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MINISTRY OF FINANCE
(DEPARTMENT OF ECONOMIC AFFAIRS)

RATIONALIZATION OF DEMANDS FOR GRANTS

COMMITTEE ON ESTIMATES
2015-2016

TWELFTH REPORT

SIXTEENTH LOK SABHA



LOK SABHA SECRETARIAT
NEW DELHI

TWELFTH REPORT

COMMITTEE ON ESTIMATES
(2015-2016)

(SIXTEENTH LOK SABHA)

MINISTRY OF FINANCE
(DEPARTMENT OF ECONOMIC AFFAIRS)

(Rationalization of Demands for Grants)

(Presented to Speaker on 28.01.2016)
Presented to Lok Sabha on 23.02.2016



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NEW DELHI

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COMPOSITION OF THE COMMITTEE ON ESTIMATES
(2015-16)

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4. Shri Kalyan Banerjee
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- | | | |
|---------------------------|---|----------------------|
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| 2. Shri Vipin Kumar | — | Director |
| 3. Shri Srinivasulu Gunda | — | Additional Director |

* Elected *Vide* Lok Sabha Bulletin Part-II No. 2181 dated 31.07.2015. Consequent upon vacancy caused by the death of Shri Dileep Singh Bhuria, MP on 24 June, 2015.

INTRODUCTION

I, the Chairperson of the Committee on Estimates, having been authorized by the Committee to submit the Report on their behalf, do present this Twelfth Report of Estimates Committee (Sixteenth Lok Sabha) on the subject 'Rationalization of Demands for Grants' pertaining to the Ministry of Finance (Department of Economic Affairs).

2. The Ministry of Finance (Department of Economic Affairs) has taken up an initiative to rationalize and reduce the number of Demands for Grants by clubbing together some of the related Demands for Grants in the Budget 2016-17 to bring out a more holistic picture of Budgetary allocation for a Ministry/Department. As per mandate of the Committee, the Ministry *vide* their letter dated 21 December, 2016 sought the approval of the Estimates Committee for rationalization involving merger/reduction of some of the Demands for Grants.

3. The Committee took oral evidence of the representatives of the Ministry of Finance (Department of Economic Affairs) on 08 January, 2016. The Draft Report was considered and adopted by the Committee on Estimates (2015-16) at their sitting held on 19 January, 2016.

4. For facility of reference and convenience, the recommendations/observations of the Committee have been printed in Bold in Part-II of the Report.

NEW DELHI;
21 January, 2016
1 Magha, 1937 (Saka)

DR. MURLIMANO HAR JOSHI
Chairperson,
Committee on Estimates.

REPORT

Rationalization of Demands for Grants

Introductory

One of the principal functions of the Estimates Committee is to suggest the form in which the estimates shall be presented to Parliament. Article 112 casts an obligation on the President to place an Annual Financial Statement, popularly known as 'Budget' before the Parliament showing the estimated receipts and expenditure of the Government of India for the ensuing financial year. Rule 204 (2) of the Rules of Procedure and Conduct of Business in Lok Sabha stipulates that Budget shall be presented to the Lok Sabha in such form as the Finance Minister may, after considering the suggestions, if any, of the Estimates Committee, settle. Article 113 of the Constitution prescribes the procedure with respect to the estimates to be submitted to the Parliament as under:

"Art.113(1) So much of the estimates as relates to expenditure charged upon the Consolidated Fund of India shall not be submitted to the vote of Parliament, but nothing in this clause shall be construed as preventing the discussion in either House of Parliament of any of those estimates (2) So much of the said estimates as relates to other expenditure shall be submitted in the form of Demands for Grants to the House of the People, and the House of the People shall have power to assent, or to refuse to assent, to any demand, or to assent to any demand subject to a reduction of the amount specified therein (3) No demand for a grant shall be made except on the recommendation of the President."

2. Normally, each Ministry and Department is assigned a separate Demand for Grant to seek appropriations, while bigger Ministries may have more than one Demands for Grants. Besides, there are specific Services such as Repayment of Debt, Interest Payment, Loans to Government Servants, Transfer to States and UTs etc. for which appropriation is sought through separate Demands for Grants. Separate Demand for Grant is also provided for distinct Constitutional entities such as President, Vice-President, UPSC, CVC, Election Commission and UTs with and without Legislature etc. At present, there are 109 Demands for Grants excluding Demands for Grants of Ministry of Railways (**Annex**) in the Budget 2015-16.

3. The number of Demands and the serial numbers of Demands get changed if new Demands are created or existing Demands are merged into another Demand. For instance, in the recent past, the serial number of some Demands has changed due to creation of a new Ministry of Skill Development and merger of Department of NACO into Ministry of Health and Family Welfare.

Merger of Demands for Grants

4. The Ministry of Finance (Department of Economic Affairs) *vide* their letter dated 21 December, 2015 sought the approval of the Estimates Committee for merger of some of the Demands for Grants. Subsequently, the Ministry submitted a background note which stated *interalia* as under:

"This Ministry has taken up an initiative to rationalise and reduce the number of Demands for Grants by clubbing together some of the related Demands for Grants in the Budget 2016-17 to bring out a more holistic picture of Budgetary allocation for a Ministry/Department. This will also result into more coherent Budget monitoring and review at any point of time more particularly at the stage of mid-year Budget review to firm up Revised Estimates. The merger of two similar Demands under one larger administrative umbrella may also give flexibility to Integral Finance Department (IFD) to readjust budgetary allocations across sub-administrative entities depending on the expenditure trend. This will ensure a more holistic and realistic expenditure planning. The exercise has been initiated with the purpose of merging DGs of separate administrative units in a Ministry to the extent practically feasible and to reduce the overall number of Demands for Grants."

5. The details of the proposal of merger of Demands submitted to the Estimates Committee along with the rationale as provided by the Ministry of Finance (Department of economic affairs) are as follows:

Sl. No.	Existing Demand No.	To be merged into	Revised Nomenclature	Rationale
1	2	3	4	5
(i)	56 - Other Expenditure of Ministry of Home Affairs	53 - Ministry of Home Affairs	Ministry of Home Affairs	Demand No. 56 is a small Demand catering to Budget allocation for relief and rehabilitation of refugees, pension and other benefits to freedom fighters and Helicopter service in NE only. These 3-4 activities which come under the domain of MHA can easily be reflected as Budget lines in the Parent Demand (53) for a more coherent depiction of Budget of MHA.
(ii)	105- Public Works 106- Stationary and Printing	104- Department of Urban Development	Department of Urban Development	Demand No. 105 and 106 are very small Demands catering to the Budget allocation of Printing Press and CPWD under M/o Urban Development and its merger into the parent Demand will result into more coherent depiction of Budget of M/o UD.

1	2	3	4	5
(iii)	50 - Department of AIDS Control	48-Department of Health and Family Welfare	Department of Health and Family Welfare	Through a Gazette notification, the Department of AIDS Control under M/o Health and Family Welfare is no more a separate Department. Merger into the parent Demand is a logical action following this.
(iv)	05 - Nuclear Power Scheme	04 - Atomic Energy	Atomic Energy	Both are similar nature Demands consisting of inter-related activities.
(v)	37 - Transfer to State and Union Territory Governments		Transfer to States	The nomenclature of Demand No. 37 contain the term "UT" only due to one budget line for release of Grants in-lieu of shares in Central Taxes and duties to NCT of Delhi. This will be reflected in the exclusive Demand for Transfer to Union Territories with Legislature Demand No. 37 as proposed below.
(vi)	Demad No. 38 - Loans to Government Servant	Demand No. 34 - Department of Economic Affairs (DEA)	Department of Economic Affairs (DEA)	Demand No. 38 is a very small Demand catering to specific activity of Loans to Government Servants and may easily be accommodated into the Demand of DEA.
(vii)	57 - Transfer to Union Territory Governments		Transfer to Union Territories with Legislature	To make it more meaningful and explanatory as there is already separate Demands for UTs without Legislatures.

6. On reconsideration, the Ministry of Finance (Department of Economic Affairs) submitted that the proposal to merge the Demand No. 36 - Interest payment and Demand No. 39 - Repayment of Debt and also to merge Demand No. 44-Direct tax and Demand No. 45 - Indirect tax into Demand No. 43 Department of Revenue is withheld for the time being. These proposals need more detailed deliberations with the Stakeholders and hence are deferred.

7. In a subsequent request, the Ministry of Finance (Department of Economic Affairs) stated that Ministry of Defence (Finance) has informed *vide* the ID note No. 1(14)/Bud.-1/2015 dated 6-01-16 that the 8 Demands of Ministry of Defence are also proposed to be rationalised and merged into 4 Demands for Grants with the

approval of Raksha Mantri. The following Demands of Ministry of Defence are accordingly, proposed to be merged:

Sl. No.	Existing Demand No.	To be merged into	Revised Nomenclature	Rationale
1	2	3	4	5
(i)	23-Defence Services—Army 24-Defence Services—Navy 25-Defence Services—Air Forces	Defence Services (Revenue)	Defence Services (Revenue)	The three separate Demands for Grants relating to Army, Navy and Air Force, may be merged to form one consolidated Demands for Grants <i>i.e.</i> Defence Services (Revenue), since each of Army, Air Force and Navy presently have separate major Head and hence, the merger of demands for all revenue provisions of defence services will be easy. Further, this will provide entire Defence Services (Revenue) at one place.
(ii)	26-Defence Ordnance Factories 27-Defence Services—Research and Development	Ministry of Defence	Ministry of Defence (Misc.)	Even at present the Demands for Grants, Ministry of Defence (Civil) is in nature of miscellaneous demand having provisions for Coast Guard, Border Roads, Jammu & Kashmir Light Infantry (JAKLI), Defence Estates, Canteen Stores Department, MoD Secretariat, and Defence Accounts Service, etc. It is felt that certain other budgetary provisions which are in the nature of miscellaneous items may also be shifted to this Demand <i>viz.</i> (a) Rashtriya Rifles, National Cadet Corps, Inspection and Military farms from the Demands from the Army. In addition, the Demands for Grants relating to Defence Ordnance Factories (Demand No. 26) and Defence Services—Research and Development, (Demand No. 27) may be merged in the above revised Demand for Grant—Ministry of Defence—Miscellaneous.

8. Later, the Ministry of Finance (Department of Economic Affairs) in yet another request stated that it is also proposed to merge the Ministry of Overseas Indian Affairs (MoIA) with the Ministry of External Affairs. Accordingly, the Demand for Grant No. 70 MoIA would be merged with the Demand for Grant, No. 33, Ministry of External Affairs *w.e.f.* Budget (2016-17). The proposal for merger and rationale thereof was furnished as follows:

Sl. No.	Existing Demand No.	To be merged into	Revised Nomenclature	Rationale
1	70-Ministry of Overseas Indian Affairs	33-Ministry of External Affairs	Ministry of External Affairs	As per the proposed merger of the two Departments. Further, the total budget of MoIA is very small (Rs. 94.75 crore in 2015-16) and may well be accommodated in the bigger demand of MEA.

9. Since it is one of the functions of the Estimates Committee constituted under Rule 310 of the Rules of Procedure and Conduct of Business in Lok Sabha to suggest the form in which the estimates shall be presented to Parliament, the Ministry of Finance (Department of Economic Affairs), sought the approval of the Committee not only for the merger of the Demands as mentioned above but also for merger of Demands in future too on the same rationale.

10. Apprising the Committee of the current structure of Demands for Grants, Secretary, Ministry of Finance (Department of Economic Affairs), on 8 January, 2016, deposed as under:

“Broadly, there are four categories in which the Demands for Grants are today in existence. One category is that each Ministry has a separate Demand. That is one principle. Second principle is that the bigger Ministries which have large allocations and bigger establishment like, for example, the Tax Departments—the CBDT and the CBEC—there are two separate Demands for them. So, bigger Ministries therefore have more than one Demand. The third principle is that for certain specific services such as repayment of debt or for interest payments or for loans to Government Servants, there are separate Demands. The fourth category is for distinct administrative (Constitutional) entities like, for example, for the Office of the President of India, Vice-President of India, the UPSC, the Election Commission, which are institutions and autonomous bodies created by the Constitution, there are separate Demands for them. This is how broadly the Demands are structured.”

11. Queried further, on the rationalization and reduction in the number of Demands for Grants, the Secretary, stated as follows:

“Sir, we have analyzed the whole matter and we have placed before the Committee for its consideration the merger of certain Demands where we feel that either the Demand sizes are very small or there is a lot of overlap between two Demands and often it becomes very difficult to decide a particular expenditure, whether it should go into this Demand or that Demand because

there is a lot of overlap and commonality of purpose between two Demands. So due to that the because of the difficulties which we encounter in monitoring their expenditure during the year and monitoring the implementation of various programmes by a particular Ministry, we have certain practical and administrative difficulties. Keeping these in mind, we have proposed this merger and rationalization of Demands.”

12. The witness highlighted the four distinct advantages of the proposed merger thus:

“What we are trying to achieve is four distinct benefits or four distinct advantages we expect to achieve out of these efforts. First is that this is an initiative to rationalize the Demands, to avoid the overlap of purpose or duplication of purpose. Second thing is that it will present a more holistic picture to the Parliament about the allocation made to a particular Ministry. For example, for Home Ministry, we have a Demand for the Ministry of Home Affairs; then, there is something called the other MHA, that is, the other expenditures of the Ministry of Home Affairs. So, if we combine them, we are able to present a more holistic picture of the total allocation to the Ministry of Home Affairs to the Parliament which will lead to better accountability. The third point is it will also facilitate coherent budget monitoring, monitoring of expenditure by a Ministry also will be facilitated. The fourth point is the Ministry, from an administrative point of view, will have flexibility for re-appropriation of allocations during the year. Today, as you would be very well aware and the hon. Members would be well aware, we cannot re-appropriate money from one Demand to the other Demand without specific parliamentary approval through the Supplementary Demands for Grants. But there are administrative necessities and there are urgencies because of which we have to re-appropriate at certain times expenditure from one Head where due to some unforeseen development, there is lower demand, or in certain areas, due to certain urgent requirement, we need to spend more money. That re-appropriation also would become possible if these two Demands are merged. But having said that, let me also say very clearly that the re-appropriation powers which are vested with the Government, with the Executive, or the re-appropriation powers which are delegated to the various administrative Ministries are subject to certain restrictions. It is not unlimited or unbridled.”

13. The representative of the Ministry then explained the details of the merger proposed:

“We propose to merge Demand No. 53, Ministry of Home Affairs and other expenditure of the Ministry of Home Affairs into a single common Demand. That is number one. Then, the Department of Urban Development, it is a very big Demand. Their total allocation is more than Rs. 16,000 crore, but there are two smaller Demands which are also administered by the Urban Development Department, namely, the Stationery and Printing Department where the total BE this year is only Rs. 57 crore and there is an allocation for Public Works,

which is Rs. 2,326 crore. So, the Ministry of Home Affairs and other expenditure of the Ministry of Home Affairs, we are merging; that is the first proposal. The second is Stationery and Printing, which is Demand No. 106; Public Works, which is Demand No. 105; these two will be merged with the Department of Urban Development, which is Demand No. 104. That is the second proposal. The third Proposal is relating to the two Departments which have already been merged, that is, the Department of AIDS Control has been merged with the Department of Health and Family Welfare. That is the third proposal. The fourth proposal, today, there are two separate Demands—one for Nuclear Power Schemes and the other one is for Atomic Energy. We propose to merge them both into a single Demand, namely, Atomic Energy. Demand No. 37 is Transfer to State and Union Territory Government. The whole demand relates to States. But there is only entry which relates to the Government of Delhi for one expenditure item. We want to Transfer that.”

14. Asked whether, the Ministry of Finance has consulted the affected Ministries/Departments, the witness submitted:

“ ... We got the concurrence from the Defence Ministry only day before yesterday. They have today eight Demands. Out of these eight Defence Services (Army), Defence Services (Navy) and Defence Service (Air Force) are entirely revenue expenditure primarily salary related expenditure. We want them to be merged into Defence Services (Revenue). This has been agreed also by the Ministry of Defence.

We have got the Defence Ordnance factories. Today that is a separate Demand and then we have the Defence Services (Research and Development) which is mainly the expenditure provision relating to the DRDO. These are also two separate Demands but small expenditures. We want to merge them together. Ministry of Defence has conveyed their concurrence to this. These are the proposals.”

15. In response to a query as to whether the proposed merger of specified Demands of Ministry of Defence which enables the executive to reappropriate money from one head to another, would deprive the Parliament of its financial powers, the Secretary, Ministry of Finance (Department of Economic Affairs) replied as under:

“Your concern is absolutely valid. I would like to submit that this is all salary-related, revenue items of expenditure. So, therefore, the reappropriation will not be done and cannot be done just from one Ministry to the other or the purposes of payment of salary, we will not do it, we cannot do it also.”

16. Elaborating further, the Secretary stated as follows:

“Since these are entirely revenue items which relate primarily to salary, allowances and other aspects, the question of reappropriation without necessity or re-appropriation for a particular or for any other extraneous reason is something which should not happen. That is the only submission I would like to make.”

17. Referring to the apprehension expressed in relevant quarters that merger of Demand No. 106 (Stationery and Printing) along with Demand No. 105 (Public Works) with Demand No 104 (Department of Urban Development) to close down the stationery and Printing units spread across different cities and outsource the same and to monetise the land on which these units are located, Secretary, submitted as under:

“There is no such proposal now with the Government. If at all in a future date, it is always subject to Parliamentary oversight.”

The witness also clarified that Ministry of Urban Development had been consulted about the proposed merger of their Demands for Grants and they had concurred in the proposal.

Rationalisation of Plan and Non-Plan Schemes

18. Apart from the rationalisation of the Demand for Grants, the representative of the Ministry of Finance (Department of Economic Affairs), submitted that in the Budget (2016-17) as exercise to rationalise Plan and Non-Plan schemes of all Ministries and Departments has been undertaken by Ministry of Finance to avoid duplication of resource application and to avoid too thin spread of resources. From the view point of continuity, and to depict the historical data of Actual (2014-15), BE (2015-16), and RE (2015-16), the old schematic structure has to be retained in Expenditure Budget Volume II. As a result, this document will become too voluminous. To Address this problem, it is proposed to print Expenditure Budget Volume-II in two parts; Part A for Demand Nos. 1-50 and Part B for Demand Nos. 51 to the last Demand. the Ministry also sought the approval of the Committee for this change in presentation of Expenditure Budget Volume-II in the Budget 2016-17 and also to make some minor consequential changes required at the last stage of printing.

Separate Budgetary Head for Arsenic related issues

19. The Committee in their report No. 1 (Sixteenth Lok Sabha) on ‘Occurrence of High Arsenic Content in Ground Water’ presented to Lok Sabha on 11 December, 2014 had pointed out that there was no separate budgetary allocation for Arsenic related issues or for that matter for any water quality issues. The Committee therefore recommended that there should be a separate budgetary head of expenditure for water quality with a sub-head for Arsenic contamination in order to adequately meet the fund requirements. The Committee also recommended that there should be separate budgetary head for the proposed National Programme for Ground Water related Health Problems with sufficient funding. When the matter was brought to the notice of Secretary in the course of evidence, he deposed before the Committee as under:

“We will ascertain the position from the concerned Ministries. If the details are given to us like the date of the report, we will write to the concerned Ministry and get the position from the concerned Ministry and submit a report. We will give a written submission after ascertaining the correct position from the concerned Ministry and submit a report on that matter.”

OBSERVATIONS/RECOMMENDATIONS

1. One of the principal functions of the Estimates Committee is to suggest the form in which the estimates shall be presented to Parliament. The Committee in their Twenty-Fourth Report, 5th Lok Sabha, had made certain recommendation of far reaching import on the form and contents of the Demands for Grants which were accepted by the Government. The Ministry of Finance, Department of Economic Affairs *vide* their letter dated 21 December, 2015 sought the approval of the Committee to reduce the number of DFGs which are extantly 109. In their submission before the Committee, the Ministry stated that the merger of some of DFGs would reduce the total number of DFGs, bring greater budgetary coherence, remove departmental overlaps and duplication in thier functioning, avoid too thin spread of resources and provide greater flexibility in reappropriation of allocation within the DFG, present a more holistic budgetary picture to Parliament and help overcome the difficulties encountered in monitoring the implementation of various programmes by the Ministries concerned.

2. Notably, the Ministry of Finance, Department of Economic Affairs, sought the approval of the Committee to merge DFG No. 56 (other expenditure of MHA) with DFG No. 53, DFG Nos. 105 (Public Works) and 106 (Stationery and Printing) with DFG No. 104 (Department of Urban Development); DFG No. 50 (Department of AIDS Control) with DFG No. 48 (Department of Health and Family Welfare); DFG No. 05 (Nuclear Power Scheme) with DFG No. 04 (Atomic Energy); DFG No. 38 (Loan to Government Servants) with DFG No. 34 (Department of Economic Affairs); Merger of DFG Nos. 23 (Army), 24 (Navy) and 25 (Air Force) into one single consolidated DFG under the nomenclature Defence Services (Revenue) and merger of DFG No. 26 (Defence Ordnance Factories) and DFG No. 27 (Defence Service, Research and Development) in the revised DFG—Ministry of Defence (Miscellaneous); and merger of DFG No. 70 (Ministry of Overseas Indian Affairs) with DFG No. 33 (Ministry of External Affairs). The Ministry of Finance also sought approval for slight amendment in the nomenclature of DFG No. 37 from “Transfer to State and Union Territory Governments” to “Transfer to States” and in the Demand No. 57 “Transfer to Union Territory Governments” to “Transfer to Union Territory with Legislature”. The representatives adduced the grounds for affecting the proposed rationalization. Responding to the concern of the Committee that the proposed merger of the Demands for Grants may, while granting greater flexibility to the Ministries concerned, dilute or affect the financial control and oversight by the Parliament which cannot be sacrificed or abdicated on the ground of administrative flexibility. The Committee also raised concern about the apprehended de-departmentalization of the “Printing and Stationery Organization” of the Ministry of Urban Development and the unrest among the workers. The representative of the Ministry of Finance testified before the Committee that there was “no such proposal now with the Government” and assured that any such move would be ‘always subject to parliamentary oversight’. The representative also clarified that merger of the proposed DFGs was mostly salary related revenue expenditure and explained the benefits that would accrue. He further deposed that the proposals also had the approval of the Minister(s) incharge but submitted that they would be guided by the decision of the Committee. Having regard to the

multiple advantages like removal of departmental overlaps and duplication of works, greater operational flexibility in reappropriation within a DFG, better allocation of resources and holistic budgetary picture, the Committee approve of the proposed merger and rationalization subject to the condition that merger of the DFGs does not in any way whittle down Parliamentary scrutiny or erode financial control by Parliament. The Committee would however like to be apprised in due course of the impact of the merger and rationalization on excess expenditure, surrender of unspent provisions and major reappropriations.

3. The Committee note that the Ministry of Finance (Department of Economic Affairs) in their background note submitted to the Committee sought the Committees' approval not only for the merger of the Demands indicated but also to merge some of the Demands for Grants on the same rationale in future too. The Committee take a session note of the request made by the Ministry for blanket approval for future merger of the demands on the same rationale. Since such a proposal is fraught with the serious implications of affecting financial control of Parliament, the Committee outright reject such a proposal. They, therefore, reiterate that as, the extant practice, the Ministry of Finance should obtain the Committee's prior approval in future as well in case of any proposed change in the form in which Demands for Grants are to be presented to Parliament.

4. The Committee would also like to caution that the rationalisation of Demands should not be initiated as a precursor to making fundamental changes such as outsourcing the services, retrenchment of the existing labour force and to monetise the land as is being apprehended in respect of the merger of Demand No. 106 (Stationery and Printing) with Demand No. 104 (Department of Urban Development). The Committee however note the assurance of the Ministry of Finance that any such move in future, if any, will be subject to Parliamentary oversight.

5. The Committee note that apart from undertaking rationalisation of the Demands for Grants, the Ministry of Finance (Department of Economic Affairs), proposes to carry out an exercise in the Budget (2016-17) to rationalise Plan and Non-Plan schemes of all Ministries and Departments to avoid duplication of resource application and to avoid too thin spread of resources. Such an exercise, from the view point of continuity and depiction of the historical data of Actual (2014-15), BE (2015-16), and RE (2015-16), the old schematic structure has to be retained in the Expenditure Budget Volume II. This, the Ministry stated, would result in Expenditure Budget document becoming too voluminous and therefore sought the concurrence of the Committee to print Expenditure Budget Volume-II in two parts: Part A for Demand Nos. 1—50 and Part B for Demand Nos. 51 to the last Demand. The Committee do not have any objection to the said proposal. The Committee would also like to know the rationale for continuing with the old classification of Plan and Non-plan schemes/expenditure after the formation of NITI Aayog and also the justification of the word 'Aayog' with NITI, which is the National *Institution* for Transformation of India.

6. The Committee in their 1st report (16th LS) on the subject 'Occurrence of High Arsenic Content in Ground Water' pertaining to Ministry of Water Resources, River Development and Ganga Rejuvenation (M/o WR, RD & GR), in

view of the absence of separate budgetary allocation for Arsenic related issues or for that matter for any water quality issues, had strongly recommended that there should be a separate budgetary head of expenditure for water quality with a sub-head for Arsenic contamination in order to adequately meet the fund requirements. Taking note of no specific budget allocation for arsenic related diseases by the Ministry of Health and Family Welfare (M/o H & FW), the Committee had also recommended that there should be a separate budgetary head for the proposed National Programme for Ground Water related Health Problems with sufficient funding. Regrettably, the M/o WR, RD & GR have not accepted the recommendation on the ground that it would require changes in the extant National Rural Drinking Water Programme (NRDWP) guidelines. When the attention of the Secretary, Department of Economic Affairs was drawn to such a vital matter, he assured the Committee that the position would be enquired from the concerned Ministries. The Committee, therefore reiterate that the Ministry of Finance in consultation with the M/o WR, RD & GR and M/o H & FW should revisit the issue and implement the Committees' recommendation for separate budgetary head for arsenic related water issues and apprise the Committee in due course.

NEW DELHI;
21 January, 2016
1 Magha, 1937 (Saka)

DR. MURLIMANO HAR JOSHI
Chairperson,
Committee on Estimates.

LIST OF DEMANDS FOR GRANTS—2016-17

Code. No.	Demand No.	Name of Ministry/Department
1	2	3
1		Ministry of Agriculture
	1	Department of Agriculture and Cooperation
	2	Department of Agricultural Research and Education
	3	Department of Animal Husbandry, Dairying and Fisheries
2		Department of Atomic Energy
	4	Atomic Energy
	5	Nuclear Power Schemes
3		Ministry of Ayurveda, Yoga and Naturopathy, Unani, Siddha and Homoeopathy (AYUSH)
	6	Ministry of Ayurveda, Yoga & Naturopathy, Unani, Siddha and Homoeopathy (AYUSH)
4		Ministry of Chemicals and Fertilizers
	7	Department of Chemicals and Petrochemicals
	8	Department of Fertilizers
	9	Department of Pharmaceuticals
5		Ministry of Civil Aviation
	10	Ministry of Civil Aviation
6		Ministry of Coal
	11	Ministry of Coal
7		Ministry of Commerce and Industry
	12	Department of Commerce
	13	Department of Industrial Policy and Promotion
8		Ministry of Communications and Information Technology
	14	Department of Posts
	15	Department of Telecommunications
	16	Department of Electronics and Information Technology

1	2	3
9		Ministry of Consumer Affairs, Food and Public Distribution
	17	Department of Consumer Affairs
	18	Department of Food and Public Distribution
10		Ministry of Corporate Affairs
	19	Ministry of Corporate Affairs
11		Ministry of Culture
	20	Ministry of Culture
12		Ministry of Defence
	21	Ministry of Defence
	22	Defence Pensions
	23	Defence Services — Army
	24	Defence Services — Navy
	25	Defence Services — Air Force
	26	Defence Ordnance Factories
	27	Defence Services — Research and Development
	28	Capital Outlay on Defence Services
13		Ministry of Development of North Eastern Region
	29	Ministry of Development of North Eastern Region
14		Ministry of Drinking Water and Sanitation
	30	Ministry of Drinking Water and Sanitation
15		Ministry of Earth Sciences
	31	Ministry of Earth Sciences
16		Ministry of Environment, Forests and Climate Change
	32	Ministry of Environment, Forests and Climate Change
17		Ministry of External Affairs
	33	Ministry of External Affairs
18		Ministry of Finance
	34	Department of Economic Affairs
	35	Department of Financial Services
	36	Appropriation — Interest Payments
	37	Transfers to State and Union Territory Governments
	38	Loans to Government Servants, etc.
	39	Appropriation — Repayment of Debt
	40	Department of Expenditure
	41	Pensions
	42	Indian Audit and Accounts Department
	43	Department of Revenue
	44	Direct Taxes
	45	Indirect Taxes
	46	Department of Disinvestment

1	2	3
19		Ministry of Food Processing Industries
	47	Ministry of Food Processing Industries
20		Ministry of Health and Family Welfare
	48	Department of Health and Family Welfare
	49	Department of Health Research
	50	Department of AIDS Control
21		Ministry of Heavy Industries and Public Enterprises
	51	Department of Heavy Industry
	52	Department of Public Enterprises
22		Ministry of Home Affairs
	53	Ministry of Home Affairs
	54	Cabinet
	55	Police
	56	Other Expenditure of the Ministry of Home Affairs
	57	Transfers to Union Territory Governments
23		Ministry of Housing and Urban Poverty Alleviation
	58	Ministry of Housing and Urban Poverty Alleviation
24		Ministry of Human Resource Development
	59	Department of School Education and Literacy
	60	Department of Higher Education
25		Ministry of Information and Broadcasting
	61	Ministry of Information and Broadcasting
26		Ministry of Labour and Employment
	62	Ministry of Labour and Employment
27		Ministry of Law and Justice
	63	Election Commission,
	64	Law and Justice
	65	Appropriation-Supreme Court of India
28		Ministry of Micro, Small and Medium Enterprises
	66	Ministry of Micro, Small and Medium Enterprises
29		Ministry of Mines
	67	Ministry of Mines
30		Ministry of Minority Affairs
	68	Ministry of Minority Affairs
31		Ministry of New and Renewable Energy
	69	Ministry of New and Renewable Energy
32		Ministry of Overseas Indian Affairs
	70	Ministry of Overseas Indian Affairs

1	2	3
33		Ministry Panchayati Raj
	71	Ministry of Panchayati Raj
34		Ministry of Parliamentary Affairs
	72	Ministry of Parliamentary Affairs
35		Ministry of Personnel, Public Grievances and Pensions
	73	Ministry of Personnel, Public Grievances and Pensions
	74	Central Vigilance Commission
36		Ministry of Petroleum and Natural Gas
	75	Ministry of Petroleum and Natural Gas
37		Ministry of Planning
	76	Ministry of Planning
38		Ministry of Power
	77	Ministry of Power
39		The President, Parliament, Union Public Service Commission and the Secretariat of the Vice-President
	78	Appropriation—Staff, Household and Allowances of the President
	79	Lok Sabha
	80	Rajya Sabha
	81	Appropriation — Union Public Service Commission
	82	Secretariat of the Vice-President
40		Ministry of Road Transport and Highways
	83	Ministry of Road Transport and Highways
41		Ministry of Rural Development
	84	Department of Rural Development
	85	Department of Land Resources
42		Ministry of Science and Technology
	86	Department of Science and Technology
	87	Department of Scientific and Industrial Research
	88	Department of Biotechnology
43		Ministry of Shipping
	89	Ministry of Shipping
44		Ministry of Skill Development and Entrepreneurship
	90	Ministry of Skill Development and Entrepreneurship
45		Ministry of Social Justice and Empowerment
	91	Department of Social Justice and Empowerment
	92	Department of Empowerment of Persons with Disabilities
46		Department of Space
	93	Department of Space

1	2	3
47		Ministry of Statistics and Programme Implementation
	94	Ministry of Statistics and Programme Implementation
48		Ministry of Steel
	95	Ministry of Steel
49		Ministry of Textiles
	96	Ministry of Textiles
50		Ministry of Tourism
	97	Ministry of Tourism
51		Ministry of Tribal Affairs
	98	Ministry of Tribal Affairs
52		Union Territories (Without Legislature)
	99	Andaman and Nicobar Islands
	100	Chandigarh
	101	Dadra and Nagar Haveli
	102	Daman and Diu
	103	Lakshadweep
53		Ministry of Urban Development
	104	Department of Urban Development
	105	Public Works
	106	Stationery and Printing
54		Ministry of Water Resources, River Development and Ganga Rejuvenation
	107	Ministry of Water Resources, River Development and Ganga Rejuvenation
55		Ministry of Women and Child Development
	108	Ministry of Women and Child Development
56		Ministry of Youth Affairs and Sports
	109	Ministry of Youth Affairs and Sports

APPENDIX I

MINUTES OF ELEVENTH SITTING OF THE COMMITTEE ON ESTIMATES (2015-16)

The Committee sat on Friday, the 8th January, 2016 from 1530 hrs. to 1645 hrs. in Room No. '53', Parliament House, New Delhi.

PRESENT

Dr. Murli Manohar Joshi — *Chairperson*

MEMBERS

2. Shri Ashwini Kumar Choubey
3. Col. Sonaram Choudhary
4. Shri Sanjay Dhotre
5. Shri P.C. Gaddigoudar
6. Shri Sudheer Gupta
7. Dr. Sanjay Jaiswal
8. Shri P. Kumar
9. Shri J.C. Divakar Reddy
10. Shri Md. Salim

SECRETARIAT

- | | | |
|---------------------------|---|-----------------------------|
| 1. Shri Devender Singh | — | <i>Additional Secretary</i> |
| 2. Shri Vipin Kumar | — | <i>Director</i> |
| 3. Shri Srinivasulu Gunda | — | <i>Additional Director</i> |

Representatives of the Ministry of Finance (Department of Economic Affairs)

- | | | |
|----------------------|---|---------------------------------|
| Shri Shaktikanta Das | — | <i>Secretary</i> |
| Shri Prashant Goyal | — | <i>Joint Secretary (Budget)</i> |
| Shri H.K. Srivastava | — | <i>Director (Budget)</i> |

2. At the outset, the Chairperson invited the members to the sitting of the Committee and informed the members of the request received from the Ministry of Finance (Department of Economic Affairs) for according approval of the Estimates Committee for Ministry's proposal for rationalization of the Demands for Grants for the specified reasons. In this context, the Chairperson informed the members that one of the main functions of the Estimates Committee is to suggest the form in which the estimates shall be presented to Parliament. It is as part of this mandate; the Chairperson informed the members that the representatives of the Ministry of

Finance (Department of Economic Affairs) were invited to brief the Committee on the subject.

3. The Chairperson then welcomed the representative of the Ministry of Finance (Department of Economic Affairs) to the sitting of the Committee and invited their attention to Direction 55 (1) of the Directions by the Speaker regarding the confidentiality of the proceedings of the Committee.

4. The representatives of the Ministry replied to various issues and concerns raised regarding the rationalization of the Demands for Grants and allayed the apprehension of the dilution of the Parliamentary control and oversight over the finances of the Government due to such rationalization of Demands for Grants.

5. A verbatim record of the proceedings was kept.

The witnesses then withdrew.

The Committee then adjourned.

APPENDIX II

MINUTES OF TWELFTH SITTING OF THE COMMITTEE ON ESTIMATES (2015-16)

The Committee sat on Tuesday, the 19th January, 2016 from 1500 hrs. to 1715 hrs. in Committee Room 'E', Parliament House Annexe, New Delhi.

PRESENT

Dr. Murli Manohar Joshi — *Chairperson*

MEMBERS

2. Shri Ashwini Kumar Choubey
3. Shri Ram Tahal Choudhary
4. Col. Sonaram Choudhary
5. Shri Sanjay Dhotre
6. Shri P.C. Gaddigoudar
7. Shri Arjun Ram Meghwal
8. Shri Ravindra Kumar Pandey
9. Shri K.N. Ramachandran
10. Shri Arvind Sawant
11. Shri Rajesh Verma

SECRETARIAT

1. Shri Devender Singh — *Additional Secretary*
2. Shri Vipin Kumar — *Director*
3. Shri Srinivasulu Gunda — *Additional Director*

WITNESSES

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

3. The Committee then took up for consideration the draft Report on the subject 'Rationalization of Demands for Grants' pertaining to the Ministry of Finance (Department of Economic Affairs).

4. The Committee after consideration adopted the above Report without any modification. Since, the report is related to preparation of the Union Budget, the Ministry had requested the Committee to accord approval for the proposed rationalization of the Demands for Grants at the earliest. As the Parliament is not in session and recommendations of the Committee relate to the DFGs which are part of the Budget, the Committee decided to present the report to Hon'ble Speaker under

Direction 71A (1) of the Directions by the Speaker, Lok Sabha and under the provision of Rule 280, and authorized the Chairperson for the same.

5. * * * * *

6. * * * * *

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

The Committee then adjourned.

*** Not Portion to this Report.

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