditions, religious aptitudes etc. which play crucial role for under achievement of target.

In spite of these constraints, overall performance of TPP based upon our objective criteria gives a fairly satisfactory position which can be seen from the table given below on a macro basis.

Overall grading of items under TPP (No. of items)

Years	Very Good	Good	Poor	Total
1990-91	22	1	5	28
1991-92	18	5	5	28
1992-93	20	3	5	28
1993-94	21	4	3	28
1994-95	20	4	3	27

The no. of items showing Very Good and Good performance is fairly large in number out of 28 total items. In fact, the number of items showing poor performance is relatively less.

It would therefore, be seen that the Department is continuously taking all possible steps to ensure that the targets set for various items under TPP '86 are achieved by the States/UTs by removing the bottlenecks through various measures as mentioned above.

[Department of Programme Implementation O.M. No. 20011/1/95-Admn.
Dated 26th October, 1995]

CHAPTER IV

RECOMMENDATION/OBSERVATION IN RESPECT OF WHICH REPLY OF THE GOVERNMENT HAS NOT BEEN ACCEPTED BY THE COMMITTEE

Recommendation (Sl. No. 10, Para 3.8)

The Committee learnt with regret that the investment decision rules which prescribe action against defaulters, not only against contractors and suppliers but also against those responsible for implementation, if held responsible, for time and cost overrun, are not implemented. The Committee is, therefore, of the view that without accountability at the level of formulation and implementation of various projects, cost and time overrun cannot be avoided. The Committee would, therefore like to reiterate its earlier recommendations that accountability at the level of formulation and implementation of various projects should be introduced immediately so as to bring in improvement in the project implementation scenario.

Reply of the Government

(a) As per the existing directions of the Government, in each case of the revised cost estimates (RCEs), the reasons for the time and cost overrun should be gone into thoroughly and the responsibility for the same fixed. These directions are sufficient to cover all causes of time as well as cost overrun, whether occurring at the stage of formulation of the project or during the course of implementation. However, the existing institutional arrangements and procedures cover mainly the RCEs which require Government sanction. The Public Sector Undertakings and Administrative Ministries have been delegated financial powers to sanction original as well as RCEs upto varying cost ceilings. The DPI feels the need to streamline the entire institutional arrangements and procedures for the fixation of responsibility covering all types of projects which are sanctioned by different institutions and under different delegated powers. The Department of Expenditure has recently advised the DPI to suggest suitable mechanism. The DPI will prepare a paper on this subject.

[Ministry of Planning & Programme Implementation Department of
Programme Implementation. O.M. No. C-20011/1/95-Admn. Dated 26th
October, 1995]

Comments of the Committee

Please see Para Nos. 1.8, 1.10 & 1.11 of the Chapter I of the Report

CHAPTER V

RECOMMENDATION/OBSERVATION IN RESPECT OF WHICH FINAL REPLY OF THE GOVERNMENT IS STILL AWAITED

Recommendation (Sl. No. 3, para 1.16)

The Committee deplores the approach and attitude of the Government and the abnormal delay in coming to a final decision with regard to the implementation of the scheme of micro-level participatory planning and development involving people and voluntary organisations. The Committee considers it most unfortunate that when we are trying to marshal our resources for our needs, laying down priorities and allocating funds for a particular scheme, the scheme is not implemented in time and the funds allocated for the schemes remain unutilised or are not spent fully thereby defeating the very object of the planning. The Committee, therefore, recommends that all efforts should be made to implement the scheme expeditiously so as to achieve the objectives of the Plan.

Reply of the Government

The Committee of Secretaries (COS) have decided that the Ministry of Rural Areas and Employment should prepare a scheme utilising the basic concept of the Planning Commission's scheme for implementation by them and bring it up for discussion in Committee of Secretaries (COS). The matter is being pursued with Department of Rural Development and a definite reply about the action taken is expected soon.

[Ministry of Planning & Programme Implementation. O.M. No. G.20011/2/95-IFC dated 30th Oct., 1995]

NEW DELHI;
29 February, 1996
10 Phalgun, 1917 (Saka)

SMT. MARAGATHAM CHANDRASEKHAR,
*Chairperson,
Standing Committee on Finance.*

ALL INDIA PERFORMANCE OF TWENTY POINT PROGRAMME DURING 91-92 to 94-95

Sl. No.	Item Description	Units	91-92			92-93			93-94			94-95			April		November 94
			Target	ACH.	%	Target	ACH.	%	Target	ACH.	%	Target	ACH.	%	Target	ACH.	
1. 01A	L.R.D.P. (families)	Nos.	2251519	2437158	108	1875135	2086387	110	2569933	2627378	102	2115095	2276714	108	13339559	1048470	78
2. 01B	Jawahar Rozgar Yojana (Mandays)	Nos.	799955000	776531103	97	753794000	746327021	99	1062103000	967150345	92	799737000	820243405	103	528151487	363951833	69
3. 01C	SSI Units (Regd.)	Nos.	153576	183321	119	440270	172221	123	148234	172110	116	89638	120823	134	57803	66676	115
4. 05A	Distribution of Surplus Land	Acres	119270	149554	120	150720	111024	74	598563	70887	12	563860	61927	11	362822	32360	9
5. 06	Bonded Labour Rehabilitation	Nos.	4109	1824	44	2297	3424	149	2179	2497	115	2776	2296	83	1851	914	48
6. 07A	Drinking Water Problem Solved(VLG)	40519	34122	84	33453	33618	100	40187	36730	89	58591	74201	126	38803	328803	32889	85
7. 08A	Community Health Centres	Nos.	268	118	43	259	97	37	164	71	43	157	66	42	20	18	90
8. 08B	Primary Health Centres (PHC)	Nos.	795	195	25	759	314	41	640	174	27	780	296	38	31	90	29
9. 08D	Immun. of Children (DPT, Polio & BCG)	Nos.	22789861	19910746	87	242699660	21640778	89	24789635	22221933	90	24765000	2263328	91	13620750	12559200	92
10. 09A	FP Sterilisation	Nos.	538930	3930648	73	5224640	4182733	80	5129600	4372794	85	5270180	4443383	84	2898599	2086411	72
11. 09B	EQ. Sterilisation-IUD, CC & OP	Nos.	2718544	2105597	77	2961678	2195552	74	347207	2792519	80	3819882	3071182	81	2095874	2138896	102
12. 09C	ICDS Blocks Operational (Cum.)	Nos.	2391	2428	102	2595	2691	100	2760	2766	100	3066	3066	100	3066	3066	100
13. 09D	Anganwadis (Cum.)	Nos.	285873	249310	87	282849	273994	97	299630	278423	93	331869	290655	88	331869	300681	91
14. 11A	SC Families Assisted	Nos.	2506240	2083365	83	2595568	1995377	77	2524800	2323722	92	2583500	2996412	104	1528460	1131648	94
15. 11B	ST Families Assisted	Nos.	800464	830223	104	895962	856837	96	900000	1024798	114	1012175	1051806	104	589062	416655	71
16. 14A	House sites allotted (Families)	Nos.	554485	1215744	219	601416	891015	148	599796	920670	154	625996	902198	144	394380	588775	149
17. 14B	Construction Assistance (Families)	Nos.	350113	478239	137	330352	399879	121	321950	441084	137	363541	431986	119	229031	227262	99
18. 14C	Indira Awas Yojana (Houses)	Nos.	122100	208560	171	117133	187358	160	284442	380167	127	253580	372689	147	159752	189583	119
19. 14D	EWS Houses Provided	Nos.	110885	97116	88	115122	123908	108	83577	123099	147	89940	166816	130	47506	55666	117
20. 14E	LIG Houses	Nos.	52021	59102	114	52971	54232	102	45242	59729	132	39605	40098	101	20825	16416	79
21. 15	Slum Improvement (POP)	Nos.	1295584	1508001	124	1177770	1193910	101	1318030	1300916	99	1462680	1671939	114	755711	757679	100
22A. 16A	Tree Plantation on Private Lands	Nos.	1500000000	1765792678	118	1450000000	1451222720	100	1363900000	1269417648	94	1208510000	1226500725	101	120951000	910131506	76
22B. 16B	Area Covered- Public & Forest Lands	Nos.	1050000	947014	90	1064000	1024595	96	1165300	975213	84	1031320	102907	100	1054589	869522	82
23. 16	Fair Price Shops	Nos.	2763	5643	204	1512	4208	278	1666	2220	133	1031320	102907	100	1054589	869522	82
24. 19A	Villages Electrified	Nos.	5337	5819	109	4220	3726	88	3218	3337	104	2697	3540	122	679	1143	168
25. 19B	Pumpsets Energised	Nos.	234530	543892	323	256752	424464	165	275384	428813	156	277008	434232	157	131628	192828	146
26. 19C	Improved Chulias	Nos.	1600000	1713814	107	1625000	1758344	108	2214000	2280909	102	2459400	2374331	97	923336	619822	76
27. 19D	Bio-Gas Plants (States)	Nos.	124400	135578	109	114400	156761	137	136200	181446	130	164750	158095	96	68858	41965	61

No. of States/UTs showing very Good performance

Sl. No.	Item Code	Items	1993-94		1994-95 (April-Nov.)		1994-95 (April-Mar.)	
			Total No. of States Concerned	No. of States/UTs with V.Good Performance	Total No. of States Concerned	No. of States/UTs with V.Good Performance	Total No. of States Concerned	No. of States/UTs with V.Good Performance
1.	01A	I.R.D.P. (families)	30	20	30	11	30	22
2.	01B	Jawahar Rozgar Yojana (Mandays)	30	14	30	12	30	24
3.	01C	SSI Units (Regd.)	32	24	27	15	27	24
4.	05A	Distribution of Surplus Land	22	7	2	22	0	22
5.	06	Bonded Labour Rehabilitation	7	6	6	0	6	2
6.	07A	Drinking Water Problem, Villages covered	30	20	30	9	30	22
7.	08A	Community Health Centres (CHC)	19	8	19	11	19	8
8.	08B	Primary Health Centres (PHC)	18	6	21	4	21	10
9.	08D	Immun. of Children (DPT, Polio & BCG)	32	20	32	17	32	19
10.	09A	FP Sterilisation	32	18	32	16	32	20
11.	09B	EQ. Sterilisation-IUD, CC & OP	32	10	32	21	32	10
12.	09C	ICDS Blocks Operational (Cum.)	32	32	32	32	32	32
13.	09D	Anganwadis (Cum.)	32	22	32	25	32	18
14.	11A	SC Families Assisted	24	12	24	3	24	14
15.	11B	ST Families Assisted	20	15	20	5	20	17
16.	14A	House sites allotted (Families)	22	13	22	11	22	14
17.	14B	Construction Assistance. (Families)	25	14	25	4	25	14
18.	14C	Indira Awas Yojana (Houses)	29	13	29	9	29	21
19.	14D	EWS Houses Provided	27	17	25	7	25	11
20.	14E	LIG Houses	27	16	27	3	27	15
21.	15	Slum Improvement (Population)	26	18	26	14	26	22
22.	16A	Tree Plantation on Private Lands	31	18	31	10	31	19
23.	16B	Area Covered-Public & Forest Lands	32	17	32	11	32	18
24.	18	Fair Price Shops	13	10	0	0	0	0
25.	19A	Villages Electrified	13	4	13	8	13	8
26.	19B	Pumpsets Energised	18	15	17	13	17	15
27.	18C	Improved Chulahs	32	18	32	9	32	19
28.	19D	Bio-Gas Plants (States)	31	18	31	6	31	19

No. of States/UTs showing poor performance

Sl. No.	Item	1993-94			1994-95 (April-Nov.)			1994-95 (April-Mar.)		
		Total		No. of States/UTs with Poor Performance	Total		No. of States/UTs with Poor Performance	Total		No. of States/UTs with Poor Performance
		No. of States Concerned	No. of States		No. of States Concerned	No. of States		No. of States Concerned	No. of States	
1.	01A I.R.D.P. (families)	30	30	8	30	30	16	30	30	6
2.	01B Jawahar Rozgar Yojana (Mandays)	30	30	9	39	39	15	30	30	5
3.	01C SSI Units (Regd.)	32	27	6	27	27	8	27	27	3
4.	05A Distribution of Surplus Land	22	22	20	22	22	22	22	22	21
5.	06 Bonded Labour Rehabilitation	7	7	0	6	6	5	6	6	2
6.	07A Drinking Water Problem, Villages covered	30	30	7	10	10	10	30	30	5
7.	08A Community Health Centres (CHC)	19	19	10	19	19	8	19	19	10
8.	08B Primary Health Centres (PHC)	18	18	10	21	21	14	21	21	11
9.	08D Immun. of Children (DPT, Polio & BCG)	32	32	9	32	32	9	32	32	7
10.	09A FP Sterilisation	32	32	12	32	32	14	32	32	6
11.	09B EQ Sterilisation-IUD, CC & OP	32	32	18	32	32	7	32	32	15
12.	09C ICDS Blocks Operational (Cum.)	32	32	0	32	32	0	32	32	0
13.	09D Anganwadis (Cum.)	32	32	4	12	12	2	32	32	4
14.	11A SC Families Assisted	24	24	10	24	24	20	24	24	7
15.	11B ST Families Assisted	20	20	4	20	20	12	20	20	2
16.	14A House sites allotted (Families)	22	22	8	22	22	9	22	22	7
17.	14B Construction Assistance. (Families)	25	25	9	25	25	20	25	25	9
18.	14C Indira Awas Yojana (Houses)	29	29	13	29	29	19	29	29	4
19.	14D EWS Houses Provided	27	27	9	25	25	17	25	25	12
20.	14E LIG Houses	27	27	9	27	27	20	27	27	10
21.	15 Slum Improvement (Population)	26	26	6	26	26	7	26	26	4
22.	16A Tree Plantation on Private Lands	31	31	12	31	31	16	31	31	8
23.	16B Area Covered-Public & Forest Lands	32	32	14	32	32	17	32	32	9
24.	18 Fair Price Shops	13	13	3	0	0	0	0	0	0
25.	19A Villages Electrified	13	13	8	13	13	5	13	13	5
26.	19B Pumpssets Energised	18	18	3	17	17	4	17	17	2
27.	19C Improved Chullahs	32	32	12	32	32	21	32	32	11
28.	19D Bio-Gas Plants (States)	31	31	12	31	31	22	31	31	9

No. of States/UTs showing Good performance

Sl. No.	Item Name	1993-94			1994-95 (April-Nov.)			1994-95 (April-Mar.)		
		Total No. of States Concerned	No. of States/UTs with Good Performance	No. of States/UTs with Good Performance	Total No. of States Concerned	No. of States/UTs with Good Performance	Total No. of States Concerned	No. of States/UTs with Good Performance		
1.	01A I.R.D.P. (families)	30	2	3	30	3	31	2		
2.	01B Jawahar Rozgar Yojana (Mandays)	30	7	3	30	3	31	1		
3.	01C SSI Units (Regd.)	32	2	4	27	4	31	0		
4.	05A Distribution of Surplus Land	22	0	0	22	0	31	0		
5.	06 Bonded Labour Rehabilitation	7	1	1	6	1	31	2		
6.	07A Drinking Water Problem, Villages covered	30	3	2	30	2	31	3		
7.	08A Community Health Centres (CHC)	19	1	0	19	0	31	1		
8.	08B Primary Health Centres (PHC)	18	2	3	21	3	31	0		
9.	08D Immun. of Children (DPT, Polio & BCG)	32	3	6	32	6	31	6		
10.	90A FP Sterilisation	32	2	2	32	2	31	6		
11.	09B EQ. Sterilisation-IUD, CC & OP	32	4	4	32	4	31	7		
12.	09C ICDS Blocks Operational (Cum.)	32	0	0	32	0	31	0		
13.	09D Anganwadis (Cum.)	32	6	5	32	5	31	10		
14.	11A SC Families Assisted	24	2	1	24	1	31	3		
15.	11B ST Families Assisted	20	1	3	20	3	31	1		
16.	14A House sites allotted (Families)	22	1	2	22	2	31	1		
17.	14B Construction Assistance. (Families)	25	2	1	25	1	31	2		
18.	14C Indira Awaas Yojana (Houses)	29	3	1	29	1	31	4		
19.	14D EWS Houses Provided	27	1	1	25	1	31	2		
20.	14E LIG Houses	27	2	4	27	4	31	2		
21.	15 Slum Improvement (Population)	26	2	5	26	5	31	0		
22.	16A Tree Plantation on Private Lands	31	1	5	31	5	31	4		
23.	16B Area Covered-Public & Forest Lands	32	1	4	32	4	31	5		
24.	18 Fair Price Shops	13	0	0	0	0	31	0		
25.	19A Villages Electrified	13	1	0	13	0	31	0		
26.	19B Pumpssets Energised	18	0	0	17	0	31	0		
27.	19C Improved Chulihah	32	2	2	32	2	31	2		
28.	19D Bio-Gas Plants (States)	31	1	3	31	3	31	3		

APPENDIX I
MINUTES OF THE TWENTY-FIRST SITTING OF THE STANDING
COMMETEE ON FINANCE

The Committee sat on Thursday, 22 February, 1996 from 1500 to 1600 hrs.

Smt. Maragatham Chandrasekhar — *Chairperson*

PRESENT

MEMBERS

Lok Sabha

2. Prof. K.V. Thomas
3. Dr. K.V.R. Chowdary
4. Shri B. Akber Pasha
5. Shri Satyapal Singh Yadav
6. Shri Jeewan Sharma
7. Shri Sartaj Singh Chhatwal
8. Shri Nirmal Kanti Chatterjee
9. Shri Bhogendra Jha
10. Shri George Fernandes
11. Shri Abdul Ghafoor

Rajya Sabha

12. Shri Satish Agarwal
13. Shri Triloki Nath Chaturvedi
14. Shri Rajubhai A. Parmar
15. Shri Mohan Babu

SECRETARIAT

1. Smt. Roli Srivastava — *Joint Secretary*
2. Shri K.L. Narang — *Deputy Secretary*
3. Shri C.S. Joon — *Under Secretary*

2. The Committee considered their draft Report on action taken by Government on the recommendations contained in their Fourteenth Report of the Standing Committee on Finance on Demands for Grants (1995-96) of the Ministry of Planning & Programme Implementation and adopted it with a few verbal changes.

3. The Committee authorised the Chairperson to finalise and present the Report to the both Houses of Parliament.

The Committee then adjourned.

APPENDIX II

Analysis of the Action taken by Government on the Recommendations contained in the Fourteenth Report of the Standing Committee on Finance (Tenth Lok Sabha) on the Demands for Grants of the Ministry of Planning and Programme Implementation for the year 1995-96.

	% of Total
(I) Total number of recommendations	10
(II) Recommendations / Observations that have been accepted by the Government. (Vide Rec. at Sl. Nos. 2, 4, 5, 6, 7, and 9)	60
(III) Recommendations / Observations which the Committee do not desire to pursue in view of the Government's Reply. (Vide Rec. at Sl. Nos. 1 and 8)	20
(IV) Recommendations / Observations in respect of which the Government's reply has not been accepted by the Committee. (Vide Rec. at Sl. No. 10)	10
(V) Recommendations / Observations in respect of which final reply of the Government is still awaited. (Vide Rec. at Sl. No. 3)	10