

**10**

**STANDING COMMITTEE  
ON EXTERNAL AFFAIRS  
(2010-2011)**

**FIFTEENTH LOK SABHA**

**MINISTRY OF EXTERNAL AFFAIRS**

**DEMANDS FOR GRANTS  
(2011-2012)**

**TENTH REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

***AUGUST, 2011/BHADRAPADA, 1933 (Saka)***

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**STANDING COMMITTEE ON**  
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**(2010-2011)**

**(FIFTEENTH LOK SABHA)**

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**DEMANDS FOR GRANTS**  
**(2011-2012)**

**Presented to Lok Sabha on 29 August, 2011**  
**Laid in Rajya Sabha on 29 August, 2011**



**LOK SABHA SECRETARIAT**  
**NEW DELHI**

***AUGUST, 2011/ BHADRAPADA, 1933 (Saka)***

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## **CONTENTS**

	PAGE
COMPOSITION OF THE COMMITTEE (2010-2011)	(ii)
INTR UCTI N	(iii)
 I. Implementation of the Committee's Recommendations	 1
II. Overall Budgetary Proposals	3
A. Overall Proposals and Budget Allocation	4
B. Plan Outlay	7
C. Capital Section	11
D. CAG's bservations	14
E. Jawaharlal Nehru Bhawan	16
F. Passport Offices.....	17
III. Missions & Posts .. ..	20
IV. Passport and Visa Related Issues	26
A. E-passport	26
B. Passport Seva Project	27
C. Central Passport Organization	31
V. Indian Council for Cultural Relations	33
A. Scholarship Scheme for Foreign Students	35
B. Regional Office	35
VI International Cooperation	37
A. Aid to Bhutan	41
B. Aid to Myanmar	43
C. Aid to Sri Lanka	43
D. Aid to Africa	45
VII. International Engagement	49
A. South Asian Association for Regional Cooperation	49
B. Nalanda University	51
C. Energy Security	52
D. United Nations Reforms	53
E. Border Issues with China	54
VIII. Miscellaneous	57
A. peration Home Coming	57
B. Abduction of Indians by Somali Pirates	58
C. Indians Languishing in Foreign Prisons	62

## **RECOMMENDATIONS AND OBSERVATIONS OF THE COMMITTEE 64**

### **APPENDICES**

I. Minutes of the sitting of the Committee held on 19.04.2011	81
II. Minutes of the sitting of the Committee held on 24.08.2011	84



## INTRODUCTION

I, the Chairman of the Standing Committee on External Affairs, having been authorized by the Committee to present the Report on their behalf, present this Tenth Report of the Standing Committee on External Affairs (2010-2011) on Demands for Grants (2011-12) of the Ministry of External Affairs.

2. The Committee heard the views of the representatives of the Ministry of External Affairs at the sitting held on 19 April, 2011.

3. The Committee wish to express their thanks to the officers of the Ministry of External Affairs and others for placing before them the material and information that the Committee desired and also appearing before the Committee for placing their considered views before them in connection with the examination of Demands for Grants (2011-12).

4. The Report was considered and adopted by the Committee at their sitting held on 24 August, 2011.

5. The Minutes of the sittings of the Committee held on 19 April, 2011 and 24 August, 2011 are given in Appendix-I and II to the Report.

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

**NEW DELHI**  
**24 August, 2011**  
**02 Bhadrapada, 1933 (Saka)**

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

## **CHAPTER-I**

### **IMPLEMENTATION OF THE COMMITTEE'S RECOMMENDATIONS**

The 2<sup>nd</sup> Report of the Standing Committee on External Affairs on Demands for Grants of Ministry of External Affairs for the year 2009-2010 was presented to Lok Sabha and laid in Rajya Sabha on 3.12.2009. The Report contained 20 recommendations/ observations. Similarly, the 4<sup>th</sup> Report of the Standing Committee on External Affairs on Demands for Grants of Ministry of External Affairs for the year 2010-2011 was presented to Lok Sabha and laid in Rajya Sabha on 20.04.2010. The Report contained 26 recommendations/ observations.

1.2 In compliance of Direction 73-A of the Directions by the Speaker, the Minister of State for External Affairs made a statement in Lok Sabha on 16<sup>th</sup> March, 2011 giving the status of implementation of the recommendations made by the Committee in their 2<sup>nd</sup> Report (15<sup>th</sup> L.S.). An analysis of the statement showed that out of 20 recommendations, the Government had accepted 16 recommendations. Out of these, 05 recommendations were implemented by the Government, 11 recommendations were under process of implementation and 3 recommendations were yet to be implemented and one recommendation reportedly pertained to Ministry of Overseas Indian Affairs.

1.3 On the basis of Action Taken replies received from the Ministry of External Affairs on the 2<sup>nd</sup> Report, the Committee presented their 6<sup>th</sup> Report (Action Taken) to the Parliament on 7<sup>th</sup> May, 2010. The Committee in their Action Taken Report have commented on the Action Taken replies furnished by the Ministry in respect of recommendation Nos. 3, 4, 9, 15, 16, 17, 20 contained in the 2<sup>nd</sup> Report. Final Action Taken Statement as furnished by the Ministry of External Affairs on the comments contained in the 6<sup>th</sup> Report was laid in both the Houses of the Parliament on 27.08.2010.

1.4 Similarly, the Minister of State for External Affairs made a statement in Lok Sabha on 16<sup>th</sup> March, 2011 detailing the status of implementation of the recommendations made by the Committee in their 4<sup>th</sup> Report (15<sup>th</sup> L.S.). An analysis of the said statement showed that the Government had accepted all the 26 recommendations. Out of these, 04 recommendations were

implemented by the Government, 14 recommendations were under process of implementation and 8 recommendations were to be implemented

1.5 On the basis of Action Taken replies received from the Ministry of External Affairs on the above mentioned Report, the Committee presented their 8<sup>th</sup> Report (Action Taken) to the Parliament on 24<sup>th</sup> February, 2011. The Committee in their 8<sup>th</sup> Report have commented on the Action Taken reply furnished by the Ministry in respect of recommendation Nos.1, 2, 8, 11, 12, 14, 16, 21, 22, 23, 24 contained in the 4<sup>th</sup> Report. Final Action Taken Statement on the comments contained in the 8<sup>th</sup> Report has since been received from the Ministry. The Statement will be laid on the Table of both the Houses in accordance with relevant procedure laid down in this regard.

1.6 During the course of evidence on Demands for Grants of the Ministry of External Affairs for the year 2011-12 on the status of implementation of the recommendations, the Foreign Secretary stated as under:

*“...we have taken note of the recommendations made by the Standing Committee in the past Reports on the Demand for Grants of this Ministry. The implementation of these recommendations is a priority.”*



## CHAPTER-II

### OVERALL BUDGETARY PROPOSALS

#### BACKGROUND

India's foreign policy encompasses the safeguarding of domestic priorities of sustained growth and inclusive socio-economic development as well as dealing with global challenges such as international terrorism, climate change, energy security or proliferation of weapons of mass destruction. India's foreign policy has multilateral dimensions and has acquired added significance after India's entry into the UN Security Council as a Non-Permanent member for two years. The key role of the Ministry of External Affairs is to manage the external relations of India with other countries and executing the foreign policy of India by constantly monitoring the emerging situation in the world.

2.2 To achieve the desired objectives, the Ministry has been building and consolidating India's political, economic, trade, commercial, cultural and consular relations with other nations through bilateral, regional and international consultations both at Headquarters and through the 176 Missions/Posts set up abroad. Ministry has also established specialized offices across the world, besides regional passport and branch offices in India. The Indian Council of Cultural Relations and the Indian Council of World Affairs come under the purview of the Ministry.

2.3 Highlighting the achievements made during the year 2010, the Ministry has stated as under:

*".. India's foreign policy during 2010 has been preoccupied dealing with the global financial and economic crises and the issue of Climate Change. India has fared better than many other economies in coping with the impact of the financial and economic crisis, and remains one of the fastest growing among the major emerging economies. India's approach on Climate Change is guided by the imperative to preserve India's development space and enhancing the country's energy security. India played a prominent role in the UN Climate Change Conference that took place in Cancun, Mexico during November-December 2010. India also closely coordinated its efforts with China, Brazil and South Africa as part of the BASIC Group, in the run-up to the Cancun Conference.*

*India's election as a Non-Permanent Member of the UN Security Council for the 2011-2012 term, securing 187 of the 192 votes cast, signaled an important endorsement by the international community of India's credentials in the global arena. India also continued its efforts to bring about comprehensive reform of the UN system, including expansion of the Security Council in both its permanent and non-permanent categories, in order to increase participation of developing countries, to make the body more broadly*

*representative, efficient and transparent and would enhance its effectiveness and legitimacy.”*

#### **A. Overall Proposals and Budget Allocation**

2.4 The Budget Estimates of the Ministry of External Affairs for the financial year 2011-2012 has been pegged at Rs. 7106 crores which is 745 crores i.e.11.47% more than BE 2010-11 of Rs. 6375 crores and 0.2% i.e. Rs. 14 cores less than RE 2010-11 of Rs. 7120 crores. Out of the BE 2011-12 of Rs. 7106 crores, Rs. 6306 crores has been allocated under Non-Plan category and Rs. 800 crores under the Plan category to meet the expenditure on the following counts:

- i. Approximately, 29 % pertains to establishment costs, i.e. expenditure on Ministry of External Affairs Secretariat and Missions/Posts abroad, as well as the expenditure on the overall establishment of the Central Passport Organization;*
- ii. Nearly 22% pertains to obligatory expenditure; such as, expenditure on SDE, mandatory contributions to international organizations of which India is a member, Grants-in-aid to Institutions;*
- iii. Nearly 36% pertains to technical and economic co-operation with other countries;*
- iv. Approximately 5% on the capital outlay of the Ministry;*
- v. Loans to Foreign Governments comprise 6%; and*
- vi. Others 2%*

2.5 Dwelling upon the quantum of allocation made during the year 2011-12 *vis-a-vis* the expenditure and earnings for the last financial year, the Foreign Secretary during evidence before the Committee stated:

*“...the Budget Estimates of the Ministry which have been approved by the Parliament is Rs. 7106 crore for the current financial year, 2011-12. We had, however, sought a Budget allocation of nearly Rs. 11,000 crore in Budget Estimates 2011-12. Compared to the Revised Estimates of 2010-11 of Rs. 7120 crore, this represents a marginal decrease of Rs. 14 crore.*

*During the just ended financial year 2010-11, according to provisional estimates, we have been able to incur an expenditure of Rs. 6226 crore representing 87 per cent of RE 2010-11. These are preliminary estimates and the final expenditure figure would be available once all the accounts have been compiled from the 176 Missions/Posts abroad, the Regional Passport Offices and after settlement of inter-Ministerial payments. We have reviewed and monitored the expenditure to ensure that the Ministry is able to maintain an even pace of expenditure and ensure that the allocated funds are utilised.*

2.6 The Budget of the Ministry of External Affairs has been primarily in the Non-Plan category. However, with the approval of Union Cabinet a 'Plan Budget' Head was created in the financial year 1996-97 for meeting the large budgetary outlays on projects related to infrastructure development which are mainly taken up in neighbouring countries. Submitting details on the Plan Budget of the Ministry, the Ministry in a written reply stated as under:-

*“..... the Plan Budget of the Ministry has been fixed at Rs. 800 crores for the financial year 2011-12. The Ministry had proposed an outlay of nearly Rs. 1927.19 crore to the Planning Commission for this financial year. An increase in the Plan Budget was sought owing to an expected surge in the construction of power projects in Bhutan and the progress expected in the implementation of the projects in Myanmar, Afghanistan and to meet the fund requirements of newly set up Nalanda University in India. “*

2.7 The budgetary allocation made during the last 4 years as well as the funds allocated at RE stage and the actual utilization & shortfall in utilization of funds is as under:

(Rs. in crores)

Year	BE	RE	Actual Expenditure	Increase at RE Stage	Shortfall in Utilization of RE
2007-08	4433.00	4783.00	4572.39	350.00	210.61
2008-09	5062.00	6868.42	6746.35	1806.42	122.07
2009-10	6293.00	6333.00	6208.51	40.00	124.49
2010-11	6375.00	7120.00	-	745.00	-

2.8 The above table indicates that the budgetary allocations at BE stage during the last 4 years were subsequently raised at RE stage. However, there was shortfall in actual utilization of funds every year. The revised allocation made at RE 2010-11 is Rs. 745 crores more than the allocation made at BE stage of the same year. When the Committee desired to know the reasons to seek huge enhancement of fund at RE 2010-2011 stage, the Ministry in a written reply stated as under:

*“A major portion of the Ministry’s budgetary allocation is utilized in promoting technical and economic cooperation with friendly countries by way of taking up various developmental projects and programmes in those countries. The Ministry makes all possible efforts to frame its budget after having a realistic assessment of funds required for the projects to be undertaken in the coming financial year. Allocation of funds is sought accordingly from the Ministry of Finance, who, however, does not allocate the entire requirement at the BE stage. On the basis of the progress made in implementing of the projects/programmes and expenditure booked thereon, the Ministry seeks an enhancement at the RE stage. While the Ministry desires and also strives to ensure full utilization of the allocated funds, there are*

*several factors beyond its control that come in the way of full utilization of the funds allocated at the RE stage.”*

2.9 Elucidating further on the issue, the Ministry submitted the details in a post evidence reply as follows:

*(Rs. in crore)*

<i>Sl. No.</i>	<i>Particulars</i>	<i>Plan</i>	<i>Non Plan</i>	<i>Total</i>	<i>Remarks</i>
1.	BE	700	5675	6375	Allocation under BE 2010-11
2.	1 <sup>st</sup> supplementary Demand	--	6	6	Scheme of 'Technical Cooperation Services under Colombo Plan' transferred from Ministry of Finance to this Ministry.
3.	2 <sup>nd</sup> supplementary Demand	--	488.72	488.72	(i). Recoupment of Rs. 115 crore for 'Aid for Disaster Relief' head. This sum was initially paid from Contingency Fund of India to provide funds for flood relief to Pakistan, as per announcement of Hon'ble EAM. (ii). Provision of Rs. 300 crore for contributions under 'Aid to Bhutan' (iii). Provision of Rs. 73.72 crore for writing off losses due to devaluation of Zimbabwean dollar.
4.	3 <sup>rd</sup> and final supplementary Demand	118.60	131.68	250.28	Provision for Secretariat expdr., Special Diplomatic Expdr., Missions/Posts, contribution to Afghanistan, Bhutan, acquisition of properties overseas for Missions/Posts etc.
5.	Total	818.60	6301.4	7120	

2.10 On a query raised by the Committee on the mechanism being adopted by the Ministry for better control of the expenditure, the Ministry in a post evidence written reply stated as under:

*“At present, a quarterly review of expenditure is done by AS (FA) with the concerned Divisions of the Ministry. It has enabled the Ministry in ensuring better control of expenditure and utilization of the allocated budget. The*

*Ministry has been able to utilize more than 99% of the funds allocated in RE 2009-10 and nearly 100% of that in RE 2010-11 (as per provisional estimates)."*

2.11 Indicating the Actual Expenditure made during each quarter of 2010-11 as against the Revised Estimates of Rs. 7120 crores, the Ministry in a written reply submitted the following details:

(`Rs. in crores)

<i>Cumulative Expenditure</i>	<i>Plan</i>	<i>Non-Plan</i>	<i>Total</i>
<i>Quarter I</i>	40.04	1142.20	1182.24
<i>Quarter II</i>	428.74	2845.47	3274.21
<i>Quarter III</i>	504.88	4526.11	5030.99
<i>Quarter IV (up to March 28, 2011)</i>	506.13	5649.99	6156.12

*The booked expenditure till 28<sup>th</sup> March, 2011 was Rs.6156.12 Crore (Plan: Rs. 506.13 Crore and Non Plan: Rs. 5649.99 Crore), which is 87.37% of RE 2010-11. The actual utilization of RE allocation would be known once the expenditure upto 31<sup>st</sup> March, 2011 is compiled after getting inputs from all the Divisions in the Ministry, 176 Missions/Posts abroad and 37 Regional Passport Offices in the country."*

## **B. Plan Outlay**

2.12 Under Section 'Revenue' and 'Capital' the allocation at BE 2010-11, RE 2010-11 and BE 2011-12 for Plan and Non-Plan expenditure has been made as under:

(Rs. in crores)

Sl.No.	SECTION	BE 2010 - 2011		RE 2010 - 2011		BE 2011 - 2012	
		Plan	Non-Plan	Plan	Non-Plan	Plan	Non-Plan
1	Revenue	321.60	5300.00	353.00	5895.00	359.00	5956.00
2	Capital	378.40	375.00	472.00	400.00	441.00	350.00
	Total	700.00	5675.00	825.00	6295.00	800.00	6306.00
	Grand Total		6375.00		7120.00		7106.00

2.13 It may be seen from the above table that in the Capital Section, under the Plan category Rs. 378.40 crores were allocated at BE 2010-11 which was increased to Rs. 472 crores at RE stage. However, the allocation under this Head has been reduced to Rs. 441 crores during BE 2011-12. Elaborating the reasons for increased allocation at RE stage 2010-11 and subsequent reduction at BE stage 2011-12, the Ministry in written reply stated as under:

*“The Plan funds of the Ministry are spent on the execution of projects in Bhutan, Afghanistan, Myanmar and in India.*

*India has invested heavily on Hydro-Electric Projects (HEPs) in Bhutan. While construction of the Punatsangchu-I HEP is in progress, pre-construction activities for the Punatsangchu-II and Mangdechu HEPs have begun. A grant of Rs. 300 crore has been already extended to Bhutan for the construction of the Dungsum Cement Plant. An outlay for building a railway siding at Pathshala by the Indian Railways as an adjunct of the Cement Plant has been made.*

*Two additional 220/110 KV sub-stations at Doshi and Charikar are going to be constructed as a part of the Phul-e-Khumri - Kabul Transmission Line Project in Afghanistan. The implementation of the Kaladan Multimodal Transit and Transport Project in Myanmar has commenced. A Project Office of the Nalanda University has become operational in New Delhi.*

2.14 The allocation of Plan funds under BE 2010-11, RE 2010-11 and allocation of Plan funds under BE 2011-12 for the ibid projects are as follows:

SCHEME	(` In crores)			
	BE 2010-11	RE 2010-11	BE 2011-12 REQUESTED	BE 2011-12 ALLOCATED
DUNGSUM CEMENT PLANT	0.00	10.91	20.04	10.00
PUNATSANGCHU – I HEP	374.00	679.00	700.00	350.00
PUNATSANGCHU – II HEP	100.00	0.00	600.00	200.00
MANGDECHU HEP	120.00	33.09	344.23	130.00
AID TO BHUTAN (Total)	594.00	723.00	1664.27	690.00
AID TO AFGHANISTAN	40.00	40.00	80.00	40.00
AID TO MYANMAR	60.00	60.00	135.00	60.00
NALANDA UNIVERSITY	5.00	2.00	100.00	10.00
AID TO NEPAL	1.00	0.00	-	-
TOTAL	700.00	825.00	1979.27	800.00

*The three plan projects in Bhutan, namely, Punatsangchhu-I, Mangdechhu and Punatsangchhu-II HEPs are being financed out of the Plan Budget of the Ministry. The outlay has a 'Grant Component' and a 'Loan Component' in the ratio of 40:60 for the Punatsangchhu-I HEP and 30:70 for Mangdechhu HEP and Punatsangchhu-II HEPs. The 'Loan Component' for these projects is met out of the Plan Capital Section. As Punatsangchhu-I HEP is already under implementation and the pre-construction activities of the other two projects have begun, the requirement of funds under this head was enhanced in RE 2011-12. The allocation in BE 2011-12 is slightly lower in comparison to that in RE 2010-11 as the Plan Budget under 'Aid to Bhutan' is lower than that in RE 2010-11."*

2.15 On a query raised by the Committee on the actual expenditure under Plan Head against the allocated fund for RE 2010-11, the Ministry stated that it was able to spend Rs 319.57 crores as on 28<sup>th</sup> March 2011, which was 67.71% of RE 2010-11.

2.16 The Committee further observed that for the Annual Plan (2011-12), the proposed outlay was Rs. 1979.27 crores, however, only Rs. 800 crores had been approved. On being asked to furnish the reasons for reduced allocation, the Ministry in written reply stated as under:

*"The methodology adopted by the Planning Commission for the fund allocation is not known to the Ministry. Allocation for Ministry of External Affairs under the head 'Plan' during past five years, at BE and RE stages and the actual expenditure were as follows:*

*(₹ In crores)*

<i>Financial year</i>	<i>BE</i>	<i>RE</i>	<i>Actuals</i>
<i>2007-08</i>	<i>500.00</i>	<i>300.00</i>	<i>293.97</i>
<i>2008-09</i>	<i>579.00</i>	<i>450.00</i>	<i>410.42</i>
<i>2009-10</i>	<i>629.00</i>	<i>712.00</i>	<i>717.52</i>
<i>2010-11</i>	<i>700.00</i>	<i>825.00</i>	<i>506.13*</i>
<i>2011-12</i>	<i>800.00</i>	<i>-</i>	<i>-</i>

*\*Upto 28<sup>th</sup> March, 2011*

*From the above, it would appear that allocation at RE stage has been reduced/increased depending upon the progress of the projects and their fund requirements."*

2.17 As regards the disparity between the allocations sought by the Ministry, funds allocated by the Planning Commission and the subsequent under-utilization of the allocated resources by the Ministry during the 11<sup>th</sup> Five Year Plan, the Committee also drew the attention of the Ministry to this trend of reduced allocation and observed that as against the proposed allocation of Rs. 4522.24 crores by MEA, the Planning Commission had allocated only Rs. 2488.41 crores

during the 11<sup>th</sup> Five Year Plan. Detailing the reason for reduced allocation in 11<sup>th</sup> Five Year Plan as compared to 10<sup>th</sup> Five Year Plan, the Ministry in written reply stated as under:

*“The 10<sup>th</sup> Five-year Plan outlay of the Ministry was primarily for projects in Bhutan. These included construction of the Tala Hydro Electric Project (HEP) and the Dungsum Cement Plant. The Tala HEP has since been completed and consequently requirement of funds in the 11<sup>th</sup> Plan for this project declined considerably. At the time of the finalization of the 11<sup>th</sup> Five Year Plan, major projects like Punatsangchu-I HEP, Punatsangchu-II HEP and the Mangdechu HEP were at their inception stage. The DPRs of these HEPs had not been prepared and hence their requirement of funds was not known. Owing to this reason, the 11<sup>th</sup> Five Year Plan outlay is less than that of the 10<sup>th</sup> Five Year Plan.”*

2.18 Explicating methodology that had been used by the Ministry to assess projection of expenditure on various projects and the Division responsible for making such unrealistic projections, the Ministry in post evidence reply stated as under:

*“The DPRs prepared for various projects are appraised thoroughly by SFC/EFC before the projects are approved for implementation by the Competent Authority. Period of implementation together with annual fund requirements are given in the DPRs. As stated early, physical and financial progress of all the ongoing projects are reviewed by AS&FA once in a quarter. The concerned Joint Secretaries do regular monitoring of projects of their respective Divisions. Requirements of funds for the projects are discussed between Member, Planning Commission and Foreign Secretary. The fund flow to the projects during the year are re-cast based on the final allocation given at the BE stage.*

*Sometimes, due to some local factors in the recipient countries that are beyond the control of the Ministry, the project implementation does not proceed as per schedule. However, sincere endeavour is made to see that the projects are implemented as per their schedule.”*

2.19 In order to remove the vast gap between the proposals made by the MEA and the budget granted by the Ministry of Finance as well to make the projections more realistic, the Ministry in a post evidence reply inter alia stated as under:

*“The Ministry would endeavour to see that all imponderables are eliminated and all clearances are put in place so that the project implementation does not get hampered at any stage.”*

2.20 Furnishing the progress made in respect of setting up of a specialized agency for better control the finances in the international projects, the Ministry in post evidence reply stated as under:



*“Ministry is pursuing the proposal for setting up a specialised agency (now called Indian Agency for Partnership in Development, IAPD in place of IIDCA). A revised note has been prepared in this regard and the same is undergoing inter-ministerial consultation.”*

## **C. Capital Section**

2.21 Under the Non Plan category of Capital Section, the allocation during BE 2010-11 was Rs. 375 crores which was increased to Rs. 400 crores at RE stage. However, it has been reduced to Rs. 350 crores during BE 2011-12. Elaborating the reasons for reduction, the Ministry in a written reply stated as under:

*“These heads of account cater to the acquisition of properties abroad for Chanceries, India Cultural Centres and staff residences. The property acquisition outside India presents its own challenge. In the past, the allocated funds could not be utilized due to various factors beyond the control of the Ministry. RE allocation for the year 2010-11, however, has been fully utilized by and large. Although a lower budget of Rs. 350 crores has been allocated in BE 2011-12 for property acquisition but the Ministry hopes that this allocation may get enhanced at RE stage depending upon the progress as was done in the year 2010-11.”*

2.22 While dwelling upon the allocation for 2009-10, the Committee had noted that under the Object Head, Public Works and Housing, Rs. 400 crores were allocated, however, only Rs. 343.45 crores were utilized on this account. The Committee observed from the outcome Budget that there has been overspending on some of the construction/renovation/purchase of properties for Chancery, Residencies, Embassies, Passport Offices and Jawaharlal Nehru Bhawan, etc. In this context, Ministry was asked to furnish reasons for over spending under the said Head for Beijing, China, Budapest, Dubai, Dublin, Muscat, Sydney and Tokyo, Jawaharlal Nehru Bhawan and whether there was any element of time and cost overrun, the Ministry stated as under:

*“The Budget Allotment of Rs. 400 crore for the year 2009-10 was based on Budget Estimates prepared as early as August 2008. However, Final Estimates of Rs. 355 crore was sent by the Projects Division to the concerned authorities on 05.02.2009. Against this figure of Rs. 355 crore, the actual expenditure was Rs. 343.45 crores which represents a 96% utilisation of budget.*

*There is no instance of overspending except an excess of Rs. 3.18 crore under Major Head 4216 over allocated amount of Rs. 80 crore (FE) due to expenditure incurred on Kathmandu construction project in March 2010.*

*Since the project was long delayed, it was important not to delay payments to the contractors/consultants. It was also not possible to defer expenditure of March to succeeding financial year as these payments were as per contractual commitments.*

*In fact there was a saving of Rs. 14.72 crore under Major Head 4059 against the allotment of Rs. 275 crore due to non-finalisation of purchase of chancery property in Rabat as local Foreign office permission could not be obtained.*

*Actually there was no overspending in any of the projects .. The expenditure on each project is kept within the sanctioned cost or a revised sanction is obtained from competent authority in case of any additionalities found necessary during actual implementation of the project.*

*As regards time over-run, there has been some time over run in the case of the project completed in Muscat. The project at Tokyo was completed on schedule. As regards practically completed projects (Budapest and Dublin) and the projects nearing completion viz. Beijing, and Jawaharlal Nehru Bhawan, the time over run is being assessed by the consultants and contractual penalties are yet to be imposed, after allowing for justified extensions. As regards the property purchases in Dubai and Sydney, there was no cost over-run and the purchases were finalized within the financial year.”*

2.23 The Committee had noticed that there was a saving of 14.72 crores under Major Head 4059 against the allotment of Rs. 275 crores due to non-finalisation of purchase of chancery property in Rabat as local foreign office permission could not be obtained. On being enquired the reasons for failure in obtaining the required permission, the Ministry in post evidence written reply stated as under:

*“.....The purchase of property in Rabat in the financial year 2009-10 could not materialize due to the local foreign office not granting permission for acquisition of the identified property, which was a pre-requisite condition for purchase. The reason for the refusal in granting permission, as conveyed by the local Foreign Office, was based on security considerations as several important offices of local Govt were situated in the vicinity of the proposed building. All the required due diligence on the part of Govt of India for acquisition of the property was completed/fulfilled. The lack of permission from local authorities, which was the final step in the procedures before acquisition of the property, was an unexpected development which could not be foreseen by the Ministry. The Ministry was left with very little time to utilize the funds earmarked for this purchase for any other activity.”*

2.24 While providing details like date of acquisition, time overrun, initial date of completion and the reasons for extension of date of finalization of the projects at Beijing, Budapest, Dublin,

Jawaharlal Nehru Bhawan (Headquarters) Project, Muscat and Tokyo, the Ministry in a written reply added as under:

*“The projects relating to CG's Residence in Dubai and residence for RG officer in Sydney are purchase proposals and were implemented in time after the fulfillment of criteria for purchase and hence details in respect of time overrun have not been provided in the table.”*

2.25 Elaborating Ministry's position on the issue of property management, the Foreign Secretary, during the course of evidence stated as under:

*“The Ministry has been striving to improve its property management through timely finalization of proposals for purchase, construction as well as renovation of Government properties both in India and abroad. Our focus continues to be on acquisition of properties in high rental stations. As the dynamics of construction projects and the property market scenario vary from country to country, it is imperative to have plans that are flexible and aim at optimum utilization of budgetary allocation. Our effort is now focused more on purchase of built-up properties abroad as past experience has shown that construction proposals are susceptible to a number of local factors leading to delays, over which the Government has no control.”*

2.26 The rental liabilities of MEA have constantly been increasing years after year and despite drawing attention of the MEA on the need to acquire/built-up property of its own, MEA have fallen short of action. The process for buying a particular property and the condition of build-up properties by MEA is a matter of grave concern which is evident from CAG Report on Compliance Audit Observation 2008-09 (Report No. 9 of 2010-11) also. In this context, the Committee desired the Ministry to furnish the details of the rental liabilities of the Ministry and whether the Ministry contemplated to evolve a comprehensive plan for acquisition of property particularly on overseas locations so as to minimize the rental liabilities, the Ministry in a written reply stated as under:

*“The details of rents paid by the Ministry for the last 3 years are as below:*

2007-08	: Rs. 211.12 crores
2008-09	: Rs. 221.37 crores
2009-10	: Rs. 238.40 crores
2010-11 (up to Feb 2011)	: Rs. 215.97 crores

*The Ministry has been following a policy to acquire properties abroad wherever possible. The focus of the Ministry is to purchase property in stations identified as those with high rentals. The Ministry also considers acquisition of properties from other places as and when they are received, after following due procedures.*

*Besides acquiring office as well as residential properties, efforts are made to fix rental ceilings for all grades of officers in Missions/Posts abroad. While considering proposals from Missions/Posts abroad for rentals in individual cases as well as for fixation of rental ceilings, the Missions/Posts are directed to sign long-term leases (3 years or more) at static rents so that the rental liability does not increase substantially.”*

2.27 When enquired about the exact measures that are undertaken by the Ministry to accelerate the process of acquisition of property and to ensure that appropriate property is acquired at the most competitive rates in the areas that are easily accessible to public, the Ministry in post evidence reply submitted as under:

*“..The pace of acquisition of properties is constrained by local compulsions, local rules and regulations which are required to be followed by the Ministry. In order to safeguard GoI's interests, detailed due diligence is carried out, which includes market evaluation, structural evaluation, legal title verification of the property, and local approvals, in each case of acquisition, without compromising on functional / representational requirements.*

*.. the main criteria for identifying properties abroad for acquisition include location of the property in terms of accessibility, proximity to local government offices, other diplomatic missions and the central business district of the station concerned. After a property has been identified for possible purchase, a property team from Ministry for on-the-spot assessment of the suitability of the property and negotiates the asking price of the property with the owner based on the market evaluated cost of the property which is done by an independent professional evaluator, and to make recommendations.”*

#### **D. CAG's Observations**

2.28 Comptroller and Auditor General (CAG) have pointed out several flaws in Compliance Audit Observation 2008-09 (Report No. 9 of 2010-11) regarding the property purchased by MEA. The Committee desired the Ministry to provide gist of cases and observations made in the audit report and the action taken/reply sent by the Ministry. In turn, the Ministry provided the following information:

*“There was only one Para in CAG's Report 9 of 2010 relating to purchase. (Chancery in Prague); Para 6.1 of Report No. 9 of 2010 regarding 'Flawed purchase of property for Indian Chancery in Prague and unjustified expenditure on its renovation'. The gist of CAG's observations in this case is given below:*

*The Indian Mission in Prague incurred an expenditure of Rs.20.12 crore on the acquisition and extensive renovation of a 75 year old property for Indian Chancery, between April 2004 and October 2008. The property was purchased ignoring both security and structural safety aspects the most*

*serious being its proximity to a major tunneling project. Construction of a large underground parking lot and a new multipurpose hall at a cost of Rs.3.55 crore was unnecessary as adequate overground parking space and a ready to move in hall already existed. Repeated revision in the scope of work led to time and cost overruns with the cost of renovation work rising to 116 percent of the cost of acquisition against 15 percent anticipated earlier.*

*Draft Action Taken Note on all the aspects covered by the C&AG in the above Para is under preparation and will be submitted to the CAG after it is duly vetted.”*

2.29 As regards the security and structural safety aspect, the Ministry in post evidence reply stated as under:

*“A licensed professional and reputed structural evaluator, M/s Alois Drozd was engaged for structural evaluation of the property and assessment of the residual life of the property. The property was assessed as structurally sound and residual life of the building was assessed as 50 years. The report of the structural evaluator also found the condition of the foundations, including earthworks, as “standard”.*

2.30 The Committee further desired to know about the steps that have been taken by MEA to streamline activities relating to purchase of property and to avoid purchase of outlived and old properties and thereby investing huge sum in its renovation. The Ministry in written reply stated as under:

*“The CAG para did not contain any specific recommendations or observations regarding the property purchase guidelines followed by the Ministry. It stated that the property was purchased ignoring both security and structural safety aspects. The draft Action Taken Note on this para will demonstrate in detail that the security and structural safety aspects were duly taken into consideration before the purchase of property was approved. In view of CAG’s observations, however, the Ministry has been further sensitized and ensures that before a property is purchased, the security aspect (secure location, feasibility of securing the premises through standard security measures etc.) is assessed at site by a Property Team and structural safety is certified by a licensed, professional and reputed structural engineer or structural evaluation firm.*

*Criteria for ‘old’ properties vary from country to country and hence cannot be rationalized. However, no outlived property has been purchased by the Ministry (Projects Division). Residual life of the selected property is always assessed by a licensed, professional and reputed Structural Evaluator. Normally structurally sound properties having residual life of 30 or more years only are purchased.”*

2.31 Referring to observations made by CAG, the Committee desired to get acquainted with the steps that have been taken by the Ministry to improve contract management in acquiring property/construction, the Ministry in written reply stated as under:

*“The recommendations of C&AG to incorporate suitable safeguards and penal provisions in the agreement with contractors are being implemented. An exercise for determining reasonability of rates to avoid acceptance of unworkable or exorbitant rates is also undertaken on receipt of tenders for construction.”*

2.32 The Committee desired to know whether the Ministry had entered into agreement for acquiring any property/construction activities following the observation made by CAG and if so, whether the suitable safeguard and penal provisions had been included in those agreements. The Ministry in post evidence reply stated as under:

*“The Ministry has entered into sale-purchase agreements for acquisition of property and contracts for construction of properties abroad after the observations on acquisition of property in Prague.*

*The sale-purchase agreements on acquisition of property is entered into only after due diligence and verification of title deed at the time of transfer of property to the Government and hence no penal provisions is provided in the sale-purchase agreement. However, as regards construction abroad, penal provisions are being included in all contracts being signed with the contractors...”*

#### **E. Jawaharlal Nehru Bhawan**

2.33 The Ministry has stated that the Jawaharlal Nehru Bhawan at New Delhi is likely to be completed by 15 May, 2011 as indicated by the Central Public Works Department. Elaborating upon the time & cost overrun in the project, the Ministry in a written reply stated as under:

*(all figures in crore of Rs.)*

<i>Approved Cost `</i>	<i>Anticipated Revised Cost `</i>	<i>Anticipated Cost overrun `</i>	<i>Target Date of Completion</i>	<i>Likely Date of Completion</i>	<i>Time overrun</i>
<i>172.65</i>	<i>264.28</i>	<i>91.60*</i>	<i>30.9.2009</i>	<i>15.5.2011</i>	<i>19 ½ Months</i>

*\* The final Cost overrun has not been assessed as the project is ongoing. The approval of Competent Authority for additionalities proposed by CPWD will be obtained at the final stage of the project when the actual cost is known.”*

2.34 In reply to another query of the Committee, the Ministry stated that the total cost of the Jawaharlal Bhawan Project, was estimated as Rs. 217.94 crores and so far Rs. 195.31 crores

have been spent and the project was reportedly nearing completion. The Ministry has further stated that proposal for revised sanction of the project was under preparation. The Committee desired to get acquainted with the reasons for the revision of allocation/sanction when the project was reportedly nearing completion and the purpose of requirement of additional allocation of Rs. 91.60 crores being sought for the project. The Ministry in post evidence written reply stated as under:

*“Revision of allocation/sanction for the JNB project, even though the project is nearing completion, has been projected due to receipt of revised preliminary estimates from the executing agency CPWD and for implementation of IT / audio video integration which are still at preliminary stage and can be installed / commissioned only when building is nearing completion. The estimated revised cost of the project is Rs. 264.25 crores as against the sanctioned cost of Rs. 172.65 crores.*

*The additionality in the cost is mainly on account of increased revised preliminary estimates projected by CPWD especially for electromechanical works. It has been stated by CPWD that the additional requirement of funds for electromechanical works is due to inclusion of security provisions / equipment which had not been envisaged earlier. The other main reason for additionality is on account of works proposed to be executed for ICT and audio video integration works, the estimated expenditure for which has been project at Rs. 50 crores in line with the highest standards to be achieved at Jawaharlal Nehru Bhawan where most of the MEA offices would shift. The final cost has not been assessed as the project is ongoing and approval of the competent authority for additionalities proposed by CPWD as well as for ICT / audio video work will be obtained at the final stage of the project when actual costs are known.”*

2.35 Clarifying on the issue of cost overrun by the Ministry on the Jawaharlal Nehru Bhawan Project at New Delhi, the Ministry in a post evidence reply stated as under:-

*“The sanctioned cost indicated in the table submitted earlier represents the initially approved cost of the project. As regards the Jawaharlal Nehru Bhawan Project, the sanctioned cost of the project as reflected in the table is Rs. 172.65 crores for civil, electrical and horticulture works as well as for interiors. Separately, Rs. 45.29 crores have been approved for ICT, UPS and AV integration works and the same has been reflected separately from Rs. 172.65 crores in the table submitted earlier.”*

## **F. Passport Offices**

2.36 There are thirty seven Passport Officers all over India. Out of which nineteen are operating from Government/MEA owned buildings while eighteen are still operating from rental buildings. Eight Passport Offices have already purchased suitable land for the

construction of their own buildings. Giving status of the purchase/construction of building of these passport offices, the Ministry in written reply stated as under:

*“Out of the 18 Passport Offices which are operating from rented buildings, 9 passport offices, viz., Amritsar, Guwahati, Jalandhar, Mumbai, Pune, Surat, Srinagar, Dehradun and Visakhapatnam, have already purchased suitable plots of land for construction of their own buildings. For the remaining nine Passport Offices, MEA is actively pursuing with the concerned State Government authorities for allotment of suitable plot of land.*

*Construction of Visakhapatnam Passport Office building is complete. Shifting of Passport Office to the new building will take place co-terminus with the opening of PSK in Vizag.*

*As far as the Mumbai Passport Office is concerned, the construction of super-structure is under way. The likely date of completion of the project is in 2012.*

*For the remaining Seven Passport Office Projects, MEA has already approved the building plans and the construction agencies have been asked to submit preliminary estimates. The construction of these Passport Office buildings is at various stages and may take another 2 years.”*

2.37 The Ministry in a post evidence reply further stated as under:

*“It is proposed to set up 77 Passport Seva Kendras under the Passport Seva Project within the jurisdiction of existing 37 Passport Offices, scheduled for completion in 2011.”*

2.38 During the preliminary studies for the study visit of the Committee to Guwahati, it was noticed that the plot purchased for RPO, Guwahati had been encroached upon and a lot of time was consumed to secure back the plot from encroachers. While furnishing details, the Ministry in post evidence reply furnished the following details:

*“ The plot was purchased in the F.Y. 2006-07 for Rupees Six lakh.*

*Some unidentified young boys had encroached the plot of land and erected temporary hutments in the plot.*

*... The encroachers were evicted with the help of local authorities and State police personnel without any expenditure from Ministry.*

*A boundary wall has been constructed around the plot and concept drawings for construction of Passport Office were also approved by the Ministry. In July, 2010 Standing Committee on External Affairs visited Guwahati and recommended reduction of public waiting area due to opening of Passport Seva Kendras. Hence, CPWD was requested to incorporate these recommendations and revise the drawings accordingly. They have sought*



*some further clarifications from Ministry which are under consideration. It is hoped that the project shall be completed in 2 years time.”*

## CHAPTER - III

### MISSIONS & POSTS

There is no specific head in the accounts of Missions/Posts abroad for increasing services to Indian citizens. However, funds are provided to Missions / Posts under the head, 'Minor Works' from where these offices undertake miscellaneous minor works to improve and maintain the infrastructure needed for providing better services to Indian and foreign service seekers. Such works include both Chancery (including Consular, Visa, Attestation wings) and the residences.

3.2 Delivery of services in Missions/Posts abroad is a matter of concern. In that context, when the Committee desired to know about the O&M studies that had been carried out by the Ministry in the Missions/Posts abroad for requirement of staff and their optimum utilization, the Ministry in written reply stated as under:

*“An O&M study of the Embassy of India, Washington was conducted in December 2009. The study was conducted in order to assess the requirement of staff for different Wings of the Embassy, on the basis of their workload.*

*The summary of the recommendations of the Study is as under:*

*The Team recommended 15 additional staff, at various levels, both India based and local.*

*The Team recommended that the Embassy should consider outsourcing its passport related consular work, in consultation of the Ministry.*

*The Team also recommended setting up of a separate Education Wing in the Embassy in consultation with Ministry of Human Resources Development.”*

3.3 The Ministry in written reply further stated as under:

*“Since 2004, the Ministry has set up a Directorate General of Inspections (DGI). The primary purpose of these inspections is as follows:*

- (i) Overall evaluation of the functioning of the Mission in the political, economic, information & publicity, Indian community relations, cultural diplomacy and other related areas.*
- (ii) Inter-personal relations within the Mission including issues of leadership or lack of it. Management of human resources, utilization of budgetary allocations and preparation and implementation of Missions' action plan.*
- (iii) Inspection is to be preceded by thorough preparation including obtaining of information based on questionnaires prepared by the*

*Inspectorate in consultation with the HODs of territorial divisions and other concerned divisions of the Ministry.*

- (iv) *Inspection report is required to be submitted to the Foreign Secretary, with detailed recommendations for action. On approval by Foreign Secretary, the Inspectorate is required to take follow up action with the Missions concerned and with the concerned division in the Ministry.*

3.4 The Ministry in post evidence reply further stated as under:

*“Since 2004, Directorate General of Inspections has inspected a total of 89 Missions/Posts.”*

Recommendation and action taken by the Ministry is furnished as under:

<i>Mission/Post</i>	<i>Recommendations</i>	<i>Action Taken</i>
<i>E/I Tashkent</i>	<i>One post of Assistant may be withdrawn.</i>	<i>Nil</i>
<i>E/I Bishkek</i>	<i>To withdraw one post of Assistant</i>	<i>Nil</i>
<i>E/I Dushanbe</i>	<i>Need to recruit two additional local staff</i>	<i>2 additional local posts were sanctioned by the Ministry</i>
<i>E/I Lisbon</i>	<i>One additional post of local clerk for Consular Wing. One additional post local clerk for commercial wing.</i>	<i>1 additional post was sanctioned by the Ministry</i>
<i>E/I Ashgabat</i>	<i>To curtail staff strength of local staff from 9 to 6</i>	<i>Implemented by Mission, local staff reduced to 6</i>

3.5 As regards the action taken on the O&M study and on the issue of outsourcing of visa application collection services, the Ministry in post evidence reply stated as under:

*“An O&M study of the Embassy of India, Washington was conducted in December 2009... The Mission’s proposal for creation of 6 additional local posts is under examination with the Finance Division of the Ministry.*

*Augmentation of posts in Missions and Posts abroad was last sanctioned in 2007. Since then, the workload has increased due to introduction of additional documentation like surrender certificate, cancellation of Indian passport etc. required from persons of Indian origin and overseas citizens of India for grant of PIO/OCI cards. A review of the staff strength in missions and posts abroad has been undertaken and a cabinet note proposing augmentation of local posts in select 31 missions/posts is under preparation in consultation with the Administration and Finance Divisions.”*

3.6 In the course of O&M study of the Embassy of India in Washington, it was recommended to set up of a separate Education Wing in the Embassy in consultation with Ministry of Human Resources Development. The Committee desired the Ministry to furnish the details of action initiated in this regard and whether the Ministry feel that had education wing been established as recommended in O&M Study, the Trivalley University like situation could have been averted, The Ministry in a written reply stated as under:

*“Presently, work relating to Education is handled by Counsellor (S&T) in the Mission. Mission in Washington feels that an additional post of Minister/Counsellor (Edu) is not required, given the current level of activity. However, this could be reviewed once the new “Foreign Educational Institution Bill 2010” is adopted by the Parliament and level of cooperation between Indian and US Universities picks up.*

*In order to avoid situations like the one relating to Tri-Valley University, the concerned students have been advised to take their own informed decisions regarding the standing and the viability of educational institutions in the US. For this purpose, they can go by the information provided by US authorities and institutions, who have an established framework.”*

3.7 Accounting practices within the Missions/Posts is another matter that requires due consideration. During the examination of Demands for Grants for the year 2010-11, the Committee were informed that the Integrated Mission Accounting System (I-MAS) was functional in more than fifty Missions/Posts abroad for accounting purposes. The Committee had therefore desired that remaining Missions/Posts should be connected with the software at the earliest, so as to make actual assessment of expenditure in terms of real time basis. As regards the current status of execution of IMAS software in Indian Missions/Post abroad, the Ministry in written has furnished the following status note:

*“By the end of February 2011, IMAS software has been implemented in 156 out of 172 Missions/Posts with Drawing and Disbursing Officers having cheque drawing powers. Although serious efforts are being made to implement IMAS at the remaining 16 Missions/Posts, but at some places due to non-availability of proper staff and political disturbances in a few African countries, IMAS has not yet been implemented. The Ministry is hopeful that within the next two to three months, IMAS will get implemented at the remaining 16 Missions/Posts also.”*

3.8 On the outcome of implementation of IMAS and its impact on streamlining the accounting system in order to enhance transparency and ensure accountability in Missions/Posts

and the services that would be covered under IMAS, the Ministry in a written reply stated as under:

*“IMAS has helped in incorporation of cash accounts of the Missions/Posts in the monthly accounts of the Ministry in the same month cutting down the delay of two to three months that used to take place earlier. It has also helped to capture all types of financial transactions and convert them into a meaningful logical reports.*

*IMAS has provided uniform platform for standard reporting as required by the Ministry of External Affairs and Ministry of Finance.*

*Yes, indeed it has helped in greater transparency and accountability as well as budgetary discipline.”*

3.9 The Committee further desired to know whether there is any plan to conduct pilot study on the efficiency and effectiveness of IMAS and about other measures that are being undertaken to enhance e-connectivity between various Missions/Posts abroad. The Ministry in a written reply stated as under:

*“Before undertaking large scale implementation of IMAS at various Missions and Posts, the Ministry had taken up an IMAS pilot project at HCI Islamabad. After satisfying itself with the versatility and effectiveness of the IMAS system, the Ministry extended its implementation to other Missions/Posts.*

*All heads of Missions, Heads of Chancery and some other key officials have e-mail accounts which are operating on NIC servers in India. This makes e-connectivity between Missions and with the Ministry very convenient. Ministry also has a separate secure channel of e-communication with Missions abroad.”*

3.10 The Committee have time and again expressed concern over the state of affairs in various Missions/Posts and the delivery of services. In this context, the Committee desired to know about the efforts that are made by the Ministry to improve the interface between general public and the Mission/Posts particularly telephonic services, web response etc. the Ministry in written reply stated as under:

*“Indian Missions and Posts abroad display all relevant information on visa, passport and consular services on websites with email links for posting queries or to seek information regarding services rendered by the Mission/Post. A 24x7 national toll-free helpline viz. Overseas Workers Resource Centre has been set up to enable emigrants/prospective emigrants to seek information and file complaints against recruiting agents or foreign employers in seven languages i.e. Hindi, English, Tamil, Malayalam, Kannada, Telugu and Punjabi.”*

3.11 On being asked whether there is any centralized monitoring mechanism at the Headquarters to keep a check on delivery of efficient and fast services by the Mission/Posts and to attend complaints, the Ministry in post evidence reply stated as under:

*“There is no centralized monitoring mechanism at the Headquarters to keep check/ensure delivery of efficient and fast services by Missions/Posts. However, Missions/Posts have been instructed to ensure efficient and prompt service to all applicants. These instructions are reiterated from time to time. Every complaint against a Mission or Post received at the Headquarters is looked into and remedial action taken promptly.”*

3.12 On a specific query about provision for providing local language skills and other basic soft skills to the junior and middle level employees hired/posted in the Missions/Posts abroad, the Ministry in written reply stated as under:

*“The Ministry of External Affairs encourages every member of the Service to study as many foreign languages as he/she may be able to do without detriment to his/her other duties...”*

*The Government may provide, at its expense, reasonable facilities for conducting common language classes for officers and members of the staff posted at Missions/Posts abroad. Such classes are also open to interested family members of officials. This is subject to conditions laid down in Annexure XXV to the IFS (PLCA) Rules. Heads of the Missions can authorise organisation of such a session of language classes once in 1½ years if more than 50% of the officials who attended the last such session has been transferred from the Mission. The classes are held in the Mission by instructors hired on the basis of competitive bids. The total permissible duration of sessions of such classes at Government expense are in the range of 120 to 240 hours, depending on the time required for acquiring basic working skills of the language concerned.”*

3.13 When the Committee further desired to know about the details of orientation programme etc. that is arranged for low and middle level officials before being posted to Missions/Posts, the Ministry in a post evidence reply stated as under:

*“ Foreign Service Institute conducts twice each year a Refresher Course for Section Officers of the Ministry of External Affairs proceeding on postings abroad. Apart from formal training modules on different functional aspects in Missions abroad, the Refresher Course includes sessions on communications skills, IT and commercial diplomacy. Similarly, a Basic Professional Course has been introduced for Assistants/Clerks working in the Ministry of External Affairs who are proceeding on posting abroad. This is in addition to the initial Induction course which is conducted for direct recruit Assistants in the Ministry of External Affairs.”*

3.14 The Committee observed that there had been a general complaint about the malfunctioning of websites of various Indian establishments abroad. These websites are reportedly not updated and often provided incomplete information. When the Committee drew the attention of the Ministry to those facts, the Ministry in a written reply stated as under:

*“Updating of websites of Indian Missions abroad is done by the Missions themselves. Ministry has circulated GOI guidelines on running websites to the Missions. Missions are regularly asked to keep their websites secure and updated.”*

3.15 The Ministry in post evidence reply reiterated and elaborated as under:

*“Para 10.1.1. states that "Department MUST appoint a Web Information Manager whose role shall be to ensure that there is a proper flow of content to the site and that content quality and user satisfaction issues are taken care of.*

*Para 1.7 of the Policy Guideline says that "The usage of term 'MUST' signifies requirements which can be objectively assessed and which the Departments are supposed to mandatorily comply with." It further says that "The websites will be checked against these guidelines when audits for compliance are undertaken or for the purpose of quality certification." However, the Guidelines do not include penal provisions of any nature.”*

## CHAPTER IV

### PASSPORT AND VISA RELATED ISSUES

The Ministry has been rendering passport, consular and other services to Indian nationals residing inside India and overseas through its various Passport Offices located in India and Missions/Posts abroad. The Ministry also renders visa services to nationals of other countries visiting India. The Ministry has launched the Passport Seva Project to bring about a quantum improvement in delivery of passport services to Indian nationals. Issuance of e-passport is another ambitious project of the Ministry.

#### A. E-passport

4.2 During the examination of Demands for Grants for the year 2009-10, the Committee was informed that a pilot project had been launched for issuance of e-passport and that the project would be rolled out in general category by the end of 2009. On being questioned by the Committee, the Ministry in a written reply provided the background for delay in e-passport project and stated as under:

*“The Tender Committee in a meeting on 23<sup>rd</sup> September 2010 deliberated on the Technical Evaluation Report received from the ISP Nasik in respect of six firms which had submitted their quotations. It was decided inter alia that fresh security clearance was necessary in r/o of M/s Gemalto and M/s Sagem Securities, a technically qualified bidder which had since been re-named as M/s Safron Morpho and to await the results of the Technical Committee headed by the DG NIC.*

*The Ministry has not received any response from the concerned security agencies regarding the status of clearance to M/s GEMALTO and M/s Safron Morpho. Ministry’s letters to them dated 3<sup>rd</sup> November, 2010 and 16<sup>th</sup> March, 2011 refer”.*

4.3 Elucidating further on the Project, the Ministry in post evidence reply stated as under:

*“While E-passport strategy has been discussed in detail, the discussions have not been concluded. Consultations are still going on with Ministry of Home Affairs and the security agencies so that a passport could be devised which would be tamper-proof and which could not be forged.*

*The parameter for biometrics has not been standardized so far.*

*There is no link between e-passport and UID project.”*

4.4 On the question of introduction of ‘Identity Based Verification System’ for issuance of passport as well as its feasibility and impact on the security concerns and the anticipated



timeframe for implementation of the proposal, the Ministry in a written reply mentioned about the parameters to be used in identity based verification in the Passport Seva Project (PSP) and further stated as under:

*“During the conceptualization stage of the PSP which includes Business Process Reengineering (BPR), preparation of RFP (request for proposal) and bid process management (BPM), representative of Ministry of Home Affairs (MHA) was present and their inputs were taken by the Ministry (MEA). MHA’s representatives were also present in the Tender Committee and also in the Apex Committee which were formed as part of the PSP project.*

*...apart from the current identity verification which is in practice, the proposal to implement 1:N bio-metric matching solution will definitely enhance the security in Passport Issuance Process. Further, linkages to UID will provide additional security in verification of applicant’s identity. The feasibility of implementation of 1:N bio-metric matching solution as well as linking with UID database will be carried out within next one year.”*

## **B. Passport Seva Project**

4.5 On the approval of the Union Cabinet, in September 2007, the Ministry embarked on the prestigious Passport Seva Project with the aim of delivering all passport related services to the citizens in a timely, transparent, more accessible and reliable manner. After much delay, the Pilot Projects for Passport Seva Kendras (PSKs) have already been launched and there is a proposal to open more such PSKs in various parts of the country. Hence, the Committee desired to be updated about the latest position regarding opening up of new Passport Seva Kendras (PSKs). During the course of evidence, the Foreign Secretary submitted on the issue as under:

*“..the Ministry has been working towards further improving and streamlining its Passport, Visa and Consular delivery systems. We have embarked upon the Passport Seva Project to comprehensively transform the passport service delivery system. Under this Project, the Government has decided to outsource some of the front end and non-sensitive activities such as submission of passport applications, taking of digitalized photograph of applicants, collection of bio-metric features and maintenance of national call centre to a Service Provider. Seven pilot Passport Seva Kendras have been already launched in 2010. These include four centres in Karnataka under the jurisdiction of Regional Passport Office, Bengaluru and three in Punjab & Haryana under the administrative control of Regional Passport Office, Chandigarh. A Third Party Audit of the pilot project by STQC, a body under the Department of Information Technology, was done in January 2011. We are quite confident that the remaining 70 Passport Seva Kendras would become operational during the current financial year.”*

4.6 The Committee desired to know as to in how many places PSKs have been/will be established where POs already existed and about the coordination mechanism between the

newly established PSK and already existing Passport Offices (POs). The Ministry in a post evidence written reply stated as under:

*“There will be also one or more than one PSK under a Passport Office (PBO). There will be also one or more than one PSK in the same city where the Passport Office exists.*

*Existing Passport Offices are to be converted into Passport Back Offices (PBO) for all back-end processing like printing, lamination and dispatch of passports and legal and policy issues. PSKs and existing POs are integral part of the Passport Seva Project and functions to be performed by each of them have been delineated clearly.*

*However, the PSKs and existing POs both will perform different roles for timely and efficient issue of passport to citizens. All the PSKs and Passport Back Offices are to be linked through a centralized IT system. Both are to perform assigned roles under overall supervision of the concerned Regional Passport Officer.”*

4.7 In this context, the Committee desired to know the mechanism that has been envisaged to ensure that there is no overlapping of work and PSKs do not become parallel institutions to the Passport Offices resulting in further delay in issuance of passport, the Ministry in a post evidence reply stated as under:

*“Passport Seva Kendras (PSK) will be responsible for delivery of all front-end citizen services. The staff of the Service Provider at the PSKs is to perform the functions of Data entry, scanning and uploading of documents, capturing of photo and the prescribed bio-metric features, receipt of fee, enquiry and grievance handling.*

*Each Passport Seva Kendra will have Government staff for verification of original documents and grant order of the passport. Front end activities, not involving sovereign functions of the Government of India have been outsourced through bidding process to Service Provider. The Government Staff is to handle sovereign functions.*

*Therefore, there is no duplication of work between a PSK and Passport Office, but both will be complementing each other to achieve the objective of the PSP to deliver passport related services to the citizens in a timely, transparent, more accessible, reliable manner and in comfortable environment through streamlined processes.”*

4.8 As regards, the fate of District Passport Cells and various Passport Collection Centers, after opening of PSKs, the Ministry in post evidence reply stated as under:

*“As per Cabinet Note, the existing Passport offices will be converted into Passport Back Offices for handling of applications received through the DPCs and designated SPCs. However in view of functional requirement i.e.*

*capturing of photograph and prescribed bio-metrics of the applicant need is being felt to revisit this matter.”*

4.9 The Committee further desired to know about the difficulties that are being faced in issuance of passports through PSKs under the pilot projects and the initiatives/steps taken to resolve those identified problems. The Ministry in a written reply stated as under:

*“After the launch of 7 PSKs as part of the Pilot Phase under RPO Bangalore and RPO Chandigarh, Ministry aims to roll out wave-I, covering 21 PSKs for State of Tamil Nadu, Andhra Pradesh, Kerala and Delhi starting May 2011. The roll out of 77 PSKs across the country should be over by end- 2011.*

*Like every large and voluminous project, Passport Seva Project too, went through initial hiccup like crowd management, on-line appointment issues, system (application) instability and other operational/functional issues/challenges.*

*To rectify the problems being reported initially after the launch of the Pilot Project, various improvements have been carried out..*

*Keeping in view the increased demand for passports, the future PSKs are accordingly designed to take care of the demand-supply ratio. The facility of on-line appointments resulted in smooth handling of crowds in the PSKs. Ministry has also taken up steps to clear pendency from the legacy system before launching PSP in the respective RPOs/Pos. Ministry is acutely conscious of the fact that the success of the Passport Seva Project depends on a trained, accountable and motivated workforce. In this regard, several steps, some of them for the first time, have been taken to improve the service conditions of the CPO personnel by re-structuring of the cadre, faster promotion and launch of a productivity-linked incentive scheme. The CPO cadre has been re-structured by creation of 320 posts of Passport Granting Officers in May 2010 and 416 posts were earlier created for the implementation of Passport Seva Project in 2008. They would be re-deployed at 77 Passport Seva Kendras.”*

4.10 The Committee desired to be acquainted with the Ministry’s position on the demand of the employees of Passport Organisation regarding notings/remarks to be made in form of hard copy rather than being simply fed in the computer. The Ministry in the post evidence reply mentioned about the security measures that have been undertaken and assured the Committee that the concern of the employees regarding accountability has been addressed.

4.11 While addressing the concerns of the Committee regarding the steps that have been taken to ensure accountability of PSKs' outsourced staff and imposition of penalty for non-

performance & misappropriation in the agreement with the Private Service Provider, the Ministry in a post evidence reply stated as under:

*““During the implementation of the Project, the service provider is accounted to abide by the timelines and other terms of contract as per Request of Proposal (RFP) and Master Service Agreement (MSA) signed between SP and MEA. A third party independent audit agency(3PAA), STQC, DIT under Ministry of Communications & Information Technology, engaged by MEA has audited the entire PSP system including operation of 7 pilot PSKs and given their compliance verification as part of the Pilot Certification for the Pilot Phase of the Project. After complete roll out of the 77 PSKs the 3PAA will give the Project Go-live Certification for the PSP. During post-go live phase, the 3PAA will carry out periodic audit (half yearly/yearly) as decided by MEA. In addition, following points also ensure compliance and accountability of the Service Provider:*

*The strategic control of the software developed by the Service Provider is vested in the Ministry. In this regard, Ministry has entered into a MoU with C-DAC, an entity under the Department of IT. Digital signature certificates are being issued as per the guidelines of the Government with regard to e-Governance.*

*The 3<sup>rd</sup> Party Auditor, another software testing agency under the Department of IT, STQC has certified the technical features of the Project including all matters relating to system and software security.*

*According to the Agreement, for each week of delay in achieving the select milestones, the Ministry shall levy a penalty of Rupees two lakh. If the final Go-Live is delayed beyond two months, or any particular milestone is delayed beyond one month, the Ministry may subject the contract to termination and also reserves the right to invoke the entire performance bank guarantee clause of Rs.20 crores. After Go Live of the Project, if the Service Provider does not comply with all the 27 Service Level Agreements (SLAs) specified in the Master Services Agreement, the service charges payable to it will be proportionately reduced.”*

4.12 As regards role of Passport Seva Project in ensuring speedier, hassle free and complaint free issuance of passport to the public, the Ministry in post evidence reply stated as under:

*“Passport Seva Project has provided all the passport-related services to the citizens in a speedy, more accessible, convenient and transparent manner. It is also felt that role of middle men has been reduced to a considerable extent in the new system.*

*During the visit of the Standing Committee in July 2010 to PSK in Bangaluru, it was observed by the Hon'ble Members that there was need to reduce waiting time for the applicants and reduce congestion, addition of staff strength and speedier police verification. The PSKs in Bangalore were launched in May 2010 only and the system was yet to be stabilised. Adequate*

*measures have been taken to reduce waiting time and reduce congestion in the PSKs. In the beginning police verification was taking longer as it was a new format and technology for the police personnel. Constant interaction was maintained with senior police officials for expeditious police verification. The system has since stabilized and is now more responsive and efficient.”*

4.13 The Ministry further added that:

*“In view of the encouraging response received from the citizens, post pilot go-live at 7 locations, MEA is going ahead with roll out at 70 remaining locations in a time bound manner.”*

### **C. Central Passport Organization**

4.14 The Central Passport Organization (CPO) was created in 1959 as a Subordinate Office of the Ministry of External Affairs. As on 31 December, 2010, the total strength of CPO was 2,697. The Ministry has reportedly taken several steps to improve the service conditions of the CPO personnel by re-structuring of the cadre, faster promotions, and introduction of productivity - linked incentive scheme.

4.15 Giving details of promotional structure in the Central Passport Organization, the Ministry in a post evidence reply furnished following details of grade-wise structure of the CPO cadre with designation, grade pay, qualifying service required for promotion to next higher grade, sources of recruitment etc. While giving account of non-filling of vacant positions from amongst the officers within the cadre at the higher level and posts filled by officials from the Ministry/outside:

*“It is significantly evident from the cadre structure that the ratio of posts in each higher grade is structured in such a manner as to ensure accelerated promotion.*

*The number of promotions granted during the year 2008-2010 came to 1577 out of the CPO cadre size of 2697. It signifies that 60% of the total cadre has moved upward since 2008. In 2010 alone, 879 promotions (33% of the total personnel were granted. This figure will go up further as we will be filling up further vacancies through promotions. This is unprecedented and has happened due to restructuring of cadre and thanks to Passport Seva Project.*

*..there are minimum eligibility conditions (number of years as part of the Recruitment Rules before one becomes eligible for promotion. There are 17 posts of Passport Officer in the CPO cadre (12 available for CPO personnel and 5 available for deputationists) against which there are no officers from CPO cadre in position. Excess number (13) deputationists are occupying these posts as per Recruitment Rules due to non-availability of officers from CPO cadre with qualifying service...”*

4.16 Justifying the reasons for filling up the posts of RPOs by non-IFS, the Ministry in a post evidence reply stated as under:

*“As per Recruitment Rules, 25-30% of the senior positions in the CPO cadre i.e. Passport Officer/Deputy Passport Officer are required to be filled up by deputation of eligible officers from Central Government Services. Accordingly, the CPO cadre has taken officers on deputation from Indian Administrative Service, Indian Police Service, Indian Forest Service and other Central Services strictly as per rules. Being senior Government functionaries, all these officers are found to be conversant with the rules and suitable in their dealing with the public.”*

## CHAPTER V

### INDIAN COUNCIL FOR CULTURAL RELATIONS

The Indian Council for Cultural Relations (ICCR) is an important organ of the Ministry of External Affairs. The Council helps to formulate and implement policies pertaining to India's external cultural relations, to foster mutual understanding between India and other countries and to promote cultural exchanges with people. The BE & RE (2010-2011) for ICCR was Rs. 150 crores. However, the BE 2011-12 is Rs. 121 crores which is 19.33% less than the BE & RE 2010-11.

5.2 Elaborating on the role and importance of ICCR, the Foreign Secretary, during the course of evidence stated as under:

*“..the Indian Council for Cultural Relations (ICCR) functions as the cultural arm of this Ministry to formulate and implement policies and programmes relating to India's external cultural relations. The ICCR has engaged itself proactively over the last several years to project the soft power of India. The ICCR has undertaken a rapid expansion of its activities and outreach both inside and outside India. It has organized a series of major festivals in countries of strategic importance to India, sent a much larger number of cultural troupes abroad and set up a number of Indian Cultural Centres (ICC) overseas to augment India's cultural footprints outside. It has enhanced the academic and intellectual engagement with students and the intelligentsia by providing over 2300 scholarships to foreign students every year in India. Organising seminars and conferences and augmenting the number of Chairs of Indian studies in Universities abroad has been a part of this exercise. The Ministry of External Affairs would continue to provide the necessary financial resources to ICCR for fulfilling its objectives.”*

5.3 In reply to a query about the actual utilization of fund as on 31.3.2011, the Ministry in a written reply stated as under:

*“In BE & RE 2010-2011, ICCR was given Rs. 150 crores which included regular budget allocation of Rs. 110 crores and special grant under Expansion Plan for 40 crores. ICCR's actual utilization is approximately Rs. 151 crores as on 31/03/2011 where one crore approximately is due to internal receipts.”*

5.4 The Committee desired to know about the measures that have been taken by the ICCR/Ministry to ensure transparency in expenditure of ICCR. The Ministry stated as under:

*“Internal audit wing of Principal Chief Controller of Accounts, Ministry of External Affairs conducts internal audit of ICCR accounts. In addition, statutory audits of ICCR expenditure is carried out by a team of Comptroller*

*& Auditor General of India. CAG's audited accounts of ICCR are placed in the Parliament every year. Adequate control is also exercised by inspection visits undertaken by senior officers from ICCR to Indian Cultural Centres abroad as well as Regional Offices in India and on going expenditure at ICCR headquarter. These measures ensure transparency of expenditure in ICCR."*

5.5 Giving account of inspections conducted during last 3 years, along with the major observations/recommendations and the action taken thereon, the Ministry in a post evidence reply stated as under:

*"Adequate control is exercised by inspection visits of ICCR teams to Indian Cultural Centres abroad. During the last 3 years, 3 Performance & Finance Audit Teams of ICCR have inspected 10 Indian Cultural Centres. Major observations / recommendations pertained to functioning of administrative and other aspects of the working of the Indian Cultural Centres with a view to make them more effective in promoting Indian culture in the host countries. Some observations also pertained to delegation of financial powers and maintenance of accounts as per prescribed procedures. Follow up actions have been taken as per these recommendations through concerned Heads of Indian Missions as well as directly from ICCR headquarter."*

5.6 In reply to a query, the Ministry has furnished a list of new Cultural Centres established abroad during the last three years and those that are proposed to be established, including the proposed Cultural Center at Washington. However, the Committee in their 5<sup>th</sup> Report (2001-02) (13<sup>th</sup> Lok Sabha) had dealt with the issue of delay in project for Cultural Centre in Washington and desired Ministry's clarification for such an inordinate delay. The Ministry in a post evidence reply explained the delay as under:

*"The proposal of opening of an Indian Cultural Centre in Washington has been under consideration for more than 5 years. Main reason for delay is due to inability to locate a suitable property, its approval and signing of the Lease Deed with the landlord. However, the formalities towards opening of an Indian Cultural Centre in Washington is at very advanced stage. A suitable premises have been located and approved by the concerned authorities. Assessment of rentals by an independent agency has been undertaken. Proposal has already been forwarded to MEA for approval of the rental of the premises. ICCR expects this Centre to be operational later this year."*

5.7 Similarly, the Committee noted that the ICCR project in Kolkata had been delayed by over 4 years, however, ICCR has informed that there were no cost over-runs in the project. In this regard, the Ministry in a post evidence reply stated as under:

*"The Rabindra Nath Tagore Centre Project, which is ICCR's Regional office, in Kolkata was inaugurated in June 2008 when it was declared open by the then Hon. Minister of External Affairs, Shri Pranab Mukherjee in presence of*



*West Bengal Chief Minister, President ICCR and many prominent personalities Kolkata. This Project was completed with certain delay and some cost overruns. This Project was executed by Project Division of Ministry of External Affairs not by ICCR. This Project proposal initially commenced with the approval of Cabinet Committee on Non-plan Expenditure (CNE) in 1999. However, actual work on the Project commenced in April 2003 and it was completed and inaugurated in June 2008. As per CNE approval of 1999, total approval including consultancy fee was for Rs. 14.75 crore. The final cost after completion of Project in May 2008 was Rs. 16.51 crore.”*

#### **A. Scholarship Scheme for Foreign Students**

5.8 Administration of scholarship schemes for foreign students as well as self financed foreign students is one of the important activities of Regional Offices of ICCR. While giving details of various scholarship schemes of ICCR to foreign students and other issues pertaining to them, the Ministry of External Affairs in a written reply stated as under:

*“Council also takes various welfare measures to increase the comfort level of foreign students.*

*ICCR has been designated as the principal coordinating organization in the Country to take welfare measures for all foreign students in India. This was done on the recommendations of the Inter-Ministerial Committee on the Welfare of Foreign Students which was set up in 2008 under Prime Minister’s directives.”*

5.9 Discussing the problems that are generally faced by foreign students and the efforts made to resolve those grievances, the Ministry in a written reply further stated as under:

*“With the mandate to look into various aspects related to the welfare of foreign students and to recommend measures to improve the conditions they encounter in India, an Inter-Ministerial Committee under the Chairmanship of DG, ICCR was constituted in July, 2008. After detailed inter-active meetings with the departments concerned, the Committee submitted its recommendations to PMO. Several review meetings have been held to monitor progress about welfare of foreign students, done by Principal Secretary to Prime Minister. Recommendations of these meetings have been implemented by ICCR.”*

#### **B. Regional Office**

5.10 ICCR has 15 Regional Offices within India. Identification, selection, and promotion of the artists from their region is an important function of Regional Offices. In this context, the Committee desired to know the mechanism for selecting/identifying/promoting local talents and promising young artists. The Ministry in written reply stated as under:

*“Artistes all over India apply for empanelment. Expert Sub-Committees for the various art forms are appointed, consisting of eminent gurus and practitioners of various forms, experts and scholars. After reviewing the performances of artists by these Expert Committees, the credentials of the approved artistes/groups are also reviewed by the Advisory Committee of Experts before empanelment.*

*ICCR’s Regional Offices take help of Regional Cultural Academies / Zonal Cultural Centres / Local Govt. for empanelment of artistes in order to enhance ICCR’s outreach in different parts of India and to ensure adequate regional coverage. Regional Offices also arrange ICCR’s Horizon performances by the upcoming artistes which allows the Council to review the performance of young upcoming talent from time to time and encourage them to get empanelled with ICCR and also to participate in festivals in India and abroad.”*

5.11 The Regional Office, Guwahati was opened in August, 2009 with a view to support the activities of different local cultural organizations. In this context, the Committee desired to know whether the present set up of the office, budgetary allocation and the staff strength are adequate to perform the duties and responsibilities of the office efficiently and effectively and whether the opening of Regional Centre, ICCR in Guwahati has helped the budding artists of North-East region to showcase their talent at national and international level, the Ministry in a written reply stated as under:

*“Enhanced budgetary allocation is being provided to enhance the activities in the Region.*

*The opening of Regional Centre, ICCR in Guwahati helps the budding artistes of North-East Region to showcase their talent at national and international level. The Guwahati Regional Office supports the activities of different local cultural organizations. The Regional Offices also provide artistes a platform to show their talent by arranging for their performances under the Horizon Series to have reviews of their talent for empanelment with the ICCR to further sponsor them abroad. ICCR Guwahati, with its potential for increasing cultural exposure, awareness and collaboration, gives a much-needed boost to the cultural activities in all of the North East India.”*

## CHAPTER - VI

### INTERNATIONAL COOPERATION

A large chunk of the budget of the Ministry is invested into technical assistance programmes in neighbouring countries and other developing countries. The principal beneficiaries of these Programmes in RE 2010-2011 and BE 2011-2012 are given below:

( ₹ Crore)		
Aid & Loan to countries (Proposed)	RE 2010-11	BE2011-12
Bhutan	1723.00	1690.00
Afghanistan	310.00	290.00
Nepal	150.00	150.00
African countries	150.00	150.00
Mongolia	0.00	2.00
Sri Lanka	90.00	290.00
Myanmar	90.00	190.00
Eurasian Countries	30.00	30.00
Bangladesh	3.00	3.00
Maldives	11.00	10.00
Latin American Countries	4.00	4.00
Others	356.35	241.00
Total	2917.35	3050.00

6.2 Along with providing Aid and Loan to developing countries for technical cooperation, the Ministry is also engaged in carrying out mega-projects in various countries. These projects are in Afghanistan and Myanmar etc. These projects are appraised by the Expenditure Finance Committee and approval of the Competent Authority is obtained thereafter. However, due to long implementation schedule and external factors operating in the countries where the projects are being implemented, there have been instances of excessive delays in starting and completion

of the projects. In this context, the Committee desired to know project-wise, the main factors that caused delay in implementation of the project and the specific problems that were faced by the Ministry in implementation of projects since inception stage till the completion of the project. The Ministry in a written reply furnished the country-wise details as under:

#### **“Bhutan**

*Ministry is not carrying out any mega-projects in Bhutan. Government of India provides financial assistance to the Royal Government of Bhutan for its mega-projects, which are implemented either by themselves or by an autonomous Authority.*

*There are no delays in the implementation of the mega-projects in Bhutan and are progressing as per schedule.*

#### **Nepal**

*Government of India is assisting the Government of Nepal (GoN) in the development of border infrastructure along the India-Nepal border. In Phase I, construction of two Integrated Check Posts, up-gradation/construction of 605 kms of roads in the Terai region of Nepal and construction of two cross-border rail-links along the India-Nepal border are envisaged. These projects are in the initial stages of implementation. The progress of the projects would depend on the internal situation in Nepal.*

#### **Myanmar**

*The only mega project under BSM Division is the Kaladan Multi-Modal Transit Transport Project in Myanmar. The project cost approved by Cabinet is Rs.535.91 crores. The completion of the project is slated for July 2013. As of now, the completion of the port and inland water component is on schedule. Due to change in scope of project, DER for one road segment is being done and the completion date of this road segment will be known only after the DER is received.*

#### **Afghanistan**

*Most of the projects executed in Afghanistan by the Government of India have been completed in time without cost overruns. However, in the case of construction of Salma Dam Power Project (3x14 MW) in Herat Province, there has been time and cost overruns. The Project was approved at an estimated cost of Rs.351.87 crores in November 2004 with an objective of power generation and irrigation facility. The Committee on Non-Plan Expenditure had since approved revised cost of Rs.800.85 crores plus 54.01 crores as escalation upto December 2010. The project is likely to be completed in December 2012.*

*The initial time schedule for completion of Salma Dam Power Project was December 2008. The delay in completion of the Project may be attributed to basically three reasons:*

- (a) The serious security condition in Afghanistan*
- (b) The remoteness of the dam site*
- (c) Delay in reaching the construction materials at Dam site. The construction materials are to be transported either through Iran or Uzbekistan.*

*To expedite the completion of the Project, a high-level Project Review and Technical Advisory Committee (PRTAC) has been constituted for constant monitoring of the Project and help in taking expeditious decision.”*

6.3 The Committee asked the Ministry to furnish details of the projects that were in the pipeline, their current status and anticipated cost and completion data. The Ministry in post evidence reply stated as under:

*“**Bhutan:** The mega projects in Bhutan currently under implementation with Indian assistance are 1200 MW Punatsangchhu-I hydro-electric project (HEP), 990 MW Punatsangchhu-II HEP, 720 MW Mangdechhu HEP, and Dungsum Cement Plant.*

*The projects in the pipeline are seven HEPs (180 MW Bunakha, 486 MW Kholongchhu, 600 MW Wangchhu, 670 MW Chamkarchhu-I, 1800 MW Kuri-Gongri, 620 MW Amochhu, and 4060 MW Sankosh), for which the Detailed Project Reports (DPRs) are currently under preparation by Indian Central Public Sector Undertakings. The DPRs are scheduled to be completed in a staggered manner by December 2011. The projected/ estimated costs of these projects will be known only after the DPRs are prepared and thereafter examined by the concerned authorities of Government of India.*

***Nepal:** Government of India is assisting the Government of Nepal (GoN) in the development of border infrastructure along the India-Nepal border. In Phase I, construction of two Integrated Check Posts, up-gradation/construction of 605 kms of roads in the Terai region of Nepal and construction of two cross-border rail-links along the India-Nepal border are envisaged. The progress of the projects would largely depend on the internal political situation in Nepal and our political imperatives. The status note is placed below:*

***Terai Roads:** The consultant has informed that approximately Rs. 217 crores would be required for 2011-2012.*

***ICPs:** Work for the construction of the ICP at Birgunj had been hampered due to impediments created by the villagers living around the site. Work recommenced from January 18, 2011. The preparation of the Detailed Engineering Report for the ICP at Biratnagar has been delayed to the non-*

*confirmation of land by the GoN. The consultant has informed that approximately Rs. 68 crores would be required for 2011-2012.*

***Rail-Links:*** *Railway Board has nominated IRCON as the implementing agency for the construction of the Jogbani-Biratnagar and Jayanagar-Bijalpura-Bardibas rail link. The tendering process for construction of bridges, platforms etc. on the Indian side has commenced. The Project Monitoring Committee for the project is being established. GoN has conveyed that it has initiated procedures for creation of a new Department of Railway which would overlook the railway infrastructure projects in Nepal. We have sought from Ministry of Railways the fund requirements for 2011-2012 which is awaited.*

## **Mega Projects in Myanmar**

### **Kaladan Multi-Modal Transit Transport Project:**

*The total cost of the project is Rs. 535.91 crores approved by Cabinet. The cost of works pertaining to Port & IWT components has been awarded to M/s ESSAR for Rs. 342.41 crores. The expected completion date is July 2013.*

*Financing of the Project: The expenditure on the project will be met from the Plan budget of the Govt. of India*

### **Current Status:**

*The Kaladan Multi-Modal Transit Transport Project has reached actual construction stage. An agreement between Ministry of External Affairs and M/s ESSAR has been signed on 14<sup>th</sup> May 2010. The ground breaking ceremony for Port and IWT component was on 19 Dec 2010.*

*The first Indo-Myanmar Multi Sectoral Group Meeting was convened on 22<sup>nd</sup> May 2010 in Nay Pyi Taw. During the meeting, it was also agreed to change the alignment of the IWT.*

## **Afghanistan**

*The details of large projects that are currently under implementation in Afghanistan are as follows-*

*Two additional sub-stations are proposed to be constructed at Doshi and Charikar at an estimated cost of Rs. 186.71 crores (currently at approval stage), at the request of Government of Afghanistan.*

*The construction of Salma Dam Power Project (42 MW) in Herat Province is under progress. The project is likely to be completed by December 2012.*

*The construction work of Afghanistan's Parliament building has started in early 2009 at an estimated cost of Rs. 710 crores and the likely time schedule for completion of the building is December 2011."*

6.4 India's relations with Afghanistan have been deepened through regular dialogue at the highest levels. The mutually beneficial implementation of India's development partnership with that country has provided visible and meaningful substance to this relationship. During the course of evidence, the Foreign Secretary reiterated that:

*"Our assistance is geared towards building a peaceful and democratic Afghanistan. We will continue with our projects in the country aimed at development of infrastructure, human resources and capacity building. We shall provide food assistance and support for the small development projects that bring benefit to the people of Afghanistan at the grass root level."*

6.5 Regarding the projects, the Foreign Secretary further informed the Committee that:

*"The work pertaining to the construction of two power sub-stations at Doshi and Charikar in Afghanistan, as a part of the Pul-e-Khumri –Kabul Transmission Line project is expected to begin soon once the approval of the CCEA is received for the revised cost estimates."*

#### **A. Aid to Bhutan**

6.6 As per the explanation furnished by the Ministry in the Budget Documents, Cabinet had approved a higher package to Bhutan as Government of India's Assistance towards Project Tied Aid (PTA) and for Small Development Project (SDP) to the country for its 10<sup>th</sup> Five year Plan (2008-13). The Committee desired the Ministry to furnish details on entire gamut of aid/loan and assistance to Bhutan approved by the Cabinet under current Five Year Plan and the percentage of funds utilized till 31<sup>st</sup> March, 2011. The Ministry in a written reply stated as under:

*"The aid approved by the Indian Cabinet for Bhutan's current Five Year Plan is Rs. 3,400 crores (Rupees three thousand four hundred crores). This comprises Rs. 700 crores (Rupees seven hundred crores) as Programme Grant/Development Subsidy, Rs. 700 crores (Rupees seven hundred crores) for Small Development Projects (SDPs) and Rs. 2,000 crores (Rupees two thousand crores) as Project-Tied Assistance (PTA).*

*The percentage of funds released to the Royal Government of Bhutan till March 31, 2011 is as follows:*

<i>Scheme</i>	<i>Committed Aid</i>	<i>Given to RGoB till March 2011</i>	<i>% released</i>
<i>PTA</i>	<i>2000 crores</i>	<i>845.013 crores</i>	<i>42.25 %</i>
<i>Programme Grant</i>	<i>700 crores</i>	<i>385.000 crores</i>	<i>55.00 %</i>
<i>SDPs</i>	<i>700 crores</i>	<i>200.027 crores</i>	<i>28.58 %</i>

*In addition, two projects committed to by the Government of India outside of PTA, are the "Total Solutions" ICT Project for which Rs. 205 crores have*

*been committed (Rs. 82 crores or 40% released) and the Bhutan Institute of Medical Sciences for which Rs. 25 crores have been committed (Rs. 6.0764 crores or 24.31% released)."*

6.7 While furnishing details of the entire component of Aid and Loan to Bhutan during their last three Five Year Plans, the Ministry in written reply stated as under:

*"The entire assistance provided to Bhutan for their Five Year Plans is in the form of Grant in Aid, without any loan component. The amount of aid provided/committed to Bhutan's last three Five Year Plans is as follows:*

*₹ in Crores*

<i>(Amounts in Rs. crores)</i>	<i>Indian Aid</i>	<i>Bhutan's Total Outlay</i>	<i>% of Indian assistance</i>
<i>8<sup>th</sup> Plan (1997-2002)</i>	<i>1050</i>	<i>4000</i>	<i>26</i>
<i>9<sup>th</sup> Plan (2002-2008)</i>	<i>2610</i>	<i>8900</i>	<i>29.33</i>
<i>10<sup>th</sup> Plan (2008-2013)</i>	<i>3400</i>	<i>14800</i>	<i>23</i>

6.8 The Committee noted that the outlay for 2010-11 for Project Tied Aid was Rs. 159 crores, however, the expenditure for 2010-11 upto December 2010 was Rs. 384.10 crores. Thus, on being asked the reasons for overspending, the Ministry in written reply stated as under:

*"The outlay for Project-Tied Assistance (PTA) for 2010-11 (Rs. 159 crores) was 45% of the amount that had been requested for (Rs. 350 crores). Insufficient initial allocation of funds is the primary reason for the enhanced allocation under Supplementary Grants..."*

6.9 While elaborating upon the Ministry's plans in Bhutan, the Foreign Secretary, during the course of evidence reiterated as under:

*"...India has doubled its development assistance for Bhutan's 10<sup>th</sup> Five Year Plan to Rs. 3400 crore. An assistance of Rs. 2000 crore under Project-Tied Assistance would be provided for projects in various sectors. An allocation of Rs. 1000 crore has thus been made in the Ministry's Budget for the financial year 2011-12 under 'Aid to Bhutan'."*

6.10 She further explained to the Committee that:

*"...this decade will be both exciting and challenging for our highly successful and mutually beneficial cooperation in the hydropower sector with Bhutan. It would see the realisation of the target that both countries have set for themselves to develop 10,000 MW of energy in Bhutan by 2020 for import by India. Ten hydropower projects have been identified for development to achieve this target. Work on three is already under way. While construction of the Punatsangchu-I Hydro Electric Power project is in full swing, pre-construction activities of Punatsangchu II and Mangdechu Hydroelectric projects have also begun. Detailed project reports of the other seven would be ready very soon."*



## **B. Aid to Myanmar**

6.11 The Committee observed that under ‘Aid & Loan to Countries’, allocation for Myanmar is enhanced from Rs. 90 crores to Rs. 190 crores. The Committee desired the Ministry to furnish reasons for the enhancement, alongwith details of projects under it and their current status. The Ministry in written reply stated as under:

*“The allocation for Myanmar under “Aid & Loan to Countries” has been increased from 90 to 190 crores. While the allocation under Plan Expenditure remains at 60 crore, the budget under Non Plan Expenditure has increased from 30 crore to 130 crore. We had in fact requested for enhanced Plan budget and the slightly, lower non-plan budget, but the allocation had been done differently. The main components of the enhanced non-plan expenditure would go for projects such as supply of tractors and agricultural implements, setting up of Indo-Myanmar Industrial Training Centre at Monywa, construction of Rhi-Tiddim road, small development projects, DPRs for trilateral highway, and DPR for Tamanthi-Shwezaye hydro-electric project. As regards Plan expenditure, we would be using it only for the Kaladan Multi-Modal Transport project where the work is progressing as per schedule and the ground breaking ceremony was organized in December 2010. Given the increase in the range of projects and our economic engagement, our relations with Myanmar has been strengthened and become multi-dimensional.”*

6.12 During evidence, the Foreign Secretary reiterated that:

*“India would continue to strengthen its multi-dimensional relationship with Myanmar including in the areas of infrastructure cooperation, connectivity, power, railways, oil and natural gas and agriculture. We remain committed to continue our developmental assistance to Myanmar. A higher allocation of Rs. 130 crore has, therefore, been provided for Myanmar.”*

## **C. Aid to Sri Lanka**

6.13 As per Outcome Budget, the outlay for 2009-10 under Aid to Srilanka was Rs. 90 crores, however, only Rs. 68.96 crores were used. Similarly, Outlay for the year 2010-11 was Rs. 90 Crores. However, upto February, 2011, Rs. 83.82 crores had been spent and that too, Rs. 50 crores for supply of tractors, for which no provision was made in the outlay. The Committee desired to know the reasons for non-spending in all other heads and to furnish the break up of total outlay and the expenditure incurred. The Ministry in a written reply furnished as under:

*“The details for spending Rs. 68.96 crores of total Rs. 70 crores allocated under ‘Aid to Sri Lanka’ budget during FY 2009-10 are as follows:*

*India is assisting Sri Lanka in resettlement and reconstruction of the war affected Northern and Eastern Provinces. Several projects are being taken up by India in this regard are in various stages of planning and implementation.*

*As regards the earlier booking in 2009-10 of only Rs. 68.96 crores as against the budgeted Rs. 90 crores is because of many of the projects were still being processed and picked up momentum only in 2010-11. Our initial thrust was on humanitarian and relief assistance to Internally Displaced Persons (IDPs). Since many areas in Northern Province of Sri Lanka were still not accessible for projects to be taken up. Further, the reconstruction and rehabilitation efforts are hampered by the situation on the ground viz. mining in many areas, damaged infrastructure etc. Hence, the Government has been giving thrust to those activities such as demining which would enable accessibility and implementation of the projects aimed at reconstruction and rehabilitation.”*

6.14 The Ministry further provided details for spending under ‘Aid to Sri Lanka’ budget during 2010-11 and stated as under:

*Government of India, in an effort to revive agricultural sector in Sri Lanka, supplied 500 tractors for the use of farmers from Northern Sri Lanka. Though provision for supply of tractors to Sri Lanka was not made during BE stage, the project was taken up on a special request made by Presidential Task Force (PTF), Government of Sri Lanka looking after the rehabilitation, resettlement and reconstruction of Northern Sri Lanka.”*

6.15 During the course of evidence, the Foreign Secretary reiterated that:

*“India is assisting the Sri Lankan Government in the resettlement and rehabilitation of the Internally Displaced Persons in the Northern Province through a number of developmental projects. We have announced an initiative to build 50,000 houses in Northern and Eastern provinces of Sri Lanka. A higher budgetary allocation of Rs. 290 crore has, therefore, been allocated in BE 2011-12 in order to implement the various developmental assistance programmes announced by India.”*

6.16 As regards to allocation of Rs.500 crores for IDPs, the Committee desired to know whether the Government had formed any monitoring agency to ensure that the IDPs were the real beneficiaries and the funds were not diverted for the general welfare of Sri Lanka. The Ministry in a post evidence reply stated as under:

*“Government has announced an allocation of Rs.500 crores for rehabilitation of IDPs and reconstruction of northern Sri Lanka. The Ministry of External Affairs has put in place monitoring mechanisms as suited to each project given their complexities of implementation to ensure that projects are not only completed in a specific timeline but also beneficiaries are directly benefited. In this context, Government has undertaken an extensive programme of assistance for the humanitarian issues, resettlement of the IDPs and reconstruction of northern and eastern Sri Lanka. Selection of projects is carefully done keeping in mind its benefits to those affected in northern and eastern Sri Lanka.”*

#### **D. Aid to Africa**

6.17 Traditionally, India has been an important country providing technical and economic development in Africa. Recently, in India-Africa Summit a blue-print was prepared. However, with the resurgence of Africa, the nature of engagement needs to be evolved further. The Committee desired to know about the changing contours of India's engagement with Africa from the perspective of both India and Africa in the backdrop of resurgent Africa. To this, the Ministry in a written reply stated as under:

*“Keeping the historic links intact, our relationship with Africa has been revitalized by adding closer economic cooperation in 21<sup>st</sup> century which is based on African needs in the development process especially in Capacity Building, Infrastructure Development and Promotion of Trade. India has created a multilayered paradigm of economic cooperation at continental level, regional level and bilateral level.*

*At the India-Africa Forum Summit 2008, US \$ 5.4 billion in additional LOCs and US \$ 500 million in grant were committed for economic engagement with Africa including a significant proportion committed to capacity building and human resource development. These commitments include the establishment of 4 Pan-African Institutions relating to Information Technology, Foreign Trade, Diamond Processing and Education Planning and Administration. Ten Vocational Training Centres, five Human Settlement Institutes and two apex Coal Institutes are also being set up with Govt. of India's assistance. Several other commitments like 300 agricultural scholarships, Duty Free Tariff Preference to LDC's, doubling of ICCR scholarships, enhanced ITEC fellowships, capacity building courses in various fields were also announced. Implementation process for most of these commitments has already started.*

*India's engagements with Africa are increasing with the each passing day. India and Africa look at each other as partners in development. African countries are interested in acquiring cost effective and intermediate technology from India and also benefit from India's prowess in the field of IT. To achieve this end, Indian Govt. and Indian Private Sector are providing all the possible assistance to our fellow brethren in Africa. “*

6.18 The Committee observed from the reply furnished by the Ministry that a sum of Rs. 55 crores were allocated to East & Southern Africa Division in RE 2010-11 out of which a sum of Rs. 52.43 crores has been incurred upto 30<sup>th</sup> March, 2011. Apart from it, some of the Missions in Africa have incurred expenditure on air fare etc. of participants to various training programmes in India, conducted under India Africa Forum Summit, details of which are not available with the Ministry. It is anticipated that the total expenditure during the year 2010-11 will be somewhat between 53-55 crores. Clarifying on the issue, the Ministry stated:

*“E&SA Division does have details of expenditure incurred by some of our Missions abroad out of Aid to Africa Budget of MEA. However, we are requesting all our Missions in Africa to furnish up-to-date details of the expenditure incurred by them out of Aid to Africa Budget during 2010-2011 and will follow up till information from all of them is received.*

*Some of the expenditure anticipated and budgeted for could not be utilized due to procedures involved in supplies to various countries under the West Africa Division. The reasons were beyond the control of the West Africa Division as these procedures have to be followed before actual supplies are effected. For example, we had anticipated an expenditure of Rs. 5 crores for supply of a CT-Scan machine to Liberia. However, the machine can be supplied only after the receiving country puts in place the necessary infrastructure needed to install the machine as the machine contains radio-active material and needs special infrastructure due to threat of radiation. In this case, since Liberia could not provide the necessary infrastructure, the machine could not be supplied. Similarly, some of the supplies for which budget provision was made are under process of being supplied and the bills will be settled only in the next financial year. These are supply of computers to Cape Verde, supply of medical equipment to Liberia, etc. We had also made provision of Rs. 5 crores for aid to India-Ghana Kofi Annan Centre for Excellence. However, the Memorandum of Understanding between the two sides was signed only in March 2011 and hence the amount could not be utilized in this financial year. Since in some of the cases the delay was entirely attributable to procedures which involved action/decisions by other sovereign countries, there was no way the Division could have utilized the budgeted amount.*

*Also, in the budget we always keep some amount to be disbursed as emergency assistance to countries of Africa. This is necessary to meet any unforeseen expenditure the division may need to incur. While we use the amount wherever required, it may not always be fully used.”*

6.19 The Committee desired the Ministry to furnish a brief note on Pan African e-network Project alongwith total cost, timeline and present status along with the response of the stakeholders regarding the Project. In turn, the Ministry in a written reply stated as under:

*“ M/s. TCIL, a Government of India undertaking, is the implementing agency for the project and the entire cost of Rs.542.9 crores is being met by Ministry of External Affairs as grant.*

*So far, 47 countries have signed the agreement with TCIL and the project has already been commissioned in 43 countries.*

*The project was to be implemented till 30 September 2009. However, TCIL has been seeking extensions due to reasons beyond its control. The Ministry has been extending the period of implementation and the period of*

*implementation had last been extended till 30 June 2011. The delay in implementation of the project is attributable to the following factors:*

- *Delay in signing of the Agreements by countries with TCIL, in other words due to delay in acceptance of the project by the countries.*
- *Delay by countries in making available the sites along with infrastructure to TCIL for implementing the project. (Some of the countries do not have the required resources to do so.)*

*Time overruns are inevitable in the project of this nature. Since the project is being implemented in sovereign countries some of which are categorized as Least Developed countries and have their own constraints both in terms of capacity and capability. However, efforts are being made to implement the project as early as possible.*

*There are no cost overruns so far and no cost overrun is envisaged at this stage. So far a total expenditure of Rs. 220 crores has been incurred and bills amounting to Rs.20 crores are under submission (Total estimated expenditure as on date Rs. 240 crores)*

*Despite constraints of capacity and capability, the response of the stakeholders including the African Union and the participating African countries has been excellent. Pan African E-Network Project has been called the biggest such project ever undertaken in the world in the field of human resource development. In any project of this magnitude involving 47 sovereign countries, different time zones and languages, the difficulties and teething troubles are inevitable and these are being resolved in consultation with the stakeholders.”*

6.20 The Committee observed that with regard to PAN African network in rest of the countries, Ministry has stated that some countries do not have required resources. In this context, the Committee desired to know Government of India’s Strategy about resource mobilization for these countries and about the number of countries that have resource constraint and the action that had been taken in this regard. The Ministry in a post evidence reply stated as under:

*“...Since financial assistance to any one country for providing these infrastructural facilities would have led to similar demands from others, Government of India's policy has been to use diplomatic persuasion keeping in mind the constraints of the concerned government. As of date, most of the countries have provided the sites with local infrastructure and the project has already been commissioned in 45 countries out of the 47 which had signed the Agreement with TCIL. Kenya and Swaziland are the only two countries where the Project has not yet been commissioned.*

*Initially many countries such as Republic of Congo, Democratic Republic of Congo, Cote d'Ivoire, Republic of Guinea and Zimbabwe, had cited financial constraints. However, most of them have provided the infrastructure as per the agreement and as of date only one country namely, Swaziland, remains which has cited financial constraints for the time being. Efforts are being made to persuade the Swazi authorities to provide the sites with infrastructure as early as possible and Swazi authorities have indicated that they would be able to provide the same in May 2011."*

6.21 While drawing attention of the Committee to India's developmental partnership through ITEC and SCAAP Programmes, the Foreign Secretary during course of the discussion stated:-

*"..the Indian Technical and Economic Cooperation Programme, popularly known as ITEC, along with the Special Commonwealth Assistance for Africa Programme (SCAAP) and Technical Cooperation Scheme (TCS) under the Colombo Plan have become important components of India's development partnership and cooperation with 159 countries of the developing world. The usefulness and relevance of these cooperative interactions in different countries is reflected in the increasing number of participants in the ITEC Programme which has indeed acquired a brand name in the developing world. Demand-driven and response-oriented ITEC, is today a major component and dynamic part of India's bilateral assistance programme manifesting itself in diverse areas of cooperation. We have offered 5500 vocational training slots to participants in over 232 short, medium and long-term courses spread across 48 institutes in India."*

6.22 The Foreign Secretary further submitted -

*"..the bilateral relations with the African countries have been consolidating. The second India-Africa Forum Summit is scheduled to be held in Ethiopia in May 2011. Hon'ble Members may recall that the First Summit held in April 2008 laid down the architecture for the development of India's future relations with the countries of Africa. Several Lines of Credit and Grants in aid have been extended to the countries in Africa along with the ongoing implementation of the Pan African e-network project in over 40 African countries. The projects announced during the First Summit are being implemented."*

## CHAPTER VII

### INTERNATIONAL ENGAGEMENT

#### A. South Asian Association for Regional Cooperation

The Committee observed from the Budget Documents that Rs. 15 crores at BE 2010-11 were allocated under the Head SAARC programme. However, it was reduced to Rs. 8 crores in RE 2010-11, whereas Rs. 10 crores have been allocated at BE 2011-12. The Committee desired the Ministry to furnish the reasons for reduction in allocation at RE 2010-11 stage as well as the major heads of expenditure under it for the year 2011-12. The Ministry in a written reply stated as under:

*“There were inordinate delays on the part of implementing agencies in submission of their bills to the Ministry. Consequently at the RE stage, the allocation under the SAARC programmes was reduced to ` 8 Crs. from ` 15 Crs provided in BE 2010-11. Later the bills were received and now the RE allocation stands fully utilized. The Ministry has set up a monitoring mechanism to ensure that the expenditure is booked in time so as to obviate any cut at the RE stage in future.*

*The major heads of expenditure under SAARC Programme for the year 2011-12 are as under :-*

- a. SAARC Tele-Medicine Project*
- b. SAARC Tele-Education Project*
- c. SAARC Museum of Textiles & Handicrafts*
- d. SAARC Band Festival*
- e. SAARC Folklore Festival*
- f. SAARC Festival of Literature*
- g. Seed Testing Laboratories*
- h. Organizing SAARC Meetings & Conferences”*

7.2 During the course of evidence, the Foreign Secretary informed the Committee that -

*“..the South Asian University commenced its first academic session in August last year with 50 students from all across South Asia. Two post-graduate courses on Development Economics and Computer Applications were offered in this session. The University proposes to commence four new courses in the field of Biotechnology, Sociology, Law and International Relations from the next academic session beginning July 2011. With the introduction of new courses, the intake of students is also expected to increase to 200-250.”*

7.3 Underlining the importance of SAARC in regional cooperation on various important issues, SAARC Convention on Cooperation on Environment was signed on 29.4.2010 and was ratified on 5.10.2010. In this context, the Committee desired to know the main provisions of the

Agreement and whether all the SAARC Members state have ratified it and when the Agreement is likely to come into effect. The Ministry in written reply stated as under:

*“The objective of this Convention is to promote cooperation among the Parties in the field of environment and sustainable development, on the basis of equity, reciprocity and mutual benefit, taking into account the applicable policies and legislation in each Member State. Cooperation will extend to exchange of best practices and knowledge, capacity building and transfer of eco-friendly technology.*

*The signing of this Convention will open up possibilities of regional cooperation on environment and climate change issues.*

*As of now, only two Member States, namely, India and Sri Lanka, have ratified the SAARC Convention on Cooperation on Environment.*

*The Convention will come into effect thirty days after a notification by the Saarc Secretariat of the completion of ratification of the Agreement by all Member States.”*

7.4 While responding to the Committee’s query regarding taking up the issue of global climate change at any of the fora of SAARC and points of convergence within the Member States, the Ministry in a post evidence reply stated as under:

*“.. the issue of global climate change talks has been considered at the 8<sup>th</sup> Meeting of SAARC Environment Ministers in New Delhi in October, 2009 as well as at the 16<sup>th</sup> SAARC Summit held in Thimphu in April 2010. At the 8<sup>th</sup> SAARC Environment Ministers Meeting, Ministers “underlined the crucial importance of close cooperation in the run-up to the UN Climate Change Conference of Parties (COP-15) in Copenhagen, with a view to enabling the full, effective and sustained implementation of the UN Framework Convention on Climate Change (UNFCCC). They also underscored the need to fully implement the commitments under the Convention in accordance with its principles, especially that of equity and common but differentiated responsibilities and respective capabilities.*

*In the Thimphu Statement on Climate Change, leaders reiterated the principles of equity, and common but differentiated responsibilities and respective capabilities as enshrined in the UN Framework Convention on Climate Change to be the basis for an agreed outcome in the global negotiations on climate change. They also underlined that an agreed outcome of the global negotiations must emerge from an inclusive, transparent, open and democratic process of negotiations.*

*.. SAARC countries have worked to arrive at a common position on global climate change talks. This common position was presented by Bhutan, as the present Chairperson of SAARC, at the COP16 held in Cancun, Mexico in November/December 2010.”*



## **B. Nalanda University**

7.5 The Committee observed that the Nalanda University Act 2010 was passed and came into force w.e.f. 25 November, 2010 and Vice-Chancellor designate assumed charged in October, 2010. A Meeting of Nalanda Mentor Group, which is now the Interim Governing Board of the University, was held in February, 2011. The major decisions taken at the meeting are stated to be as under:

- i) *“The Board was informed that the Ministry had asked for Rs.10 crores in the Budget Estimate for the University during 2011-12 but, a demand for more funds can be made at the Revised estimates Stage, if need be.*
- ii) *Other possible sources of funding were also discussed.*
- iii) *It was decided to secure the site by building a 6 feet high wall /fence on the periphery with angle irons and barbed wire at the top.*
- iv) *A contact will be made with Archaeological Survey of India (ASI) in regard to digging at least three excavation trenches on the site to ensure that there are no historical artifacts under the land. This was considered necessary to avoid any inadvertent destruction of heritage as the University is located in an archaeologically and historically sensitive area.*
- v) *It was decided that international experts and architects should be invited to participate in the global design competition for the University. It was also decided to appoint an architect as the client’s representative for this purpose.*
- vi) *The Board felt that the earlier cost estimates prepared by EdCIL have certain drawbacks and a fresh Detailed Project Report should be prepared to ascertain the cost of the project.*
- vii) *The Masters Programme should be of 2 years duration.*
- viii) *The next meeting of the governing Board will be held in Patna on 6-7 July, 2011.”*

7.6 During the course of evident, the Foreign Secretary submitted as:

*“The Project Office of the Nalanda University has started functioning in New Delhi. The Government of Bihar has handed over 446.85 acres of land to the University in February, 2011. Preliminary work for the construction of the University campus is expected to begin in the coming months.”*

7.7 The Nalanda Project Report was prepared by Education Consultants India Ltd. (EdCIL) in March 2007 with an estimated cost of the project as Rs.1005 crores. The Committee desired to know about the reason for fresh DPR by Ed.CIL as well as Ministry’s plan to mobilize resources for the project beside role for EAS in this regard, the Ministry in a post evidence reply stated as under:

*“The component of inflation has not been taken into account in the figure of Rs. 1005 crores. In fact, the Governing Board felt that the EdCIL report prepared in March 2007 has certain drawbacks and a fresh Detailed Project Report should be prepared to ascertain the cost of the project.*

*The Ministry proposes to approach appropriate authorities of Government of India to make necessary provision for the project. In addition, the members of EAS through the Joint Press Statement issued in October 2009 in Thailand, encouraged appropriate funding arrangements on voluntary basis from governments and other sources including public-private partnership. Some EAS countries i.e. Australia, China, Singapore and Laos have already offered contributions for the project.*

*In the last meeting of the Governing Board held in New Delhi in February 2011, it was proposed to constitute a group called “Friends of Nalanda” comprising a varied group of people who could help the University in various ways including raising funds for it.”*

7.8 On the current progress and need to expedite setting up of Nalanda University, the Ministry in a post evidence reply stated as under:

*“The University is presently in the process of carrying out a detailed survey of this land and have a wall, which will be around 8 Kms, long, erected along its periphery to secure the land. The proposed timeline for the construction project is as follows:*

<i>April-May 2011</i>	<i>:</i>	<i>Securing land and carrying out total land survey</i>
<i>July/August 2011</i>	<i>:</i>	<i>Launch Global Design Competition</i>
<i>December 2011</i>	<i>:</i>	<i>Result of the Design Competition</i>
<i>January 2012</i>	<i>:</i>	<i>Begin construction</i>

*Some academic courses will be started immediately as soon as some of the university buildings come up, which is likely to be in the 2013-14 Academic Session.”*

### **C. Energy Security**

7.9 A new Head of account namely ‘Energy Security’ has been created by the Ministry. In this context, the Committee desired to know the mandate of the Project and the allocation made during the year 2010-11 and allocation sought at BE 2011-12. In this regard the Ministry stated as follows:

*“The Energy Security Unit was set up in September 2007 within the existing ITP Division in the Ministry, with the approval of FS and EAM. It was decided to upgrade the Unit to a Division with effect from April 2009.*

*The main objectives of this Division include serving as a nodal point in MEA for Energy Security related matters, sensitizing and assisting our Missions*

*abroad in identifying possible opportunities for Indian companies, maintaining close coordination with concerned Ministries and support their international engagement through appropriate diplomatic interventions, supporting efforts of our corporate entities in acquiring energy assets overseas, and in building strategic partnerships with foreign companies, promoting transfer of new and emerging energy technologies to India and interface with leading energy security think tanks and experts in India and abroad on energy related issues.*

*The Division also deals with energy related international organizations.*

*The Division also deals with matters relating to Food Security, including liaison and interaction with Ministries like Agriculture and Fertilizers.*

*The Energy Security Division proposes to bring out a handbook on energy security, which will be a compilation of data on energy resources available in different regions of the world and the investment and regulatory regimes in these countries/regions with regard to energy resources. This would assist our Missions in furthering our energy security interests. An institutional consultant is proposed to be hired for assisting the Division with this project. The Division also proposes to organize round table meetings and seminars on the subject of energy security in order to increase awareness and focus on this issue.”*

#### **D. United Nations Reforms**

7.10 The factors that shape the foreign policy of India are related to its national priorities as well as the evolving regional and global situations. The country is striving to build a global order in which India's interests are assured, its strategic autonomy safeguarded and is conducive for achieving the overriding goal of rapid sustained and inclusive socio-economic development of the country. This signifies not just peace and stability in the country's immediate and extended neighbourhood but also an enabling international environment that provides a sustained and predictable basis for India's engagement with the international community for trade, natural resources, capital, and energy flows and technology. The Ministry undertakes a proactive but balanced engagement at multiple levels – bilateral, regional as well as global with the major powers.

7.11 Being a major votary of multilateralism, India has put a lot of faith and energy in the UN System and contributed a lot in UN Peace-Keeping Force and UN Democracy Fund. The 7<sup>th</sup> round of crucial discussion for UN reforms is about to start. In this context, the Committee

desired to know about India's strategy to pursue for UN Reforms, the Ministry in a written reply stated as under:

*"India has been most actively involved in pushing for reform and restructuring of the United Nations to make it better equipped to effectively respond to the evolving needs of its membership. In this context, India has called for institutional changes and greater balance between the principal organs of the UN and expansion of the UN Security Council.*

*India's efforts have been focused on seeking expansion of the UN Security Council in both the permanent and non-permanent categories. India in collaboration with Brazil, Japan and Germany (together known as the G-4) has proposed expansion of the membership of the United Nations Security Council from fifteen to twenty-five by adding six permanent and four non-permanent members. G-4 efforts resulted in the commencement of text-based inter-governmental negotiations in the UN on Security Council reform issue in July 2010. This was a significant development after many years of meandering discussions on the issue.*

*India's election in October 2010 to the Security Council for the 2011-2012 term with an overwhelming support from the UN membership has further strengthened India's case for a permanent seat on the Security Council.*

*The third round of text based negotiations (7th Round overall) has started in the UN in New York on 2nd March 2011. India continues to work with other like-minded countries for building support among the UN membership for expansion of the Security Council."*

7.12 Furnishing the current status of the Negotiation, the Ministry stated as under:

*"The meeting discussed the third revision of the negotiation text presented by the Chair of the negotiations. The revised text was supported by G-4 countries and several other Member States. However, the United For Consensus Group (Mexico, Spain, Argentina, Italy, Costa Rica, Malta, Pakistan, Egypt, Turkey, Republic of Korea, and Canada) and a few other countries in varying degrees challenged the text as the basis for further negotiations... India continues to work with other like-minded countries for building support among the UN membership for expansion of the Security Council. The Chair is expected to inform Member States shortly about the way forward."*

#### **E. Border Issues with China**

7.13 Updating with the latest position of India-China Boundary issues, the Ministry in a written reply stated as under: -

*"The Governments of India and China have each appointed a Special Representative to explore from the political perspective of the overall bilateral relationship the framework of a boundary settlement. The Special Representatives have met 14 times with the most recent meeting taking place*

*at Beijing on November 29-30, 2010. It will be recollected that in 2005 the two countries had concluded and signed an Agreement on the Political Parameters and Guiding Principles for the Settlement of the India-China Boundary Question, which was one of the results of the Special Representatives process.*

*Pending a resolution of the Boundary Question, India and China have agreed to maintain peace and tranquility in the India-China border areas. Agreements to this effect were signed in 1993 and 1996. As a result of these understandings, the India-China border has been largely peaceful.”*

7.14 The Committee observed that China has continued to follow a policy of issuing stapled visas, however, despite raising the issue at highest level no tangible result have been achieved so far. Elaborating on the issue, the Ministry in a post evidence reply stated as under:

*“The Government has taken up the issue of stapled visa for Indian nationals from J&K with the Chinese side at the highest level. Government’s position that there should be no discrimination against visa applicants of Indian nationality on grounds of domicile and ethnicity has been clearly conveyed to the Chinese Government on several occasions, including during the recent visit to India by Chinese Premier Wen Jiabao in December 2010. Ministry had also issued a travel advisory on 12.11.2009 cautioning Indian citizens that Chinese paper visas stapled to the passport are not considered valid for travel out of the country. During the visit of Chinese Premier to India, the Chinese side conveyed that the two Foreign Ministries would remain in touch to resolve the issue to mutual satisfaction. Over the past few months, no case of stapled visa for Indian nationals from J&K has come to the notice of the Government. The issue will continue to be raised by India.”*

7.15 As regards construction of big dam on Brahmaputra River and diversion of water from River Brahmaputra at source by China, the Ministry in a post evidence reply stated as under:

*“India closely follows the development on the Brahmaputra River in the Tibet Autonomous Region of China. Government is aware of the construction activity at Zangmu, on the main Yarlung Zangbo (Brahmaputra) River in the Tibet Autonomous Region of China. Government has taken up this matter with the Chinese side at the highest level, including during the visit of Chinese Premier Wen Jiabao to India in December 2010. The Chinese Premier said that China’s development of upstream areas will be on the basis of scientific planning and study and will never harm downstream interests. The Chinese side has also conveyed that the construction at Zangmu is that of a small power project, which will not store water or regulate the volume of water, and therefore, will not have an adverse impact on the downstream areas.*

*Keeping in mind that the Brahmaputra river is an economic resource for the development of the local communities in the two countries, India and China agreed in November 2006 to establish an Expert Level Mechanism to discuss*

*trans-border river issues in an institutional way. There have been five meetings of this mechanism, the latest being on 19-20 April 2011. The relevant issues relating to trans-border rivers is taken up with the Chinese side through this Expert Level Mechanism.*

## CHAPTER VIII

### MISCELLANEOUS

#### A. Operation Home Coming

Countries of Gulf Region and North-Africa are witnessing major political turmoil. In this background, the Ministry has furnished the data regarding the number of Indians working in various countries of West Asia and Northern Africa. As regards the steps taken by Government of India to ensure the safety and security of Indians in the region and to facilitate their safe evacuation, the Ministry in post evidence reply stated as under:

*“We are in close contact with the respective governments through our Missions in these countries to ensure the safety and well being of Indian expatriate community. The Prime Minister of Bahrain on 17th March 2011 assured our Ambassador of the Government’s commitment to protect our community whose contribution to the development of Bahrain they valued...”*

8.2 Dwelling upon the issue of evacuation from Libya, the Foreign Secretary submitted :

*“The 'Operation Safe Homecoming' was successfully concluded on March 13, 2011 using 53 special flights and a number of passenger ships that ferried Indian nationals from Libyan ports of Benghazi, Sirte and Misurata to transport evacuees from Libya. Two Indian Naval Ships - INS Jalashwa and INS Mysore - and Indian Air Force transport aircraft IL76 were also pressed into service for evacuation.*

*Special arrangements were made at Delhi and Mumbai Airports to receive the returnees from Libya and facilitate their onward journey to their destinations in India. Overall, Government of India assisted safe and secure return of over 16,000 Indian nationals from Libya to India. Around 1500-1800 Indians have chosen to stay back in Libya.”*

8.3 The Committee desired to know the total expenditure on the two evacuations ie from Egypt and Libya and the agency responsible for bearing the cost of operations and about Government’s plan regarding evacuation of Indians from other places which are affected by the unrest. The Ministry in post evidence reply stated as under:

*“In the case of the Indian nationals who returned to India from Egypt, GOI only facilitated arrangement of three non-scheduled commercial flights by Air India. These flights brought back 749 Indian nationals from Cairo to Mumbai. This was not evacuation but an arrangement facilitated by GOI upon request from the Indian community in Egypt. The cost of operating the special flights was realised by the airlines, Air India, from the passengers on cost basis. The passengers were given the flexibility to pay the fare on arrival in India.*

*In the case of Libya, Indian nationals in that country who were desirous of returning to India, were evacuated and therefore the cost of the operation was borne by GOI. So far, GoI has provisionally booked an expenditure of Rs.43.90 crores. The final expenditure for the financial year 2010-11 would be available once the accounts from the concerned Missions/Posts are settled as well as settlement of inter-Ministerial/agencies accounts.*

*While at present there are no plans to effect the evacuation of Indians from any other place, nevertheless concerned Heads of Missions have drawn up contingency plans where required. These plans include, inter alia, full information on the Indian community, modes of transport, requirements of provisions and medicines, human, physical and financial resources and its deployment.*

8.4 In regard to alleged criticism of Operation Safe Homecoming regarding evacuation from Egypt and Libya as “too little too late”, the Ministry in a post evidence reply stated as under:

*“..Foreign Secretary had taken a meeting of Heads of Missions from Bahrain, Yemen and Oman to discuss the political situation obtaining in these countries and to put in place a plan for evacuation of Indian nationals were it to become necessary. These Heads of Missions have drawn up contingency plans in respect of their countries”*

8.5 The air fare that was charged from the Indian national evacuees from Egypt was more than the regular air fare. When asked to cite reasons for overcharging of air fares from the evacuees in distress, the Ministry in a post evidence reply stated as under:

*“The Indian nationals from Libya desirous of returning to India following political protests in that country were evacuated and therefore the cost of the operation was borne by Government of India. In the case of those who returned to India from Egypt, Government of India only facilitated arrangement of three non-scheduled commercial flights by Air India. These flights brought back 749 Indian nationals from Cairo to Mumbai. This was not an evacuation but an arrangement facilitated by Government of India upon a request from the Indian community in Egypt. The cost of operating the special flights was realized by the airlines (Air India) from the passengers on a no-profit basis. The passengers were given the flexibility to pay the fare on arrival in India.”*

## **B. Abduction of Indians by Somali Pirates**

8.6 From the reports appeared in media, the Committee noticed that there have been frequent cases of abduction of Indians seafarers in the Gulf of Aden's by Somali pirates from Private foreign ships/cargo ships. Besides the abducted sea farers, their families suffer a lot when they do not get information of their well being and the efforts made by the Government for their safe release. In this context, when the Committee desired to know whether



Government intends to evolve a comprehensive and humane policy in this regard besides taking up the issue at appropriate international fora, the Ministry in written reply stated as under:

*“The issue of piracy is a very complicated international problem. During the year 2010, 49 ships were hijacked off Somalia’s coast. According to the International Maritime Bureau, 1016 sailors of all nationalities were taken hostage by Somali pirates in 2010 of whom 638 remain hostage. From 2007-2011 March, a total of 175 Indian crew were taken hostage on board various Merchant ships. Out of these, 122 have been released and 53 remain hostage at present on five ships. All five ships are sailing under foreign merchant vessel flags, three of them are under Panama flag, one under Maltese flag and one under Italian flag. The only point of contact for negotiating with the ship owners becomes the management. The management of one of the ships is based in UAE, one in Cairo and three in India.*

*The nodal Indian agencies/ministries dealing with the problem of piracy off the Coast of Somalia are Ministry of Shipping (Directorate General of Shipping) and Ministry of Defence (Indian Navy, Coast Guard). MEA only comes into the picture when DG shipping informs us about the hijacking of ships with Indians abroad. MEA then activates the nearest Indian Mission (as well as the Mission where the ship management may be located) to use diplomatic channels to facilitate communications and to encourage release of Indian nationals.*

*In cases where the concerned ship management/owners are based in a foreign country, our Ambassadors are instructed to take up the matter strongly with the ship owners (and through the local governments) to try to see that pirates agree to release the ship along with the crew...*

*Taking up the issue of piracy with the Somali Government has not served much purpose. The country is in disarray and the pirates attack with impunity. Our Ambassador in Nairobi, who is also accredited to Somalia, met with the President of TFG and was assured of support from the Somali authorities on this matter. In fact, there is little they can actually do on the ground.*

*MEA is coordinating with the UN and other international bodies like the Contact Group on Piracy off the Coast of Somalia (CGPCS) and the International Maritime Bureau to seek coordinated solutions to the problem of combating the piracy off the coast of Somalia.”*

8.7 The Ministry further stated as under:

*“We are signatory to the UN Convention on law of the Seas (UNCLOS) of 1982. India is piloting a domestic legislation for prosecution of pirates on a priority basis...”*

8.8 While dwelling upon the issue of piracy in its entirety, the Foreign Secretary during the course of evidence, submitted as under:

*“As of now, 46 Indian sailors on four foreign-flagged ships are held hostage to Somali pirates.*

*The Ministry is working to facilitate the expeditious release of Indian hostages through diplomatic channels. In all four cases, our Ambassadors have been instructed to maintain direct contact with the ship owners and the local Governments to try to see that the pirates agree to release the ship along with the crew. Our Ambassador in Nairobi, who is also accredited to Somalia, has taken up the issue strongly with the President of the Transitional Federal Government there.*

*The Ministry has worked to promote international cooperation in the fight against piracy and, in particular, to draw the attention of the international community to the issue of hostage-taking. It was at our specific instance that the Security Council, vide Resolution 1976 of April 11, 2011, for the first time strongly condemned the growing practice of hostage-taking by pirates operating off the coast of Somalia, called for the immediate release of all hostages, and called upon States to cooperate, as appropriate, on the issue of hostage-taking.*

*In the absence of specific domestic legislation to deal with prosecution of pirates, the Ministry of External Affairs is currently engaged in piloting a comprehensive domestic legislation on piracy on a priority basis.”*

8.9 In the light of involvement of multiple agencies in dealing with the issue, the Committee desired to know whether the Ministry has thought of evolving some kind of coordination mechanism so that each agency is aware of the action taken/progress made by other agencies in this regard. The Ministry in post evidence reply stated as under:

*“Inter-Ministerial Coordination meetings are held regularly at the level of the Committee of Secretaries as well as at Ministerial level.”*

8.10 Regarding urgent need of a domestic legislation for prosecution of pirates, the Ministry in a post evidence reply stated as under:

*“..Draft of domestic legislation is being prepared by the MEA in consultation with the Ministries of Shipping, Defence, Home Affairs and Law & Justice.”*

8.11 In regard to Ministry’s statement that from 2007-2011 March, a total of 175 Indian crew were taken hostage on board various Merchant ships and out of these, 122 have been released and 53 remain hostage at present on five ships. The Ministry in post evidence reply furnished details of 5 ships hijacked by pirates whose crew include Indian nationals and stated as under:

*“As per Ministry’s information, all the crew members of these ships are being held hostage by the hijackers. Only in the case of MV Asphalt venture which*

*had an all Indian crew of 15, 8 of the crew members have been released while 7 remain in the hijackers' custody."*

8.12 Regarding the main demands of the hijackers, the Ministry in post evidence reply stated as under:

*"Government is not in contact with hijackers. As per information gathered from Ship owners and management of the hijacked ships, hijackers have demanded payment of ransom money for release of the hostages and the ships."*

8.13 The Committee desired to know about the steps undertaken by the Ministry to provide the correct information to the families who approach the officials of MEA and its approach in reaching out to the bereaved family members. The Ministry in a post evidence reply stated as under:

*"The families of hostages are guided to contact the Ministry of Shipping the Directorate General of Shipping for information regarding the hostages."*

8.14 In this context, the Committee drew the attention of the Ministry to a news report related to release of a ship by Somali pirates that they held hostage for the last seven months and eight of its 15 Member all Indian Crew but were holding to the remaining seven till India releases all arrested pirates and that the pirates released the Indian owned Asphalt Venture late Friday, apparently after a ransom of \$ 3million (Rs. 14 crores approximately) was paid. The Committee further desired the Ministry to confirm the veracity of the news items and the role actually performed by MEA in this negotiation. The Ministry in post evidence reply stated as under:

*"The Ministry is aware that a Panama flagged tanker, MV Asphalt Venture which was hijacked by Somali pirates on 28 September 2010 was released by pirates on 16 April 2011 reportedly on payment of ransom. The crew of the ship consisted of 15 Indian nationals. Only 8 of the crew members including the Captain were released by the pirates who continue to hold remaining 7 Indian crew members hostage at an unknown location."*

8.15 The Ministry further stated as under:

*"Government of India was not involved in the payment of ransom" and "MEA had no role in these negotiations."*

8.16 On the issue of Joint patrolling in the region, the Ministry in written reply stated as under:

*“The Indian Navy commenced anti-piracy patrols in the Gulf of Aden from October 2008. A total of 25 Indian Navy ships have been deployed in the Gulf of Aden since then on anti-piracy patrol and escort operations.*

*In the 8th Plenary meeting of the Contact Group on Piracy held on 21 March 2011 in New York, the robust military response by Indian Naval forces against pirates and India’s policy of apprehending pirates and prosecuting them was widely applauded.”*

8.17 Regarding Committee’s query on the need of pro active role of Indian Navy, the Ministry in post evidence reply stated as under:

*“A total of 1487 ships, including 1321 foreign flagged vessels from different countries, have been escorted by Indian Navy ships in the Gulf of Aden since October 2008. 26 piracy attempts have been thwarted and no ship under Indian escort has been hijacked by pirates. We have also set up a 24x7 Communication Centre within the Indian Maritime Administration for coordination and facilitation in case of piracy. Taking serious note of recent spate in "Dhow Piracy", India has banned operation of Indian Dhows in piracy infested areas.”*

### **C. Indians Languishing In Foreign Prisons**

8.18 The Committee observed that Government of Republic of India and Government of Peoples’ Republic of Bangladesh had signed an agreement on Transfer of Sentenced Persons on 11.1.2010 and it was ratified on 9.8.2010. When, the Committee enquired about the number of Indian citizens languishing in the prisons of Bangladesh and the efforts made for their release after signing of Agreement between the two countries, the Ministry in a written reply stated as under:

*“Our Mission in Dhaka has informed that there are 317 Indian citizens in Bangladesh jails. The Agreement on Transfer of Sentenced Persons signed between the two sides in January 2010 came into force with effect from January 13, 2011, with the exchange of Instruments of Ratification between the two sides.*

*In the Home Secretary level talks, held in January 2011 in Dhaka, it was agreed to designate JS(CS) from the Indian side and JS(Immigration) from the Bangladesh side as nodal points. Both sides have agreed that process of consular access will be expedited to speed up the repatriation of prisoners of both the countries.”*

8.19 Similarly, many Indian citizens are languishing in Pakistani jails. Referring to the case of Gopal Das, the Committee sought to know their numbers and the efforts that are being made by

the Government of India to secure their release. The Ministry in a post evidence reply stated as under:

*“Government of India has been consistently taking up the issue concerning all Indian prisoners in Pakistani jails with the Government of Pakistan at all appropriate levels. Further, an India-Pakistan Judicial Committee on Prisoners consisting of four retired judges from each side has been set up to recommend steps for humane treatment and expeditious release of prisoners of the respective countries in each other’s jails... The 4<sup>th</sup> meeting of the Judicial Committee took place from April 19-23, 2011 in Pakistan. Members of the India-Pakistan Judicial Committee visited jails in Karachi, Rawalpindi and Lahore. During the visit, the Pakistani side shared the lists of Indian Fishermen and civilian prisoners. Consular Access was conducted in respect of some of the fishermen and prisoners on the spot. Further it was recommended by the Committee to reconcile the figures of the prisoners and the fishermen at the earliest and to allow consular access to rest of the fishermen and prisoners in the second week of May 2011. The Committee suggested that the Nationality verification process should be facilitated and all those prisoners who have completed their sentences and whose travel documents are available should be repatriated to their respective countries at the earliest. The Committee suggested that the next visit to Indian jails by the Committee may be scheduled preferably during the second half of June, 2011 subject to the confirmation of dates by both the sides through diplomatic channels at an early date.*

*High Commission of India, on a continuing basis, takes up the matter with the Government of Pakistan for the release of all those Indian prisoners who have completed their sentences.*

*The matter was raised with Pakistan at the Foreign Secretary Level talks on February 25, 2010 in New Delhi and again on June 24, 2010 in Islamabad. The issue was also raised during Home Minister’s visit to Islamabad on June 25-26, 2010 and during Foreign Minister level talks in Islamabad on July 15, 2010. During the Foreign Secretary level talks in Thimphu on February 6, 2011 the issue was discussed once again. In the Home/Interior Secretary level talks between India and Pakistan held on March 28-29, 2011 in New Delhi, the two sides noted and welcomed the release of prisoners and fishermen by each other and agreed to release by April 15, 2011 those civilian prisoners/fishermen who have completed their sentence, whose nationality status has been confirmed by the respective Governments and whose travel documents have been received. Complete list of prisoners in each others’ custody will be exchanged by both sides on July 1, 2011.*

*Government of Pakistan released 18 Indian civilian prisoners and 454 Indian fishermen lodged in Pakistani jails in 2010. So far, in 2011, Pakistan has released 1 civilian prisoner (Gopal Dass) and 89 fishermen. Government will continue to make all efforts to secure the release of all Indian prisoners in custody in Pakistan.”*

## **RECOMMENDATIONS/OBSERVATIONS OF THE COMMITTEE**

**The Committee acknowledge that during the last two years, the Ministry has made efforts to reduce the tendency to surrender the allocated resources at the end of the year. However, the Committee also note that there is still a vast gap between the proposals made by the Ministry of External Affairs and the budget granted by the Ministry of Finance. Budgetary Allocation of MEA for the financial year 2011-12 is pegged at Rs. 7106 crores which is grossly lower to the tune of 65% of allocation of nearly Rs. 11,000 crores initially proposed by the Ministry. Therefore, the Committee are of the opinion that while formulating the Budgetary proposals, Ministry should ensure that proposals are formulated in accordance with the actual needs and provide enough justification for allocation so that the Ministry of Finance is convinced enough not to reduce the grants at the time of consideration of demands of the Ministry of External Affairs.**

**2. The Committee also note that a major portion of Ministry's budgetary allocation is utilized in promoting technical and economic cooperation with friendly countries by way of taking up various developmental projects and programmes in those countries. The Committee, therefore, desire that the Ministry of External Affairs should make proper coordination with those friendly countries and get requisite governmental clearances so as to ensure timely execution and completion of the projects. In the same context, it is worthwhile to note that the Committee in their previous Reports had recommended for adoption of practices of overall sound financial management particularly in terms of the projects at various stages since inception to its delivery, the delay**

in execution resulted in low utilization of allocated funds. The Committee once again reiterate that the Ministry should strengthen accounting management within the Finance Division and the overall budgetary management to include financial reporting and internal control etc. in order to ensure better control of expenditure and utilization of allocated resources.

3. The Committee in their various reports have been recommending for reduction in rental liabilities of MEA. However, the Committee note that contrary to their recommendations, the rental liabilities of the Ministry is increasing year after year which has gone to the extent of Rs. 215.97 crores in the year 2010-2011 (upto February, 2011). Despite continuous advising the MEA to acquire built up property/construction of property, MEA has fallen short of action. The delay in acquiring property and the process involved in it has been a matter of grave concern which is evident from C&AG reports also. Taking a cue from the observation made by C&AG in regard to purchase/acquire of property at Prague, the Committee note that the Ministry has reportedly entered into sale/purchase agreements for acquisition of property and contracts for construction of properties abroad and has been striving to improve property management. The Committee, therefore, desire that the Ministry should evolve certain mechanism and prepare guidelines relating to purchase/acquisition of property abroad keeping in mind the qualitative, security & structural aspects of the property and engagement of consultant/evaluator of property wherever needed. The Committee also feel that the Ministry should conduct a study to assess that whether the existing properties abroad are being optimally utilized and on the basis of that study the property management system should appropriately be

modified. The Committee may be apprised of the steps taken in this regard and also the reply furnished by the Ministry on the observations made by C&AG pertaining to property purchased at Prague. As the real estate prices are falling in various parts of the world especially in Europe, the Committee desire that the Government should appropriately explore this opportunity to create the assets for Indian Missions/Posts abroad with an objective to reduce huge rental liabilities.

4. The Committee find that out of 37 passport offices, 18 passport offices are presently operating from rental buildings. Out of these 18 rented offices, Ministry has purchased plots of land for 9 offices. Besides, the plot have been identified at three places namely Bhopal, Trivandrum and Jammu and the Ministry are reportedly in the process to liaise with the respective State Governments at these places for allotment of land. The Committee would specifically like to draw the attention of the Ministry towards the promise made by the Ministry regarding completion of construction of building for RPO Guwahati by December 2011 and reiterate the Ministry of External Affairs to expedite a time-bound construction of RPO buildings at the places where the land has been purchased including one at RPO Guwahati and speed up the process for the remaining places. The Committee would like to be apprised of the status of constructions of building at these places.

5. Taking into account the grievances of Indian citizens as well as foreigners in respect of delivery of efficient and fast services by Indian Missions/Posts abroad, the Committee urge the Ministry should establish a centralized



monitoring system at the Headquarters to keep check/ensure delivery of efficient and fast services provided by these Indian establishments abroad. The Committee desire that the public interface should be improved and the officials/officers posted at such places should undergo not only orientation programme but also be trained in soft skills and should be well informed about the procedures and legalities. The Committee also desire that adequate training be provided to the staff attending public counters and handling telephone and should be adequately aware of the procedures so that the information provided to service seekers/applicants is accurate and updated. Apart from communication links like telephone, call centres etc, the Ministry should take help of social media on the web to acquire feedback and to know the grievances/suggestions of the people to make the services better.

6. The Committee find that a review of the staff strength in Missions/Posts abroad had been undertaken and a cabinet note proposing augmentation of local posts in select 31 Missions/Posts is under preparation in consultation with Administration and Finance Division. The Committee may like to be informed of the various steps taken to make these services better and also the progress made so far in the direction of augmentation of the staff in select Missions/Posts as well as the implementation of IMAS in those 16 Missions where it has not be implemented so far.

7. The Committee reiterate their concern that the Foreign Service Cadre is not being augmented adequately to meet India's growing diplomatic requirements around the world for which the Committee have been continuously

recommending in their earlier Reports and urge the Ministry to take effective and urgent measures in this regard.

8. The Committee note that under the Pilot Project 7 Passport Seva Kendra (PSKs) have been launched under RPO Bengaluru and RPO Chandigarh in order to improve and to streamline the passport delivery system. There is proposal to open 70 more PSKs in various parts of the country in the current financial year. The Committee during their visit to one such Passport Seva Kendra at Bengaluru had observed all the procedural aspects from entry of applicant for depositing of passport application till exit of the applicant and had made several suggestions to improve the system. The Committee are happy to note that adequate measures have been taken to reduce waiting time and reduce congestion in PSKs and they have also become successful in getting expeditious police verification too. But, the Committee have apprehension that similar situation may arise in other new PSKs also. Therefore, all the measures based on the experiences of Pilot Projects should be taken from the very beginning so that the primary objective of timely and efficient issue of passport to citizens through PSKs is achieved. The Committee would also like to caution that the passport offices should not keep pending applications in RPOs which are received through post or through direct submission in RPOs or District Collection Centres as it was being done during implementation of the pilot projects in Bengaluru. Such applications should also be cleared simultaneously within the prescribed time-frame. The Committee further assert that before proceeding further, the Ministry should evaluate the results of the ongoing pilot projects and make necessary amendments, if required, depending upon the outcomes and feedback

from service seekers. The Committee further desire that delivery of passport services to smaller towns/cities should not be adversely affected due to establishment of PSKs only in big cities.

The Committee are anguished to note that no initiatives have been taken to fulfill the commitment made by the Ministry during the study visit of the Committee in July 2010 at Guwahati where it was promised to establish Mini PSKs in Aizwal by December, 2010 and other Mini PSKs in the North-Eastern States by the end of December, 2011 and desire that the establishment of Mini PSKs should be undertaken on priority basis without any further delay.

9. The Committee observe that under the PSK Scheme, the Ministry has outsourced some of the front-end and non-sensitive activities to a service provider. The existing passport offices will be converted as passport back offices for handling of applications received through the District Passport Cells (DPCs) and designated Speed Post Centres (SPCs). The Committee, therefore, desire that the Ministry should examine the issue of coordination in its entirety alongwith studying the minutest of all details and functional specifications and also that there should be clear-cut demarcation of jurisdiction and distribution of work and responsibility between the two offices namely PSKs and RPOs. The Committee feel that well defined limits would enable transparency in operational aspects and demarcation of the responsibility and accountably at each level will ensure that there is no overlapping and duplication of work. To avoid any future complexities, communication channels should be well defined. The Committee also fore-caution the Ministry that opening of PSK should not become analogous

to Passport Office and become another channel of delay. Moreover, the role and functions of District Passport Collection Centre and various Passport Collection Centres, within the ambit of the Passport Seva Project should also be analyzed in detail.

10. The Committee during the course of the study visit went through the concerns regarding the issues of security and other procedural aspects in the Passport Seva Kendras. The Committee stress upon the need to take into consideration the security aspect in the Passport Seva Project. The Committee opine that utmost care must be paid to the issue of strategic control and software security. Random technical audit should be conducted periodically to check that technical standards are maintained and fraud detection ability of the system should be enhanced. The Government should also have a full fledged blue-print of the contingency plan. The Committee urge the Ministry to particularly look into the issue of digital signature and strive to establish certain mechanism to establish some kind of accountability on part of the employees of PSK.

11. The Committee note that the project of e-passport was supposed to be rolled out in general category by the end of year 2009. But the project has been delayed due to pendency of fresh security clearance in respect of a technically qualified bidder from the Ministry of Home Affairs. Moreover, discussions are still going on to devise a passport which would be tamper proof and which could not be forged. The parameter for biometrics has also not been standardized so far. The Committee, therefore, desire that MEA should take up the matter at the

highest level so that all the discussions are completed and such an ambitious project may reach at the implementation level without any further delay.

12. The Committee observe that system of online appointment to submit the passport applications was introduced by the Ministry to make the entire process speedier, citizen friendly and delivery oriented. However, the Committee came across certain instances in some passport offices wherein applicants had to wait for more than a week and in some cases upto 20 days just to get an online appointment, which defeated the very purpose of installing the system. The Committee desire that all initiatives should be taken to identify the reasons which cause such inordinate delays and the current practices and procedure should be reviewed with an objective to resolve the hindrances including the technical hiccups in the process, if any.

13. The Committee observe that there are 17 posts of Passport Officers in CPO Cadre. But surprisingly, as against the 12 posts available for CPO Personnel, there is not a single officer from that cadre in position and all the positions are occupied by deputationists belonging to All India Services. The Committee do not agree with the reason given by the Ministry that that this situation has arisen due to non-availability of officers from the CPO cadre with qualifying service. The Committee understand that non-availability of officers with qualifying service in CPO is due to delays in promotions in the CPO cadre. DPCs meetings are not being organized on regular basis during the last several years and after a long time promotions have taken place recently in 2010-11. The Committee, therefore, desire that the Ministry should re-look at the recruitment

rules and make necessary amendments/relaxation in eligibility for officers of CPO cadre, so that all the posts available to them are filled from CPO cadre personnel and that the deputationists are posted within the limit only.

14. The Indian Council for Cultural Relations (ICCR) functions as the cultural arm of the Ministry of External Affairs to formulate policies and programmes relating to India's external cultural relations. The ICCR has engaged itself proactively over the last several years to project India's soft power and undertaken a rapid expansion of its activities and outreach both within and outside India. The Council is presently maintaining 25 Indian Cultural Centres abroad including the 10 Cultural Centres established during the last 3 years. The proposal for establishing 12 more Cultural Centres at overseas locations are under active consideration of the Ministry. The Committee has been regularly recommending to set up more Centres of ICCR in the country and abroad also besides diversifying the activities of the existing Centres. But, the Committee express their concern to note that there have been inordinate delays in opening of Regional Centres in India and Cultural Centres overseas. For example, the opening of an Indian Cultural Centre at Washington has been under consideration for more than 5 years. The Committee, therefore, expect that the Ministry would take appropriate steps for completion of all the pending projects in a time-bound manner. The responsibility of Ministry is not just to open a centre in particular part of the country or world but sufficient staff should also be ensured for the proper functioning of the Centre. The Committee, therefore, desire that in all newly set up Centres abroad, posts should be created to appoint persons who have sound knowledge of cultural heritage of India as well

as of countries covered by the Centre so that they may be able to form a cultural link between India and that particular country(ies). The Committee would like to be apprised of the initiatives taken in this regard.

15. The Committee observe that ICCR has been designated as the principal/coordinating organization in the country to take welfare measures for all foreign students in India. The Committee also note that in order to provide better services to the scholars studying under ICCR scholarships, an e-portal has been set up with the facility of interaction between ICCR, institutions and scholars/students. The Committee hope that proper feedback mechanism would also be established to address the grievances posed by scholars/students and ICCR would act as a guardian and facilitator for them ensuring their security and facilities being provided to them including accommodation etc. through their respective universities/institutions etc. The Committee also desire that besides looking into the various aspect of welfare of foreign students, the Council/Ministry would consider widening of the scope of scholarships and increase in their numbers also.

16. International cooperation and providing aid through Technical and Economic Cooperation to neighbouring countries and countries of Africa and Eurasia has been one of the outstanding features of Ministry's budget allocation. Out of a total budget of Rs. 7120 crores at BE 2011-2012, an amount of Rs. 3050 crores has been shown as loan and aid to these developing countries on account of technical cooperation and on carrying out mega projects. However, there are instances where time and again the additional grants have been sought

by the Ministry through Supplementary Demands to meet the urgent needs of projects in these countries. Thereupon, the Committee observe that due to long implementation schedule and other external forces in the countries where the projects are being implemented, excessive delays take place in completion of the projects consequently causing time and cost overrun. Recognizing the need to strengthen relationship with these developing countries, the Committee would like to reiterate the suggestions given by the Committee in their 15<sup>th</sup> Report (14<sup>th</sup> LS on DFG 2006-07) that the relevant project details such as the original and anticipated dates of completion, factor-wise analysis of cost escalation, impact of cost overrun and viability of project etc. should be disclosed in the Outcome Budget of the Ministry every year.

17. The Committee observe that Government had announced an allocation of Rs. 500 crores for assisting the Sri Lankan Government in the resettlement and rehabilitation of internally displaced persons in the Northern Province through a number of projects. But the Committee note that as against an allocation of Rs. 90 crores only Rs. 68.96 crores was spent during 2009-10, during the year 2010-11, Rs. 83.82 crores have been spent by February 2011 against the allocation of Rs. 90 crores and a higher budgetary allocation of Rs. 290 crores has been made for the year 2011-12. The Committee feel that the rehabilitation and resettlement projects have already been delayed and therefore, desire that all the proposed projects including building of 50,000 houses should now be completed in a specific timeline so that the beneficiaries may get the benefit without any further delay.



18. The Committee note that Nalanda University Act 2010 was passed and came into force w.e.f. 25 November, 2010. The Vice Chancellor assumed charge in October, 2010. The State Government of Bihar allotted 446.85 acres of land to the University and a timeline for the construction work of the University has been drawn according to which the construction work is likely to begin by January 2012 and a part of academic session will likely begin in the year 2013-14. The Committee observe that East Asia Summit (EAS) countries namely Australia, China, Singapore and Laos have offered voluntary contributions for the Project. The Governing Body has also proposed to establish a Group called 'Friends of Nalanda' comprising various countries who could help the University in various ways including raising funds for it. But the Committee are surprised to note that no initiatives have been taken to remove the drawbacks of the Report submitted by EdCIL regarding cost of the project in the year 2007. The Committee would, therefore, like that EdCIL should be asked to submit fresh report without any drawback so that the cost of the project may be ascertained taking into account all the factors. The contribution made by the Nalanda in ancient times in spreading the knowledge at that time should also be projected in all the countries particularly in China, Greece, Italy and the Arabian Countries, where similar seat of learning had flourished in ancient times for cooperation and for their financial contribution. Nalanda has provided an opportunity to us to revive the emotional bonding with the countries having similar heritage of old and rich civilizations. The Committee also desire that the 'Friends of Nalanda' Group may be constituted immediately and the collection of contributions from other countries should also start immediately. The Committee expect that a timely

release of funds and ensuring diligent use of allocated resources only can avoid any further delay in completion of the project. The Committee would like to be apprised of the progress made in the Project from time to time.

19. The Committee note that a new Head 'Energy Security' has been created by the Ministry and the allocation made for 2011-12 is Rs. 89 Lakhs. The Committee are of the opinion that keeping the mandate in mind and the international climate on the issue of energy security, the Ministry should be ready with adequate fieldwork, background studies and data with the help of academics institutions and those engaged in the field so as to support and legitimize its claim at international level. Ministry should make vigorous efforts and engage with various stake-holders at diplomatic and political level in this regard. The Committee are of the view that the functions of the Division have become all the more important in light of the recent events in North-Africa and West-Asia. The Committee urge the Ministry to adopt a proactive role in ensuring that India's interest are secured in the region in a more sustainable manner with the long term vision. The Committee are of the view that alongwith bringing out the handbook on Energy Security, the Missions/Posts should also act as facilitator in encouraging investment and securing energy resources. The Ministry should also look at the qualitative aspects of the expenditure. Keeping in view the mandate on this account, the Committee stress upon the need to adequately enhance the budgetary allocation during the current financial year which can be taken up by the Ministry suitably at RE stage.

20. The Committee welcome India's election as a Non-permanent Member of the United National Security Council for the term 2011-12 with an overwhelming support from the other UN Member States. The Committee desire that India should assume a leadership role and take principled stand on various global issues and challenges and channelize its creative energies to resolve contentious international issues in an amicable and peaceful manner. The Committee express that as a founder and pioneer member of the Non-Aligned Movement, India should live upto the spirit and work towards non-interference by global actors in regional and internal issues of the Member States. The Committee feel that India should also champion the cause of developing, under-developed and least developed countries at various fora and at various negotiations for treaties and agreements particularly on the issues of new emerging politics and trade.

21. Taking note of the proceedings of the Exchange of the 7<sup>th</sup> Round of the Inter-Governmental Negotiations on UNSC Reforms, the Committee are of the opinion that Government of India must strategically work with other like minded countries and built up the case of UN reforms including expansion of Security Council and seek their support and cooperation in favour of India. Further, in the light of the recent visits of Heads of State/Government of all P-5 Members and their broadly positive approach on the issue of reform and support to India endorsed by most of them, Government must strive to channelize the goodwill generated by such visits and seek further endorsement of India's claim to UNSC permanent seat. However, the Committee also acknowledge the road-blocks in the process posed by some countries which have built stake in the status-quo

and hence, challenge the very idea of UN Reforms and particularly to India's claim for permanent seat in the new structure. The Committee, therefore, urge the Ministry to draw a suitable strategy to deal with those countries to steer clear the road for India's claim for permanent seat in an expanded UN Security Council. The Committee may also be kept apprised of the latest developments made in this regard from time to time.

22. The Committee are happy to note the 'Operation Home Coming' exercised by the Ministry in evacuation of more 18000 Indian nationals from Libya when the violence escalated there and the cost of operation was borne by the Government of India. However, at the same time the Committee feel stressed to note that 749 Indian nationals those were brought back from Cairo (Egypt) to Mumbai were charged air-fare more than the normal air fare by Air India. The Committee are not satisfied with the explanation of the Ministry of External Affairs that this was not an evacuation but an arrangement facilitated by the Government upon a request made by the Indian community in Egypt. In the backdrop of prevailing circumstances and the whole issue of evacuation in such situations, the Committee desire the Ministry of External Affairs to constantly monitor the situations in these countries and draw an advance contingent plan and strategy in consultation with the other concerned Ministries/Departments including the Air India to deal with such situations and the safe evacuation of Indian nationals, whenever so warranted in future.

23. As per information furnished by the Ministry, during the last five years (2007-2011) a total of 175 Indian crew members were taken hostage on board of various merchant ships. The Ministry of External Affairs has a limited role and

they use Diplomatic Channels to facilitate release of Indian Nationals from pirates. In order to deal with prosecution of pirates, the Ministry of External Affairs is currently engaged in piloting a comprehensive domestic legislation. The Committee further note that the MEA is coordinating with the UN and other international bodies like the contact group on Piracy off the Coast of Somalia and the International Maritime Bureau to seek coordinated solutions to the problem of combating piracy off the coast of Somalia and has also demanded that naval patrolling in the affected area should be carried out under the UN flag. The Committee express their concern over the growing incidents of abduction of Indian seafarers from private/foreign/cargo ships by pirates in the Gulf of Aden. The Committee understand the sufferings of the families of Indian sailors who are taken hostages by pirates. The issue becomes more complicated for them since many agencies are involved in the process of their release and more often they do not get information/status of their safety and release. Hence, the Committee desire the issue of piracy needs to be addressed with the utmost seriousness it deserves. Besides appropriately taking up the matter with the international community to avert incidents of piracy, the Committee also desire the Ministry of External Affairs to draw up a long term strategy in coordination with other concerned Ministries viz. Ministries of Shipping and Defence, to stringently deal with the issue of piracy and making the sea lanes safer. At the same time, the Committee also desire the Ministry of External Affairs to expeditiously finalise the proposed legislation to deal with the prosecution of pirates. The Committee may be apprised of the concrete steps taken by the Ministry in this regard.

24. As regards the Indian nationals languishing in jails in neighbouring countries, the Committee note that there are 317 Indian civilian prisoners in jails of Bangladesh. The Government of India are reportedly making efforts for their repatriation to their homeland. The Committee express their deep concern and request the Government of India to expedite their release. Similarly, the Committee desire that the process of preparation of a list of Indian prisoners in jails of Pakistan should be expedited and the concrete steps should be taken by the Government to secure their early and safe release after completion of the nationality verification process.

NEW DELHI  
24 August, 2011  
02 Bhadrapada, 1933 (Saka)

ANANTH KUMAR,  
Chairman,  
Standing Committee on External Affairs

**MINUTES OF THE THIRTEENTH SITTING OF THE STANDING COMMITTEE ON  
EXTERNAL AFFAIRS HELD ON 19 APRIL, 2011**

The Committee sat from 1100 hrs to 1330 hrs. in Committee Room No. 53, First Floor, Parliament House, New Delhi.

**Present**

Shri Ananth Kumar                      -                      Chairman

**Members**

**Lok Sabha**

2.      Shri Anto Antony
3.      Shri T.K.S. Elangovan
4.      Shri Vishwa Mohan Kumar
5.      Shri Rajendrasinh Rana
6.      Shri Rayapati Sambasiva Rao
7.      Shri Janardhana Swamy
8.      Shri Bhisma Shankar alias Kushal Tiwari

**Rajya Sabha**

9.      Shri Birendra Prasad Baishya
10.     Dr. K.P. Ramalingam
11.     Dr. Bharatkumar B. Raut
12.     Dr. Karan Singh
13.     Shri Shivanand Tiwari
14.     Shri Tarun Vijay
15.     Shri Shreegopal Vyas

**Secretariat**

- 1      Shri K. D. Muley                      -                      Director
2.      Dr. Ram Raj Rai                      -                      Additional Director

### **Representative of Ministry of External Affairs**

- |     |                          |   |  |
|-----|--------------------------|---|--|
| 1.  | Smt. Nirupama Rao        | - | Foreign Secretary  |
| 2.  | Shri Ashok Tomar         | - | Additional Secretary (Administration)                          |
| 3.  | Shri B.K. Gupta          | - | Additional Secretary (Consular, Passport & Visa)               |
| 4.  | Shri K.N. Shrivastava    | - | Additional Secretary (Financial Adviser)                       |
| 5.  | Shri Suresh K. Goel      | - | Director General, ICCR   |
| 6.  | Sh. Yogeshwar Varma      | - | Dy. Director General (A), ICCR                                 |
| 7.  | Shri Arun Kumal Goel     | - | Joint Secretary (South)  |
| 8.  | Shri Ajay Swarup         | - | Joint Secretary (Establishment)                                |
| 9.  | Shri T.P. Seetharam      | - | Joint Secretary (EW)   |
| 10. | Shri Rajinder Bhagat     | - | Joint Secretary (West Africa)                                  |
| 11. | Shri A. Khatua           | - | Joint Secretary (Passport & Visa)                              |
| 12. | Shri Vishnu Prakash      | - | Joint Secretary (External Publicity)                           |
| 13. | Shri J.S. Mukul          | - | Joint Secretary (Technical Cooperation & Economic Relations)   |
| 14. | Shri Y.K. Sinha          | - | Joint Secretary (Pakistan, Afghanistan & Iran)                 |
| 15. | Shri P.M. Meena          | - | Joint Secretary (Consular)                                     |
| 16. | Shri S.C. Mehta          | - | Joint Secretary (North)  |
| 17. | Shri Navdeep Singh Suri  | - | Joint Secretary (Public Diplomacy)                             |
| 18. | Shri Rajiv Kumar Chander | - | Joint Secretary (Gulf & Haj)                                   |
| 19. | Shri Gautam Bambawale    | - | Joint Secretary (East Asia)                                    |
| 20. | Shri T.S. Tirumurti      | - | Joint Secretary (Bangladesh, Sri Lanka, Myanmar & Maldives)    |
| 21. | Shri Alok Kumar Sinha    | - | Joint Secretary (Projects)                                     |
| 22. | Dr. B.M. Vinod Kumar     | - | Joint Secretary (Parliament & VIP) and Coordination            |
| 23. | Shri Ajay Bisaria        | - | Joint Secretary (Eurasia)                                      |
| 24. | Shri D.B.V. Varma        | - | Joint Secretary (Disarmament & International Security Affairs) |
| 25. | Shri T.S. Sandhu         | - | Joint Secretary (Administration)                               |
| 26. | Shri Manoj Bharti        | - | Joint Secretary (E-governance & IT)                            |
| 27. | Shri Akhilesh Mishra     | - | Joint Secretary (Multilateral Economic Relations)              |
| 28. | Shri Dammu Ravi          | - | Joint Secretary (Latin America & Caribbean Countries)          |



- |     |                                |   |   |
|-----|--------------------------------|---|---|
| 29. | Shri Jawed Ashraf              | - | Joint Secretary (Americas)  |
| 30. | Shri Muktesh Kumar<br>Pardeshi | - | Joint Secretary (Passport Seva Project &<br>Chief Passport Officer) |

2. At the outset, the Chairman welcomed the Members of the Committee and the representatives of the Ministry of External Affairs to the sitting of the Committee. The Chairman then drew attention of the witnesses to Direction 55(1) of the Directions by the Speaker, Lok Sabha.

3. The Committee then took evidence of the representatives of the Ministry of External Affairs in connection with examination of the Demands for Grants of the Ministry of External Affairs for the year 2011-2012 and discussed some important points arising therefrom in detail. The Committee desired that the Ministry may furnish written replies within 15 days to the various points raised by the Members during discussion.

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

The Committee then adjourned

**MINUTES OF THE SIXTEENTH SITTING OF THE STANDING COMMITTEE ON  
EXTERNAL AFFAIRS HELD ON 24.08.2011**

The Committee sat from 1630 hrs. to 1810 hrs. in Committee Room 'D'  
Parliament House Annexe, New Delhi.

**PRESENT**

Shri Ananth Kumar - Chairman

**MEMBERS  
Lok Sabha**

2. Shri Anto Antony
3. Shri Rayapati Sambasiva Rao
4. Shri Takam Sanjoy
5. Shri Janardhana Swamy
6. Shri Shivkumar Udasi

**Rajya Sabha**

7. Shri H.K. Dua
8. Dr. Bharkat Kumar Raut
9. Dr. Karan Singh
10. Shri Tarun Vijay
11. Shri Shreegopal Vyas

**SECRETARIAT**

1. Shri K.D. Muley - Director
2. Dr. Ram Raj Rai - Additional Director

At the outset, the Chairman welcomed the Members of the Committee.

2. XXXX XXXX XXXX XXXX XXXX

3. The Committee then took up for consideration the draft Report on Demands for Grants of the Ministry of External Affairs for the year 2011-12. The Chairman invited the Members to offer their suggestions, if any, for incorporation in the draft Report. The Members suggested certain modifications/suggestions.

4. The Committee then adopted the draft Report and authorized the Chairman to finalize the Report incorporating the suggestions made by the Members and present the same to Parliament.

The Committee then adjourned.