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**STANDING COMMITTEE ON FINANCE
(2016-17)**

SIXTEENTH LOK SABHA

MINISTRY OF PLANNING

**DEMANDS FOR GRANTS
(2017-18)**

FORTY-EIGHTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

March, 2017 / Phalguna, 1938 (Saka)

FORTY-EIGHTH REPORT

**STANDING COMMITTEE ON FINANCE
(2016-2017)**

(SIXTEENTH LOK SABHA)

MINISTRY OF PLANNING

**DEMANDS FOR GRANTS
(2017-18)**

Presented to Lok Sabha on 17 March, 2017

Laid in Rajya Sabha on 17 March, 2017



**LOK SABHA SECRETARIAT
NEW DELHI**

March, 2017 / Phalguna, 1938 (Saka)

COMPOSITION OF STANDING COMMITTEE ON FINANCE – 2016-17

Dr. M. Veerappa Moily - Chairperson

MEMBERS

LOK SABHA

2. Shri T.G. Venkatesh Babu
3. Shri Gopalakrishnan Chinnaraj
4. Shri Nishikant Dubey
5. Shri P.C. Gaddigoudar
6. Shri Shyama Charan Gupta
7. Prof. Sanwar Lal Jat
8. Shri Rattan Lal Kataria
9. Shri Chandrakant B. Khaire
10. Shri Bhartruhari Mahtab
11. Shri Prem Das Rai
12. Shri Rayapati Sambasiva Rao
13. Prof. Saugata Roy
14. Shri Jyotiraditya M. Scindia
15. Shri Gajendra Singh Sekhawat
16. Shri Gopal Chinayya Shetty
17. Shri Anil Shirole
18. Dr. Kiritbhai Solanki
19. Dr. Kirit Somaiya
20. Shri Dinesh Trivedi
21. Shri Shivkumar C. Udasi

RAJYA SABHA

22. Shri Naresh Agrawal
23. Shri Naresh Gujral
24. Shri Satish Chandra Misra
25. Shri A. Navaneethakrishnan
26. Dr. Mahendra Prasad
27. Shri C.M. Ramesh
28. Shri T.K. Rangarajan
29. Shri Ajay Sancheti
30. Shri Digvijaya Singh
31. Dr. Manmohan Singh

SECRETARIAT

- | | | | |
|----|------------------------------|---|---------------------|
| 1. | Smt. Abha Singh Yaduvanshi | - | Joint Secretary |
| 2. | Shri R.C. Tiwari | - | Director |
| 3. | Shri Ramkumar Suryanarayanan | - | Additional Director |
| 4. | Shri Tenzin Gyaltzen | - | Committee Officer |

INTRODUCTION

I, the Chairperson of the Committee on Finance, having been authorised by the Committee, present this Forty-Eight Report (Sixteenth Lok Sabha) on 'Demands for Grants (2017-18)' of the Ministry of Planning.

2. The Demands for Grants (2017-18) of the Ministry of Planning were laid on the Table of the House 09 March, 2017 under Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha.

3. The Ministry of Planning appeared before the Committee on 16th February, 2017; however, in view of the inability of the Ministry of Planning in laying the detailed 'Demands for Grants (2017-18)' on the floor of the House, the Committee decided to deliberate upon the same when the detailed demands are laid on the floor of the House.

4. Accordingly, the Committee took oral evidence of the representatives of the Ministry of Planning on 9th March, 2017. The Committee wish to express their thanks to the representatives of the Ministry of Planning for appearing before the Committee and furnishing the material and information which the Committee desired in connection with the examination of the Demands for Grants (2017-18).

5. The Committee considered and adopted this Report at their Sitting held on 16 March, 2017.

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

**New Delhi;
16 March, 2017
25 Phalguna, 1938 (Saka)**

**DR. M. VEERAPPA MOILY,
Chairperson,
Standing Committee on Finance.**

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Report

PART - I

1. Analysis of Demands for Grants (2017-18)

Introduction

1.1 The Government has replaced Planning Commission with a new institution named NITI Aayog (National Institution for Transforming India). The institution will serve as 'Think Tank' of the Government-a directional and policy dynamo. NITI Aayog will provide Governments at the central and state levels with relevant strategic and technical advice across the spectrum of key elements of policy, this includes matters of national and international import on the economic front, dissemination of best practices from within the country as well as from other nations, the infusion of new policy ideas and specific issue-based support.

1.2 The Ministry of Planning presented their detailed Demands for Grants (2017-18 Demand no. 73) in the Lok Sabha on 09 March, 2017. The total allocation of Ministry of Planning for the year 2017-18 is Rs. 252.52 crores. This include only the plan expenditure of Rs. 252.52 crore as the Non Plan expenditure part has not been allocated any budgetary provision. The Budget Estimate (BE) (Plan) for 2017-18 has been increased by Rs. 52.50 crore, the Non Plan expenditure in BE 2017-18 has decreased by Rs. 93.14 on account of nil provisioning and relatively substantial provisions of Rs. 93.14 crore in BE 2016-17. Further the Revised Estimate for 2016-17 was lowered by Rs. 19.73 crore to Rs. 73.41 crore for the Non Plan section. Under the Major Head 3475, 'New Programmes - Central Plan' has been provided with an allocation of Rs. 3.50 crore along with Atal Innovation Mission (AIM) and Self-Employment and Talent Utilisation (SETU) which has been provided with a sum of Rs. 112 crore. 'New Programmes - Central Plan' has seen a decrease of 12.50% from Rs. 4 crore to Rs. 3.50 crore while the actuals of the same stood at Rs. 3.99 lakhs (provisional up to December, 2016). Atal Innovation Mission (AIM) has been endowed with a grant of Rs. 112 crore (BE 17-18) while at Budget Estimate (BE) stage of 2016-17 the same stood at Rs. 150 crore. The actuals of Atal Innovation Mission (AIM) for the fiscal 2016-17 (provisional up to December 2016) stood at Rs. 16.80 lakhs. Further, for the major head 3475, 'Ongoing Programme and Schemes including liabilities from BE 2014-15

[SOPS, EPP(IC), R&S, PFAR, UNDP-HDBI, UNDP-SCDP]', the allocation for the BE 2017-18 has been of Rs. 39.07 crore. The Budget Estimate for same during the fiscal 2016-17 and 2015-16 were Rs. 31.10 crore and Rs. 33 crore, an increase of 25.63% and decrease of 5.76%, respectively. A sum of Rs. 15 crore (BE 2017-18) has been provided for 'Development Monitoring and Evaluation Office (DMEO)'. While the actuals of 2016-17 stood at Rs. 8.2 crore, the BE for the same was Rs. 13.40 crore for the 'Ongoing Programme and Schemes including liabilities from BE 2014-15 [SOPS, EPP(IC), R&S, PFAR, UNDP-HDBI, UNDP-SCDP]' under the head 5475 of Capital Section stood at Rs. 43 lakh for Budget Estimate 17-18 and Rs. 50 lakh for the Budget Estimate 16-17 a decrease of 14%. Further, the Finance Minister has mentioned in this years (2017-18) budget speech that the Government will introduce 'Outcome Based Monitoring of Expenditure' in some sectors viz. allocation for welfare of Scheduled Castes (SCs) and Scheduled Tribes (STs) by the NITI Aayog.

- 1.3 (a) The actual expenditure incurred in 2015-16, Budget Estimate (BE)/Revised Estimate (RE) 2016-17, Budget Estimates 2017-18 are given below:-

(Rs. in crore)

Actual 2015-16			BE 2016-17			RE 2016-17			BE 2017-18		
Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total	Plan	Non-Plan	Total
1706.06	74.96	1781.02	200.00	93.14	293.14	210.00	73.41	283.41	252.52	-	252.52

1.4 A BRIEF SUMMARY OF DEMANDS FOR GRANTS FOR THE YEAR 2017-2018

Notes On Expenditure Other (Other Than Centrally Sponsored And Central Sector Schemes (Outlay Rs. 97.52 Crore)

a) Secretariat: Economic Services

This has a provision for the Secretariat expenditure of the Ministry of Planning.

b) Niti Aayog

This has a provision for the expenditure of NITI Aayog including Departmental Canteen.

c) Development Monitoring And Evaluation Office

The objective of this new scheme is to provide for the expenditure in respect of Development Monitoring and Evaluation Office under Ministry of Planning.

d) Autonomous Bodies

Provide for the Grants-in-aid in respect of National Institute of Labour Economics Research and Development.

1.5 Notes On Central Sector Scheme Expenditure (Outlay Rs. 155.00 Crore)

a) New Programmes – Central Plan (Outlay Rs. 115.50 crore):

(i) New Programmes – Central Plan (Outlay Rs. 3.50 crore):

The objective of this new scheme is to provide for the expenditure of any new programme in NITI Aayog.

(ii) Atal Innovation Mission (AIM) including Self Employment and Talent Utilisation (SETU) (Outlay Rs. 112.00 crore):

(Rs. in Thousands)

1	2	3	4	5	6	7	8	9	10
Sl. No.	Major Head	Plan Scheme	BE (2014-15)	Actuals (2014-15)	BE (2015-16)	Actuals (2015-16)	BE (2016-17)	Actuals (2016-17)	BE (2017-18)
1	3475 (II)	Atal Innovation Mission (AIM) including Self Employment and Talent Utilisation (SETU)	-----	-----	-----	-----	1500000	168033	1120000

The Atal Innovation Mission (AIM) will be an Innovation promotion platform involving academics, entrepreneurs and researchers and draw upon national and international experiences to foster a culture of innovation, R&D and Scientific research in India. AIM will create mechanisms to incentivize innovators through grants, awards and challenge programs. Self Employment and Talent Utilisation (SETU) will be a Techno-Financial, Incubation and Facilitation Programme to support all aspects of start-up businesses, and other self-employment activities, particularly in technology-driven areas.

b) Ongoing Programme and Schemes including liabilities from BE 2014-15 [SOPS, EPP(IC), R&S, PFAR, UNDP-HDBI, UNDP-SCDP] (Outlay Rs. 39.50 crore):

Provides for the expenditure in respect of erstwhile Planning Commission ongoing programme and schemes such as Strengthening Office Processes and Systems (SOPS), International Contributions EPP(IC), Research and Study (R&S), Plan Formulation Appraisal and Review (PFAR), UNDP Assistance for Human Development towards bridging inequalities (UNDP-HDBI) and UNDP assisted project – Strengthening Capacities for Decentralized Planning (UNDP-SCDP).

DEVELOPMENT MONITORING AND EVALUATION OFFICE (DMEO)

2.1 When asked to specify as to whether the NITI Aayog has come up with any new process of reviewing the Centrally Sponsored Schemes (CSSs), allocation of funds for their effective implementation and the progress of Development Monitoring and Evaluation Office (DMEO), the Ministry of Planning stated that the NITI Aayog has been monitoring the Central Sector/ CSS in terms of outcome based approach of the schemes/ programmes instead of expenditure based monitoring of the schemes/ programmes which is the paradigm shift from the earlier process of reviewing the schemes. The Development Monitoring and Evaluation Office (DMEO), an attached office of the NITI Aayog, was established by the Government on 18th September, 2015, by merging the erstwhile Programme Evaluation Organisation and Independent Evaluation Office. The DMEO has been mandated “to actively monitor and evaluate the implementation of programmes and initiatives, including the identification of the needed resources so as to strengthen the probability of success and scope of delivery”. The DMEO undertakes the monitoring of implementation of various government programmes and projects in respect of the Infrastructure Ministries and the Social Sector Ministries on an ongoing basis. Based on the recommendations of the Sub-Group of Chief Ministers on rationalization of Centrally Sponsored Schemes (CSSs) and approved by the Cabinet, NITI Aayog has constituted Committee under the Chairmanship of Secretary Administrative Ministry, Financial Adviser of the ministry concerned and Adviser NITI Aayog dealing with the subject for evolving a transparent formula for allocation of funds for CSS.

3 TWELFTH FIVE YEAR PLAN (2012-17) - Conclusion

3.1 To a pointed query on the current status of 12th FYP, which is ending on 31st March, 2017 and whether any such detailed plan on similar lines or a perspective plan is being envisioned by the NITI Aayog, the Ministry specified that the NITI Aayog has initiated an exercise to formulate vision and strategy for the period beyond the Twelfth Five Year Plan (which ends in March 2017), under which the following inter-connected documents, with differing time horizons, are proposed to be prepared:

- A vision document keeping in view the social goals set and / or proposed and Sustainable Development Goals (SDGs) for about 15 years i.e. up to 2030 which is co-terminus with the period to achieve SDGs.
- A 7-year strategy from 2017-18 to 2023-24 to convert the long term vision into implementable policy and action as a part of “National Development Agenda” with a mid-term review after 3 years i.e. the year ending March 2020.
- A 3-year Action document for 2017-18 to 2019-20 aligned to the predictability of financial resources during the 14th Finance Commission Award period. This is to help translate into actions the goals of the government to be achieved by 2019.

The aforesaid vision formulation is envisaged to go beyond the traditional areas and also cover aspects of internal security/defence etc. All the Central Ministries/Departments, States/UTs have been involved in preparation of above documents.

3.2 With respect to the current status of different Central Sector/ Centrally Sponsored Schemes (CSSs) and the initiatives taken to rationalise them, the Ministry of Planning stated that the Centrally Sponsored Schemes (CSSs) have been rationalized based on the recommendations of the Sub-Group of Chief Ministers and approved by the Cabinet. As far as Central Sector Schemes are concerned, the rationalization has been done by the Ministry of Finance, Department of Expenditure in consultation with the Central Ministries / Departments.

4 NITI AAYOG - Way Forward

4.1 To a query with regards to the progress made by the NITI Aayog as a think-tank, role played as a change agent since its inception two years back and whether NITI has been able to safeguard and ensure the mandate of cooperative federalism while ensuring direct involvement of various States/ UTs in the scheme of national policy making, the Ministry stated that in the spirit of Cooperative Federalism, NITI Aayog is holding consultation meetings on regular basis with the State Governments / UTs twice in a year. The first meeting is held in the month of April just after the presentation of the Union Budget in the Parliament and the second meeting is held in the month of November/December, for addressing the problems faced by the States/UTs in implementation of the Schemes / Programmes in a better way. As per the Allocation of Business Rules (AoBR), NITI Aayog is a premier policy 'Think Tank' of the Government of India, providing both directional and policy inputs and to provide relevant technical advice to the Centre and States. Unlike the erstwhile Planning Commission, allocation of funds to States is not a mandate of NITI Aayog, no separate budget line has been provided to NITI Aayog in 2017-18 BE. However, a provision of Rs.11,000 crore has been earmarked as 'Special Assistance' under the Demand No.40 for (a) spill over committed liabilities for which budget provision is not made after the implementation of Fourteenth Finance Commission recommendations (b) need-based assistance to the States. Further, new initiatives like setting up of Tinkering Labs in the schools, Incubation centres, promotion of digital payments etc. across the country are being funded by NITI Aayog through Central Sector Schemes.

4.2 On further being asked to elaborate upon the type of engagement being followed by the NITI Aayog with respect to its mandate and whether any meeting/consultation is being carried out by the NITI Aayog with States/UTs on regular/quarterly/annual basis, the Ministry clarified that, In pursuance of decision taken in the Conference on 'Role of NITI Aayog- Consultation with the States' held on 30th Nov. 2015 at Vigyan Bhawan, a Conference of Chief Secretary and Planning was organized on 27th July 2016 at Vigyan Bhawan, New Delhi. NITI Aayog has outlined a policy to provide institutional support to states for development of infrastructure projects and to achieve delivery excellence in social sector. The key objective of this policy is to support state governments in implementation of projects that are critical for development of state/region in a timely and cost effective manner. The program aims to transform last-mile delivery of such

services and is looking to provide strong implementation support to potential role model states that other states can learn from and emulate. The proposed policy would support state governments in preparation of pre-implementation documentation/studies as well as assistance in management of procurement process to select the right investor/contractor for the project.

NITI Aayog has also initiated an exercise for establishing an outcome monitoring framework in critical economic and social development sectors that include – Healthcare, Education and Water. The primary objective of this framework is to determine performance of various States by reviewing performance with respect to KPIs in each of these sectors. Each State would be requested to submit their respective KPI datasets and NITI Aayog would review and validate such inputs as submitted. To implement this, Selection of Consultant for review and analysis of Key Performance Indicators (KPIs) inputs is being undertaken.

OBSERVATIONS/RECOMMENDATIONS

Furnishing of documents

1. The Committee in their 12th and 31st Report on Demands for Grants had made critical observation regarding non-furnishing of the Budgetary documents, viz Outcome Budget, Annual Reports etc. to the Committee. The Committee are constrained to note that this year too the Ministry of Planning have failed to lay the Detailed Demands for Grants and Annual Report to the Parliament in 1st part of the Budget Session i.e. before the recess, thereby delaying the process of examination of the Demands by the Committee. The Committee could thus take it up for detailed examination only after the House reconvened (after the recess) when the Detailed Demands were laid in the House by the Ministry. The Committee take a serious view of such laxity and delay in providing budgetary documents, particularly detailed Demands for Grants, which defeats the purpose of the budgetary process as it leaves a short period for a comprehensive and timely scrutiny by the Departmentally-related Standing Committee. The Committee would admonish the Ministry of Planning (NITI Aayog) for their laxity and would caution them to be more diligent and alert in dealing with Parliamentary process while furnishing their related documents.

Budgetary Allocations

2. The Committee note that the total budgetary allocation of Ministry of Planning for the year 2017-18 is Rs. 252.52 crores under the plan head (increase of Rs. 52.50 crore over BE 16-17). The Committee note with surprise that although the distinction between Plan and Non-Plan expenditure has been dispensed with and replaced by Capital / Revenue Categorisation in the General Budget and the Demands for Grants of various Ministries / Departments, the Detailed Demands of the Ministry of Planning continue to use the term plan expenditure for the BE of the heads of expenditure in their Detailed Demands for Grants (2017-18). Even though, in the consolidated Demands for Grants (Demand No. 73), presented with the General Budget, the BE of Rs. 252.52 crore has been shown separately as Rs. 252.09 crore under revenue component and the remaining Rs. 0.43 crore under Capital head, the same pattern should have been followed in Detailed Demands for Grants as well. The Committee would like to point out that the Ministry of Planning should have paid attention to such budgetary details and remained

consistent with the expenditure classification in all their documents laid before Parliament. The Committee would thus expect the Ministry of Planning to stay abreast of budgetary practices and procedures and to be more diligent and accurate in their budgetary documentation.

3. The Committee take cognizance of the fact that reduction in allocation over the years has apparently resulted from the discontinuation / transfer of the schemes / heads from the Ministry of Planning / NITI to other Departments / Ministries. They note that a request has been made in May 2016 to the Ministry of Finance for more funds, but the same has not been acceded to. The Committee note that the two main schemes operated by the Ministry, namely the Atal Innovation Mission (AIM) and Self-Employment and Talent Utilisation (SETU), have been established to be an Innovation promotion platform and a Technical, Financial, incubation and Facilitation programme to support all aspects of start-up business and other self-employment activities, respectively. The Committee further note that an allocation was made in the Budget estimate of 2015-16 for Atal Innovation Mission (AIM) and Self-Employment and Talent Utilisation (SETU) of Rs. 150 crore and Rs. 1000 crore, respectively. Further, an allocation of Rs. 2 crore was allocated at Revised Estimate (RE) stage in 2015-16 which could not be utilised in absence of detailed guidelines and ongoing consultation with various stakeholders. The actual expenditure in respect of this scheme has consistently been much lower than the budgeted expenditure, thereby rendering this well-devised scheme infructuous. The Committee get a general impression that although various initiatives seem to have been launched by the NITI with much fanfare, the concrete outcomes expected from them seems to be missing. They would expect the NITI to focus more on results, outcomes and the concretisation of well-conceived ideas / innovations. As the allocative role of erstwhile Planning Commission is not to be played any longer, the Committee would suggest that the NITI should now function as an effective think-tank guiding the Central and State Governments in policy-making and also implementation of governmental programmes and schemes. It has now become evident and necessary that with its relatively small budget of Rs. 250 crore or so, the NITI should not be involved in any central scheme, which should actually remain in the domain of the concerned administrative Ministry. Such remaining schemes should be

transferred forthwith to the respective line Ministries for greater synergy in implementation. Accordingly, NITI's budget under capital head Rs. 0.43 crore should be merged with the revenue component, and in future, budgetary allocations should be made by the Government for their limited requirements under revenue component only, which will be in sync with its role as an independent body of domain experts. The Committee would thus expect the present role and mandate of NITI to be accordingly simplified with greater clarity and vision about its assigned role and functions. They would also desire that the NITI must focus on resolving inter-state disputes and conflicts between communities such as water disputes etc.

The Committee also desire that the process of providing grant-in-aid to NGOs etc should be based on objective parameters including performance criteria and the same be reviewed and monitored regularly.

Development Monitoring and Evaluation Office (DMEO)

4. The Committee note that the provisioning for a new scheme of Development Monitoring and Evaluation Office (DMEO) was done to establish the same as an attached office of the NITI Aayog on 18 September, 2015, by merging the erstwhile Programme Evaluation Office (PEO) and Independent Evaluation Office (IEO). In the fiscal 2016-17, a sum of Rs. 13.40 crore was allocated for the said scheme at Budget Estimate stage, however, the actual expenditure stood at Rs. 8.2 crore only. Further, the substantial allocation and underutilisation in the beginning of an initiative and consequent fluctuation needs to be appraised forthwith. The Committee are unable to understand as to how the DMEO is going to be a different organisation / office from the previous Independent Evaluation Office (IEO) and Programme Evaluation Office (PEO). The Committee, nevertheless, desire that the DMEO in due course should strengthen and reinforce the evaluation process and bring to fore not only the disabilities and shortcomings of various programmes and schemes but also suggest and advise on "way forward". The DMEO should, therefore, be able to evaluate and recommend positive changes and proper resource utilisation while highlighting the steps to be taken for better implementation and outcome.

5. The Committee taking cognizance of the announcement made by the Hon'ble Finance Minister that the Government shall introduce 'outcome based monitoring of expenditure' operated by NITI in some sectors, would like the NITI to come forward with a detailed structure of the initiative at the earliest and share the gist of the same with the Committee. Furthermore, it remains to be seen as to how the 'outcome based monitoring of expenditure' will be more appropriate *vis-a-vis* other expenditure monitoring methods. The Committee are curious to know, in case of advantages of outcome monitoring methods, whether the same would also be extended to circumscribe other schemes as well to strengthen institutional and public accountability of flagship schemes. The Committee would like to be kept abreast of the same.

Twelfth Five Year Plan (2012-17) & Mid Term Appraisal (MTA)

6. The Committee had expressed their displeasure in the previous report on Demands for Grants (DFGs) with respect to the lackadaisical approach and inability of NITI to share any information with the Committee on the issue of Mid Term Appraisal (MTA) report. They are dismayed to know that till last year, NITI had only prepared a draft appraisal document with less than a year of the Plan period left. The Committee were informed during the last year's Demands for Grants (2016-17) that a decision was taken in February, 2015 to the effect that NITI would undertake Mid Term Appraisal (MTA) of the 12th Five Year Plan 'with a view to incorporate the shared vision of national development and important initiatives of the Central Government so that they may be implemented in last two years of the Plan'. The Committee are not at all convinced by this specious reply of the Ministry on a matter of significant importance and consequence. They, therefore, desire that not only be this exercise concluded at the earliest, an initiative on the similar lines of Mid Term Appraisal (MTA) may be incorporated within the working of NITI as a time bound and mandatory practice. The Committee note that 12th Five Year Plan is in its last fiscal (which ends in March 2017) and the Ministry has envisaged a vision document which anticipates to go beyond the traditional areas and cover aspects of internal security / defence etc; however, details have not been provided regarding the budgetary / financial allocation to be made for the same. The Committee also desire that an assessment of performance

achievement of both physical and financial targets laid out in the 12th Plan and the Annual Plans should be clearly brought out. The Committee would also direct the NITI to submit the assessment (with respect to MTA and 12th Five Year Plan) to the Committee at the earliest.

NITI-Way Forward

7. The Committee note that NITI is holding consultation meetings with the State Government / UTs twice a year, keeping in view its mandate of cooperative federalism. NITI has also stated that it is providing 'institutional support' to States for development of infrastructure projects and to deliver excellence in social sector. The Committee would like to be apprised of the specific details thereof.

The Committee, however, are not sure whether NITI has the requisite wherewithal, expertise and adequate manpower to handle such wide range of subjects including technical matters like digitalisation, setting up of tinkering labs, incubation centers etc. especially with such meagre resources at their disposal. The Committee desire to be apprised of the outcomes achieved, and the specific interventions made along with the expenditure incurred with regard to the various initiatives stated to have been taken by them. The Committee would recommend for suitably streamlining the NITI set-up, so that they can play their designated role more effectively. The Committee would also like to know about the nature and extent of data mining and analysis being done by them in their various studies and appraisals. Further, with the allocative role being taken away from NITI, the Committee would urge upon them to refocus on the programmes and schemes meant particularly for the social sector, as the Ministry of Finance, by its very nature, can only play a limited role in this regard due to their orientation towards fiscal consolidation. The Committee may accordingly be apprised of the steps taken towards this end.

Minutes of the Eleventh sitting of the Standing Committee on Finance (2016-17)
The Committee sat on Thursday, the 16 February, 2017 from 1100 hrs. to 1445 hrs.
in Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Dr. M. Veerappa Moily - Chairperson

LOK SABHA

2. Shri Nishikant Dubey
3. Shri P.C. Gaddigoudar
4. Shri Rattan Lal Kataria
5. Shri Bhartruhari Mahtab
6. Shri Prem Das Rai
7. Prof. Saugata Roy
8. Shri Gopal Chinayya Shetty
9. Shri Kiritbhai Solanki
10. Shri Dinesh Trivedi

RAJYA SABHA

11. Shri Naresh Gujral
12. Shri Ajay Sancheti
13. Shri Digvijaya Singh
14. Dr. Manmohan Singh

SECRETARIAT

- | | | | |
|----|------------------------------|---|---------------------|
| 1. | Smt. Abha Singh Yaduvanshi | - | Joint Secretary |
| 2. | Shri R.C. Tiwari | - | Director |
| 3. | Shri Ramkumar Suryanarayanan | - | Additional Director |
| 4. | Shri Kulmohan Singh Arora | - | Deputy Secretary |

PART I (1100 hrs - 1230 hrs)

WITNESSES

	XX	XX	XX	XX	XX	XX
2.	XX	XX	XX	XX	XX	XX.

(The witnesses then withdrew)

The Committee then adjourned for tea break.

PART II (1245 hrs - 1330 hrs)

WITNESSES

	XX	XX	XX	XX	XX	XX
2.	XX	XX	XX	XX	XX	XX.

(The witnesses then withdrew)

PART III (1420 hrs onwards)

WITNESSES

Ministry of Planning (NITI)

1. Shri Amitabh Kant, CEO, NITI
2. Shri Anil Kumar Jain, Additional Secretary
3. Shri Pradeep Kumar, JS & FA
4. Dr. Sunita Sanghi, Adviser
5. Shri Vikram Singh Gaur, Joint Secretary
6. Shri Praveen Mahto, Adviser
7. Shri U.K. Sharma, Adviser
8. Shri Jitendra Kumar, Adviser
9. Dr. Maninder Kaur Dwivedi, Adviser
10. Shri Alok Kumar, Adviser
11. Dr. Anna Roy, Adviser
12. Dr. Yogesh Suri, Adviser

13. Shri Ashok Kumar Jain, Adviser
14. Shri Srikara Naik, Adviser

7. The Committee decided to defer the discussion to 9th March, 2017, as the detailed Demands for Grants were not laid on the table of the House by Ministry of Planning. The Committee, therefore, asked the CEO, NITI to ensure the laying of the detailed Demands for Grants for the fiscal 2017-18 on the table of the House on 9th March when the House reconvenes for the 2nd part of the Budget session.

The witnesses then withdrew.

A verbatim record of the proceedings has been kept

The Committee then adjourned.

Minutes of the Twelfth sitting of the Standing Committee on Finance
The Committee sat on Thursday, the 9 March, 2017 from 1500 hrs to 1715 hrs in
Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Dr. M. Veerappa Moily - Chairperson

LOK SABHA

2. Shri T.G. Venkatesh Babu
3. Shri Nishikant Dubey
4. Shri P.C. Gaddigoudar
5. Shri Shyama Charan Gupta
6. Shri Rattan Lal Kataria
7. Shri Chandrakant B. Khaire
8. Shri Bhartruhari Mahtab
9. Prof. Saugata Roy
10. Shri Gajendra Singh Sekhawat
11. Shri Gopal Chinayya Shetty
12. Shri Anil Shirole
13. Dr. Kiritbhai Solanki
14. Shri Dinesh Trivedi
15. Shri Shivkumar Udasi

RAJYA SABHA

16. Shri Naresh Gujral
17. Shri A. Navaneethakrishnan
18. Shri T.K. Rangarajan
19. Shri Ajay Sancheti
20. Dr. Manmohan Singh

SECRETARIAT

- | | | | |
|----|------------------------------|---|---------------------|
| 1. | Smt. Abha Singh Yaduvanshi | - | Joint Secretary |
| 2. | Shri R.C. Tiwari | - | Director |
| 3. | Shri Ramkumar Suryanarayanan | - | Additional Director |

WITNESSES

Ministry of Planning (NITI)

1. Shri Amitabh Kant, CEO, NITI
2. Shri Yaduvendra Mathur, Additional Secretary
3. Shri Pradeep Kumar, JS & FA
4. Dr. Sunita Sanghi, Adviser
5. Shri Vikram Singh Gaur, Joint Secretary
6. Shri Praveen Mahto, Adviser
7. Shri U.K. Sharma, Adviser
8. Shri Jitendra Kumar, Adviser
9. Dr. Maninder Kaur Dwivedi, Adviser
10. Shri Alok Kumar, Adviser
11. Dr. Yogesh Suri, Adviser
12. Shri Ashok Kumar Jain, Adviser
13. Shri Srikara Naik, Adviser

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

3. After the customary introduction of the Witnesses and their introductory remarks, the Committee took their oral evidence in connection with the examination of Demands of Grants (2017-18) of the Ministry of Planning. The major issues discussed during the sittings related to the benchmarks set for the initiatives of NITI; relationship between NITI and administrative ministries and redressal mechanism or audit system for various schemes thereof; NITI's view regarding the digitisation of banks at village level for less cash economy; non-availability of Core Banking Solution (CBS) facility in Regional Rural Banks (RRB); issues related to Aadhar; NITI's view and plans with respect to the Sustainable Development Goals (SDG); role of NITI in handling issues related to onset of urbanisation; various issues related to allocation of monies in Demands for Grants under different heads; Providing a detailed report on vision document as planned by NITI to the Committee and role played by the NITI *viz-a-viz* erstwhile Planning

Commission on various aspects/parameters and ways to assess the performance thereof.

4. The Committee further deliberated upon the issues like paltry allocation to NITI to deal with its role as a think tank, providing manpower research etc; reasons for retaining Atal Innovation Mission (AIM) and Self Employment Talent Utilisation (SETU) with NITI whilst all other schemes being transferred to the line Ministries; rationale for providing grant-in-aid to select institutions and issues related to respective budget provisioning; availability of funds to provide for various initiatives like tinkering labs, incubation centre etc; steps initiated by NITI to generate employment, self-employment etc. with a meagre budget allocation for the fiscal year 2017-18 and various concerns with respect to the mid-term appraisal of the 12th Five Year Plan and concrete achievements thereof. The Chairperson then directed the representatives of Ministry of Planning to furnish written replies to the points raised by the Members during the discussion at the earliest to the Secretariat.

(The witnesses then withdrew)

5. XX XX XX XX XX XX
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A verbatim record of the proceedings has been kept

The Committee then adjourned.

Minutes of the Thirteenth sitting of the Standing Committee on Finance
The Committee sat on Thursday, the 16 March, 2017 from 1500 hrs to 1545 hrs,
Chamber of Chairperson, Room No. 114, Parliament House Annexe, New Delhi.

PRESENT

Dr. M. Veerappa Moily - Chairperson

LOK SABHA

2. Shri T.G. Venkatesh Babu
3. Shri Gopalakrishnan Chinnaraj
4. Shri Nishikant Dubey
5. Shri P.C. Gaddigoudar
6. Shri Shyama Charan Gupta
7. Shri Rattan Lal Kataria
8. Shri Chandrakant B. Khaire
9. Shri Bhartruhari Mahtab
10. Shri Prem Das Rai
11. Shri Gajendra Singh Sekhawat
12. Shri Gopal Chinayya Shetty
13. Shri Anil Shirole
14. Dr. Kiritbhai Solanki
15. Dr. Kirit Somaiya
16. Shri Shivkumar Udasi

RAJYA SABHA

17. Shri Naresh Gujral
18. Dr. Mahendra Prasad
19. Shri Ajay Sancheti
20. Dr. Manmohan Singh

SECRETARIAT

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|----|------------------------------|---|---------------------|
| 1. | Smt. Abha Singh Yaduvanshi | - | Joint Secretary |
| 2. | Shri R.C. Tiwari | - | Director |
| 3. | Shri Ramkumar Suryanarayanan | - | Additional Director |
| 4. | Shri Kulmohan Singh Arora | - | Deputy Secretary |

2. At the outset, the Chairperson welcomed the Members to the sitting of the Committee, thereafter, the Committee took up the following draft reports for consideration and adoption:

- (i) Draft Report on Demands for Grants (2017-18) of the Ministry of Finance (Departments of Economic Affairs, Expenditure, Financial Services and Investment & Public Asset Management).
- (ii) Draft Report on Demands for Grants (2017-18) of the Ministry of Finance (Department of Revenue).
- (iii) Draft Report on Demands for Grants (2017-18) of the Ministry of Planning.

After some deliberations the Committee adopted the above draft Reports with some minor modifications as suggested by Members. The Committee authorised the Chairperson to finalise the Reports in the light of the modifications suggested and present the same to Parliament.

The Committee then adjourned.