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**STANDING COMMITTEE ON FINANCE  
(2014-15)**

**SIXTEENTH LOK SABHA**

**MINISTRY OF STATISTICS AND  
PROGRAMME IMPLEMENTATION**

**SIXTH REPORT**



**LOK SABHA SECRETARIAT  
NEW DELHI**

**December, 2014 / Agrahayana, 1936 (Saka)**

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**STANDING COMMITTEE ON FINANCE  
(2014-2015)**

**(SIXTEENTH LOK SABHA)**

**MINISTRY OF STATISTICS AND  
PROGRAMME IMPLEMENTATION**

**DEMANDS FOR GRANTS  
(2014-15)**

Presented to Lok Sabha on 16 December, 2014

Laid in Rajya Sabha on 16 December, 2014



**LOK SABHA SECRETARIAT  
NEW DELHI**

December, 2014/ Agrahayana, 1936 (Saka)

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11 December, 2014

## **COMPOSITION OF COMMITTEE ON FINANCE – 2014-15**

**Dr. M. Veerappa Moily - Chairperson**

### **MEMBERS**

#### **LOK SABHA**

2. Shri S.S. Ahluwalia
3. Shri Venkatesh Babu T.G.
4. Shri Sudip Bandyopadhyay
5. Shri Nishikant Dubey
6. Shri P.C. Gaddigoudar
7. Dr. Gopalakrishnan C.
8. Shri Shyama Charan Gupta
9. Shri Prataprao Jadhav
10. Shri Rattan Lal Kataria
11. Shri Bhartruhari Mahtab
12. Shri Prem Das Rai
13. Shri Rayapati Sambasiva Rao
14. Prof. Saugata Roy
15. Shri Jyotiraditya M. Scindia
16. Shri Gajendra Singh Sekhawat
17. Shri Gopal Shetty
18. Shri Anil Shirole
19. Vacant\*
20. Dr. Kiritbhai Solanki
21. Dr. Kirit Somaiya

#### **RAJYA SABHA**

22. Shri Naresh Agrawal
23. Shri Naresh Gujral
24. Shri A. Navaneethakrishnan
25. Vacant\*\*
26. Dr. Mahendra Prasad
27. Shri P. Rajeeve
28. Shri C.M. Ramesh
29. Shri Ajay Sancheti
30. Shri Digvijaya Singh
31. Dr. Manmohan Singh

### **SECRETARIAT**

- |    |                              |   |                     |
|----|------------------------------|---|---------------------|
| 1. | Shri R.K. Jain               | - | Joint Secretary     |
| 2. | Shri P.C. Koul               | - | Director            |
| 3. | Shri Ramkumar Suryanarayanan | - | Additional Director |

\* Shri Jayant Sinha, MP ceased to be Member of the Committee w.e.f. 09.11.2014 consequent upon his induction to the Union Council of Ministers

\*\* Shri Brajesh Pathak, MP ceased to be the Member of the Committee w.e.f. 25.11.2014 consequent upon his retirement from Rajya Sabha

### **INTRODUCTION**

I, the Chairperson of the Committee on Finance, having been authorised by the Committee, present this Sixth Report (Sixteenth Lok Sabha) on 'Demands for Grants (2014-15)' of the Ministry of Statistics and Programme Implementation.

2. Due to impending elections to the Sixteenth Lok Sabha, Parliament had passed Vote on Accounts for the first four months of the Fiscal 2014-15 (April to July, 2014). The Demands for Grants (2014-15) of the Ministry of Statistics and Programme Implementation were laid on the Table of the Lok Sabha on 23 July, 2014. The consolidated Demands for Grants were passed by the Lok Sabha on 21 July, 2014 after suspension of Rule 331 G of the Rules of Procedure and Conduct of Business in Lok Sabha. After the Demands were passed, Hon'ble Speaker observed that although the Demands have been passed by the House, they stand referred to the Standing Committees after they are constituted for examination and Report so that their Recommendations are utilized in the preparation of Demands for Grants for the next Fiscal. The Committee took oral evidence of the representatives of the Ministry of Statistics and Programme Implementation on 09 October, 2014. The Committee wish to express their thanks to the representatives of the Ministry of Statistics and Programme Implementation 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 (2014-15).

3. The Committee considered and adopted this Report at their Sitting held on 11 December, 2014.

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

**New Delhi;  
12 December, 2014  
21 Agrahayana, 1936 (Saka)**

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

## **REPORT**

### **PART I**

#### **I. INTRODUCTORY**

1.1 The Ministry of Statistics and Programme Implementation came into existence as an Independent Ministry on 15 October, 1999 after the merger of the Department of Statistics and the Department of Programme Implementation. The Ministry has two wings, one relating to Statistics and the other Programme Implementation.

1.2 The Statistics Wing, called the National Statistical Organisation (NSO), the Central Statistics Office (CSO) and the National Sample Survey Office (NSSO).

1.3 The Programme Implementation Wing has three Divisions, namely, (i) Twenty Point Programme (ii) Infrastructure and Project Monitoring Division and (iii) Member of Parliament Local Area Development Scheme.

1.4 Besides these two wings, there is a National Statistical Commission created through a Resolution of Government of India and one autonomous Institute, viz., Indian Statistical Institute declared as an Institute of National Importance by an Act of Parliament.

1.5 The Ministry of Statistics and Programme Implementation is responsible for coverage and quality aspects of statistics released in the country. The statistics released are based on administrative sources, surveys and census conducted by the Centre and State Governments and non-official sources and studies. The surveys conducted by the Ministry are based on scientific sampling methods.

1.6 The methodological issues concerning the compilation of statistics are overseen by Committees like Advisory Committee on National Accounts, Standing Committee on Industrial Statistics, Technical Advisory Committee on Statistics of Prices and Cost of Living (TAC on SPCL), etc. The Ministry compiles datasets based on current data, after applying standard statistical techniques and extensive scrutiny and supervision.

1.7 India is a subscriber to the International Monetary Fund's (IMF) Special Data Dissemination Standards (SDDS) and is currently fulfilling the Standards. The Ministry maintains an 'Advance Release Calendar' for its data categories covered under the SDDS, which is disseminated on the Ministry's website as well as on the Dissemination Standards Bulletin Board (DSBB) of the IMF. The Ministry releases the datasets covered under the Real Sector of SDDS through press notes and its web-site simultaneously. The Ministry has been designated as the nodal Ministry to facilitate the implementation of the SAARC Social Charter in India. The Ministry is entrusted with the Statistical tracking of Millennium Development Goals in India. The Ministry organizes technical meetings on various topics to assess the data-gaps in the system and the quality of statistics currently released.

1.8 The CSO staff participates in meetings and seminars organized by international and regional organizations such as the United Nations Economic and Social Commission for Asia and the Pacific, on statistical compilations and international practices. The Ministry's officials have been associated with international agencies on the development of methodologies, particularly in the areas of national accounts, informal sector statistics, large-scale sample surveys, conduct of censuses, service sector statistics, non-observed economy, social sector statistics, environmental statistics and classifications.

### **1.9 The National Statistical Organization (NSO):**

- (i) acts as the nodal agency for planned development of the statistical system in the country, lays down and maintains norms and standards in the field of statistics, involving concepts and definitions, methodology of data collection, processing of data and dissemination of results;
- (ii) coordinates the statistical work in respect of the Ministries/Departments of the Government of India and State Statistical Bureaus (SSBs), advises the Ministries/Departments of the Government of India on statistical methodology and on statistical analysis of data;
- (iii) prepares national accounts as well as publishes annual estimates of national product, government and private consumption expenditure, capital formation, savings, estimates of capital stock

and consumption of fixed capital, as also the state level gross capital formation of supra-regional sectors and prepares comparable estimates of State Domestic Product (SDP) at current prices;

- (iv) maintains liaison with international statistical organizations, such as, the United Nations Statistical Division (UNSD), the Economic and Social Commission for Asia and the Pacific (ESCAP), the Statistical Institute for Asia and the Pacific (SIAP), the International Monetary Fund (IMF), the Asian Development Bank (ADB), the Food and Agriculture Organisation (FAO), the International Labour Organisation (ILO), etc;
- (v) compiles and releases the Index of Industrial Production (IIP) every month in the form of 'quick estimates', conducts the Annual Survey of Industries (ASI), and provides statistical information to assess and evaluate the changes in the growth, composition and structure of the organised manufacturing sector;
- (vi) organises and conducts periodic all-India Economic Censuses and follow-up enterprise surveys, provides an in-house facility to process the data collected through various socio-economic surveys and follow-up enterprise surveys of Economic Censuses;
- (vii) conducts large scale all-India sample surveys for creating the database needed for studying the impact of specific problems for the benefit of different population groups in diverse socio-economic areas, such as employment, consumer expenditure, housing conditions and environment, literacy levels, health, nutrition, family welfare, etc;
- (viii) examines the survey reports from the technical angle and evaluates the sampling design including survey feasibility studies in respect of surveys conducted by the National Sample Survey Office and other Central Ministries and Departments;
- (ix) disseminates statistical information on various aspects through a number of publications distributed to Government, Semi-Government, or private data users/ agencies, and disseminates data, on request, to the United Nations agencies like the UNSD, the ESCAP, the ILO and other international agencies;
- (x) releases grants-in-aid to registered Non-Governmental Organizations and research institutions of repute for undertaking special studies or surveys, printing of statistical reports, and financing seminars, workshops and conferences relating to different subject areas of official statistics.

#### **1.10 Programme Implementation Wing:**



As stated previously in this Report, the Programme Implementation Wing has three Divisions viz., Twenty Point Programme Division; Infrastructure and Project Monitoring Division; and Members of Parliament Local Area Development Scheme Division.

### **Twenty Point Programme Division (TPP)**

#### **Functions and Major Highlights:**

The monitoring mechanism for restructured Twenty Point Programme-2006 became operational with effect from 1 April, 2007. Based on the information received from State/Union Territory Governments and Central Nodal Ministries on the performance of 20 monthly monitored items, a Monthly Progress Report is released and hoisted on the Website of the Ministry. Monthly Progress Reports for the period April, 2013-March 2014 have been released. Annual Review Report 2011-12 has also been released covering all items of TPP-2006. Annual Review Report for 2012-13 has been prepared and printed. National Review Meeting of Twenty Point Programme-2006 was held in the month of March 2014 with selected State Governments and Central Nodal Ministries. The State Level Review meetings were held with five State Governments.

The Twenty Point Programme Division undertakes the following functions:

- Monitoring the implementation of Twenty Point Programme – 2006, which comprises of a package of schemes relating to poverty alleviation, employment generation, education, health, etc.
- The Ministry has been mandated to conduct monitoring and impact assessment studies for selected items at State and National level to evaluate the performance and impact of TPP – 2006.
- State visits by senior officers to assess the implementation of TPP in the States/UTs.
- Organise National level TPP review meetings and workshops.
- Publicity of the performance of TPP through Print & Visual Media.

### **Infrastructure and Project Monitoring Division (IPMD)**

The Infrastructure & Project Monitoring Division (IPMD) performs the following roles:

- monitoring of the implementation of central sector infrastructure projects and infrastructure performance,
- an initiator of systemic improvements and of better project management practices and
- a facilitator in taking up issues with the relevant authorities in case of individual projects.

**Project Monitoring:** IPMD is mandated with monitoring of central sector projects costing more than Rs. 150 crore in 16 sectors. The IPMD acts as an independent watchdog and a monitor flagging slow/wayward projects. The monitoring of the implementation of the central sector projects above Rs. 150 crore is done through the mechanism of Online Computerized Monitoring System (OCMS), in which project authorities are required to furnish information. From the information compiled from the OCMS, three Reports, namely, Flash Report on Central Sector Projects (Rs. 150 crore and above, and a Flash Report on Mega projects (costing more than Rs. 1000 crore) is brought out every month. Also, a detailed Quarterly Project Implementation Status Report, is brought out every quarter.

**Infrastructure Performance Monitoring:** The Ministry also takes stock of the performance of 11 key infrastructure sectors which include Power, Coal, Steel, Railways, Shipping and Ports, Cement, Fertilizers, Petroleum and Natural Gas, Civil Aviation, Roads and Telecommunication, with reference to the pre-set targets for the month and for the cumulative period and the achievements during the corresponding month and cumulative period and the achievements during the corresponding month and cumulative period for the last year, is regularly reported through the two monthly reports, namely Review Report on Infrastructure Performance and Capsule Report on Infrastructure Performance.

#### **Members of Parliament Local Area Development Scheme Division (MPLADS)**

The Functions of the MPLADS Division created in 1994 are:

- (i) To monitor the implementation of the MPLAD Scheme.
- (ii) Release of Grants-in-aid for the MPLAD Scheme.
- (iii) To take policy decisions & formulate guidelines for the Scheme

## II - BUDGETARY ALLOCATION

### Budget 2014– 2015

2.1 The Demand No. 93 pertaining to the Ministry of Statistics and Programme Implementation includes a budget allocation of Rs. 4,923.88 crore for the year 2014-15. The entire amount is voted. Out of this Rs. 4,923.88 crore, the Revenue component is Rs. 4,905.78 crore and Capital component is Rs. 18.10 crore. The Revenue Component consists of an outlay of Rs. 4,459.90 crore on the Plan side and Rs. 445.88 crore on the Non-plan side. The entire outlay of Rs. 18.10 crore in the Capital component is on the Plan Side.

#### Budget 2014-15

(Rs. in crore)

Revenue			Capital		
Plan	Non-Plan	Total	Plan	Non-Plan	Total
4459.90	445.88	<b>4905.78</b>	18.10	--	<b>18.10</b>

2.2 Budget Estimates, Revised Estimates and Actuals for 2011-2012, 2012-2013 and 2013-2014 and Budget Estimates for 2014-2015 both under Plan and Non-Plan are given as under:-

(Rs. in Lakh)

	2011-12			2012-13			2013-14			2014-15
	BE	RE	Actual	BE	RE	Actual	BE	RE	Actual expenditure	BE
Non-Plan (Total MOSPI) (%ge change)	34,736.00	34,030.00	35,350.89	35,754.00 (2.9%)	33,781.00 (-0.7%)	37,645.55 (6.5%)	36,568.00 (2.3%)	40,768.00 (20.7%)	40,723.19 (8.2%)	44,588.00 (21.9%)
Plan (Without MPLADS) (%ge change)	60,000.00	45,800.00	26,247.96	63,100.00 (5.2%)	48,600.00 (6.1%)	37,619.97 (43.3%)	63,100.00 (0.0%)	59,500.00 (22.4%)	49,993.35 (32.9%)	52,800.00 (-16.3%)
<b>TOTAL (Plan + NP) without MPLADS</b>	<b>94,736.00</b>	<b>79,830.00</b>	<b>61,598.85</b>	<b>98,854.00</b>	<b>82,381.00</b>	<b>75,265.52</b>	<b>99,668.00</b>	<b>100,268.00</b>	<b>90,716.54</b>	<b>97,388.00</b>
(%ge change)				(4.3%)	(3.2%)	(22.2%)	(0.8%)	(21.7%)	(20.5%)	-(2.3%)
MPLADS	158,000.00	295,000.00	250,768.44	395,500.00	395,000.00	372,200.00	395,500.00	395,500.00	393,700.00	395,000.00
(%ge change)				(150.3%)	(33.9%)	(48.4%)	(0.0%)	(0.1%)	(5.8%)	-(0.1%)
<b>TOTAL Plan (including MPLADS)</b>	<b>218,000.00</b>	<b>340,800.00</b>	<b>277,016.40</b>	<b>458,600.00</b>	<b>443,600.00</b>	<b>409,819.97</b>	<b>458,600.00</b>	<b>455,000.00</b>	<b>443,693.35</b>	<b>447,800.00</b>
(%ge change)				(110.4%)	(30.2%)	(47.9%)	(0.0%)	(2.6%)	(8.3%)	-(2.4%)
<b>G. TOTAL MOSPI (Plan + Non-plan)</b>	<b>252,736.00</b>	<b>374,830.00</b>	<b>312,367.29</b>	<b>494,354.00</b>	<b>477,381.00</b>	<b>447,465.52</b>	<b>495,168.00</b>	<b>495,768.00</b>	<b>484,416.54</b>	<b>492,388.00</b>
(%ge change)				(95.6%)	(27.4%)	(43.2%)	(0.2%)	(3.9%)	(8.3%)	-(0.6%)

Note : %ge increase (+) / decrease (-) has been calculated using figures of the current year over the corresponding figure of previous year.

## NON-PLAN 2014-15

2.3 The Ministry's Non-Plan budget of Rs. 445.88 crore in 2014-15 is primarily salary oriented as the major function of the Statistics Wing (NSO) is to conduct surveys, collect, analyse and disseminate data, which is a staff intensive function. The major components of the Non-Plan budget for the Ministry of Statistics and Programme Implementation during 2014-2015 are given below:

(Rs. in Lakh)

<b>Object Head Budget Rs. 44588.00</b>	<b>Budget</b>	<b>% of total Non-Plan</b>
<b>Salaries</b>	<b>Rs. 28306.48</b>	<b>63.48%</b>
Medical Treatment	Rs. 239.64	0.54%
Domestic Travels	Rs. 660.63	1.48%
Foreign Travel	Rs. 15.75	0.04%
Office Expenses	Rs. 712.62	1.60%
Rent Rates & Taxes	Rs. 252.50	0.57%
Publications	Rs. 44.37	0.10%
Other Admn. Expenses	Rs. 177.49	0.40%
Grants-in-aid to ISI, Kolkata	Rs. 13,999.00	31.40%
Others	Rs. 179.52	0.40%

2.4 The Indian Statistical Institute (ISI) is engaged in conducting integrated programme of research, training and practical application of statistics in different disciplines through a large number of projects. By an Act of Parliament, known as the Indian Statistical Institute Act (No. 57) of 1959, the Institute was declared as an 'Institute of National Importance' and was conferred the right to hold examinations and grant degrees and diplomas in statistics and allied disciplines. By the 'Indian Statistical Institute (Amendment) Act 1995', the Institute has also been empowered to conduct courses, besides statistics, in Mathematics, Quantitative Economics, Computer Science and other subjects related to Statistics. Grants-in-aid to ISI are released on the basis of the recommendations of a Statutory Committee set up under Section 8(1) of the ISI Act. From the budget of the Ministry of Statistics & Programme Implementation, an amount of

Rs. 13999.00 lakh has been kept as grants-in-aid to the Institute, as Non Plan and an amount of Rs. 12500.00 lakh under Plan during 2014-15.

2.5 National Statistical Commission Non Plan budget for the year 2014-15 has been kept at Rs. 0.93 crore.

2.6 Trend of Non-Plan expenditure shows an increase in expenditure from Rs. 407.68 crore in 2013-14 (RE) to Rs. 445.88 crore (BE) during 2014-15 indicating an increase of **9.37%**.

## **PLAN 2014-15**

2.7 The Plan budget proposal in 2014-15 is Rs. 4478.00 crore, to be spent on all Plan Schemes including MPLAD Scheme, which has a budget provision of Rs. 3950.00 crore, which is 88.21% of total Plan outlay of the Ministry. The remaining Rs. 528.00 crore is earmarked for other Plan Schemes, namely Salaries (Rs. 881 lakh), Medical Treatment (Rs. 43.50 lakh), Domestic Travels (Rs. 1314.50 lakh), Foreign Travels (Rs. 68 lakh), Office Expenses (Rs. 2483 lakh), Rent Rates & Taxes (Rs. 106.50 lakh), Publications (Rs. 551 lakh), Other Administrative Expenses (Rs. 1583 lakh), Advertising & Publicity (Rs. 2839 lakh), Professional Services (Rs. 4812 lakh), Grants-in-aid (*excluding North-East Region and MPLADS but includes ISI*) (Rs. 29996 lakh), Information Technology (Rs. 982 lakh), Machinery & Equipment (Rs. 60 lakh), Major Works (Rs. 1750 lakh), Lump sum provision for North-Eastern States (Rs. 5280 lakh) and Others (Rs. 50.50 lakh).

2.8 Grants-in-aid: Grant-in-aid are funds allocated by the Central Government to State Governments to be used for specific purposes/projects. The proposed outlay under grants-in-aid during 2014-15 is Rs. 4301.76 crore which includes i) Rs. 3950.00 crore for MPLAD Scheme, ii) Rs. 125.00 crore for ISI Kolkata for its Plan Schemes, iii) Rs. 100.00 crore for Support for Statistical Strengthening v) Rs. 13.15 crore for – Capacity Development, and vi) Rs. 113.61 crore for Economic Census.

2.9 From the financial year 2014-15, two centrally sponsored schemes namely, India Statistical Strengthening Project (ISSP) and Basic Statistics for Local Level Development (BSLLD) have been merged together and renamed as

Support for Statistical Strengthening Project. Information in tabular form on the Plan provision (BE, RE and Actuals) during 2011-12, 2012-13, 2013-14 and 2014-15 of XII<sup>th</sup> Five Year Plan is given below:-

**Plan Scheme-wise allocation of BE, RE & Actual Expenditure 2011-12, 2012-13, 2013-14 and 2014-15**

**(Plan Schemes only)**

Sl. No.	Name of the plan scheme	11th Plan Outlay (2007-12) (Rs. Crore)	2011-12	2012-13			2013-14			2014-15
			Actual Expenditure	BE	RE	Actual Expenditure	BE	RE	Actul Expenditure	BE
Centrally Sponsored Schemes (1+2):										
1	Basic Statistics for Local Level Development (BSLLD)#	*	1,029.68	1,000.00	500.00	178.36	300.00	200.00	161.14	10,000.00
2	India Statistical Strenthening Project(Moder nisation of Statistical System in India) (ISSP)#	*	11,374.38	20,000.00	8,300.00	2,245.50	5,000.00	4,728.00	2,335.74	
Central Sector Schemes (3 to 8):										
3	Capacity Development	344.50	9,863.99	14,700.00	12,877.00	10,941.82	12,300.00	9,542.00	8,486.78	15,300.00
4	Sixth Economic Census	91.00	1,515.16	22,000.00	22,000.00	19,696.68	40,500.00	40,400.00	34,850.89	14,000.00
	Total CSO without CC (1 to 4)	435.50	23,783.21	57,700.00	43,677.00	33,062.36	58,100.00	54,870.00	45,834.55	39,300.00
5	Strengthening of Computer Centre \$	20.00	173.94	200.00	123.00	-	-	-	-	-
6	Grant in aid to ISI, Kolkata	120.00	2,000.00	4,200.00	4,200.00	4,138.64	4,300.00	4,030.00	3,865.82	12,500.00
	P.I. Wing									

7	Strengthening, Monitoring and Evaluation for Projects & Programmes	18.50	290.81	1,000.00	600.00	418.97	700.00	600.00	292.98	1,000.00
<b>Total MOSPI (without MPLADS)</b>		<b>594.00</b>	<b>26,247.96</b>	<b>63,100.00</b>	<b>48,600.00</b>	<b>37,619.97</b>	<b>63,100.00</b>	<b>59,500.00</b>	<b>49,993.35</b>	<b>52,800.00</b>
8	MPLADS		250,768.44	395,500.00	395,000.00	372,200.00	395,500.00	395,500.00	393,700.00	395,000.00
<b>Grand Plan Total (MOSPI)</b>		<b>594.00</b>	<b>277,016.40</b>	<b>458,600.00</b>	<b>443,600.00</b>	<b>409,819.97</b>	<b>458,600.00</b>	<b>455,000.00</b>	<b>443,693.35</b>	<b>447,800.00</b>

\* For ISSP and BSLLD, allocations are made on annual basis

# The Plan Scheme of BSLLD and ISSP have been merged and became Support for Statistical Strengthening w.e.f. financial year 2014-15.

\$ The Plan Scheme of Strengthening of Computer Centre has been merged with Capacity Development w.e.f. financial year 2012-13.

2.10 The Member of Parliament Local Area Development Scheme (MPLADS) is in operation since 23<sup>rd</sup> December, 1993. Under this scheme, w.e.f. the financial year 2013-14, the Members of Parliament (LS&RS both) have a choice to suggest to the concerned District Collectors(s) works of capital nature to the tune of Rs. 5 crore per year to be taken up in their respective constituencies/States for creation of durable assets based on local needs. The amount is released by MPLAD Division in two installments every year. Since funds under the scheme are non-lapsable, funds earmarked for a financial year, if not released during a particular year, are carried forward to the next financial year(s). The District Authorities execute development works on the recommendation of Member of Parliament in accordance with the extant guidelines prescribed by the Government.

2.11 When asked as to whether the Ministry has taken any step in pursuance of the Recommendation contained in the Seventy-Eighth Report (15 LS) on Action Taken by the Government on the Report on Demands for Grants (2013-14) to identify States lagging behind in utilisation of funds and also to take corrective steps to address the problem, the Ministry in a written reply stated that in 2013-14 the expenditure of the Ministry was Rs. 497.95 crores against the Revised Estimate of Rs. 595.00 crores (83.68%) without including MPLADS.



With MPLADS the expenditure figure was Rs. 4434.95 crores against the Revised Estimates 4550.00 crores (97.47%). The corrective steps taken based on the recommendation of the Committee has improved the expenditure pattern of the Ministry. Further, the mid-term review of ISSP is in progress and Ministry expects to include more States and Union Territories in the Scheme, which will further improve the pace of expenditure.

2.12 When asked about the reasons for the huge jump in the budgetary allocations under the head Professional services, Information Technology and Major Work, the Ministry furnished the following information:

(Rs. in crore)

Sl. No.	Head	BE 2013- 14	RE 2013-14	Actual 2013-14	BE 2014-15	Reason of variation
1.	Professional Services	33.82	31.15	29.08	48.12	For base year revision, the type studies are being conducted, therefore, additional provision under Professional Services is made.
2.	Information Technology	6.75	2.97	1.96	9.82	The proposals of purchase of IT hardware and software could not materialize in 2013-14, therefore, higher allocation has been made in current year.
3.	Major Work	15.6	8.05	4.00	17.5*	The appraisal and approval of Capacity Development could not be undertaken in 2013-14, therefore, new capital work was not allowed by Internal Finance. The appraisal and approval is expected to be completed in 2014-15, therefore, higher allocation is proposed. Allocation has also be made for opening of PLFS centre at Delhi and also to set up separate Data Processing Centre in NER.

2.13 On the issue of persistent under-utilisation of funds, the Ministry in their post-evidence reply have further stated that the shortfall in plan expenditure during 2010-11 and 2011-12 was primarily on account of lesser expenditure under the Economic Census (EC) and Indian Statistical Strengthening Project (ISSP). The Ministry had to delay the commencement of Economic Census to

avoid overlapping with ongoing Socio-Economic Caste Census (SECC). In the case of ISSP, initially there was uncertainty of the availability of funds for the project in the 12<sup>th</sup> Five Year Plan which restricted consideration of State's proposals. In the later years i.e. at the implementation stage there was delay on the part of State Governments to complete the pre-requisite requirement to sign MOU with Government of India. Further, delay in making arrangements for Rural Price Data Collection by Department of Posts for Consumer Price Index was also one of the factor for shortfall in plan expenditure during 2010-11. Similarly, postponement of Organisation of Economic Cooperation and Development (OECD) Conference to 2012-13 contributed in lower utilization of plan funds under the Capacity Development Plan Scheme during 2011-12.

During 2012-13, the funds under ISSP remained unutilized because States, who were given first installment failed to spend the allocated funds, and as a result, the release of second installment to these States had to be deferred. Delay in preparation of State Strategic Statistical Plans (SSSPs) by State Governments which have not signed MOUs also resulted in under-utilization. Delay in finalization of major works proposal also contributed to shortfall of plan expenditure under "Capacity Development during 2012-13.

In addition, the underutilization of allocated funds in NSSO for the years 2010-11 and 2012-13 was not very high when compared to BE/RE. However, for 2011-12, there was under-utilisation under the Head 'Major Works' as many 'Projects' could not get the required technical and financial approval in time due to administrative reasons. Moreover, such Projects are executed by CPWD and in many cases it was not possible for them to utilize the funds as per authorizations ordered in their favor. This resulted in 'savings'.

In order to improve the utilization, the expenditure is being continuously monitored in the Senior Officers meeting by Secretary (S&PI) and the Ministry also constantly liaise with State Authorities and stake holders, which has led to encouraging results.

### **III. Indian Statistical Institute, Kolkata**

3.1 The Indian Statistical Institute, Kolkata was established on 17<sup>th</sup> December 1931 and was registered as a non-profit learning society under the Societies Registration Act (XXI of 1860) on 28<sup>th</sup> April 1932 and subsequently came under the purview of the West Bengal Societies Registration Act (XXVI of 1961) which was amended in 1964. For its substantial contribution to the quality of theoretical and applied statistical work, the Institute was recognized as an “Institute of national importance” by The Indian Statistical Institute Act, 1959. By virtue of this Act, the Institute was empowered to award degrees and diplomas in statistics. As a result, Bachelor of Statistics {B.Stat. (Hons.)}, Master of Statistics (M.Stat.) and Ph.D. programmes were started in July 1960. Scope was further enlarged by the “Indian Statistical Institute (Amendment) Act, No.38 of 1995” of the Parliament, when Institute was empowered to award degrees / diplomas not only in Statistics but also in Mathematics, Quantitative Economics, Computer Science and such other subjects related to statistics.

3.2 When asked about the reasons for significant hike in BE 2014-15 for Indian Statistical Institute (ISI), Kolkata, despite under –utilisation of funds and possibility of mobilization of resources on its own by the Institute, the Ministry in a written reply stated that the actual expenditure for 2013-14 was Rs. 38.66 crore. ISI Kolkata is facing serious infrastructural problem and major capital investment was envisaged in centres like Kolkata, Delhi, Chennai and Tezpur. The BE allocation of Rs. 76 crores was made in anticipation of appraisal and approval of Plan Scheme Grant-in-Aid to ISI.

An amount of Rs.11.68 crore against the Object Head creation of capital asset was unspent with ISI Kolkata as on 1.4.2014. The capital expenditure could not be incurred as the contracts for infrastructure development could not be concluded in time and also appraisal and approval of the scheme was pending.

ISI is following the approach adopted by all other basic science institutions in the country like TIFR, IMSc, IISc etc. who do not have any revenue generation model. Besides, all the students receive financial support. This has been Government of India’s policy to promote and encourage education and research

in basic sciences. Therefore, ISI Kolkata as per policy, practice and rules of ISI does not charge any fee from its students, instead stipend and scholarship is paid to students by ISI, therefore, ISI is not in a position to mobilise resources on its own to partly meet its expenses.

3.3 When asked further as to whether ISI has deviated from its original role to collect data and statistics and the reasons for huge increase in allocation from Rs. 110 crores to Rs. 239.99 crores to ISI, the Ministry in their post-evidence reply stated that prior to the setup of National Sample Survey, ISI was only carrying out the Sample Survey and data collection. The Government separated the data collection part from ISI and job was taken over by the National Sample Survey (now National Sample Survey Office).

The early statistical studies included analyses of data on stature of Anglo-Indians, meteorological data, rainfall data, data on soil conditions, etc. Some of the findings of these early studies were of great impact in the control of floods, development of agriculture, etc., and led to the recognition of Statistics as a key discipline. Prof. Mahalanobis' influence was so pervasive that students of Physics began to take interest in Statistics. Theoretical research in Statistics began to flourish in the Institute. Research on large scale sample surveys won Prof. Mahalanobis a Fellowship of the Royal Society. Design and analysis of agricultural experiments also bloomed and led to some international contacts, notably with Sir Ronald A. Fisher.

ISI is presently doing the data collection and survey on ad hoc basis in a small scale taking the help of Field Supervisors and Investigators on temporary/contractual basis along with its regular and core functions of teaching and research work.

The sanction towards Non Plan at RE 2013-14 was Rs. 127.99 Crores and that for the Plan was Rs. 40.30 Crores. Thus, the total put together was to an extent of Rs. 168.29 Crores. The budget allocations have been increased to Rs. 139.99 Crores for non-plan, Rs. 101.00 Crores for plan for ISI and Rs. 24.00 crores for R.C. Bose Centre for Cryptology and Security thus totaling to Rs. 264.99 crores for the year 2014-15.

The increase in Non-Plan is due to the normal increase in salary, pension, stipend and terminal benefits etc. The increase in Plan Budget allocation is mainly due to the provision of funds for the R.C. Bose Centre to an extent of Rs. 24.00 Crores, Tezpur Centre Construction to an extent of Rs. 25.00 Crores, Library Books requirement to an extent of Rs. 6.00 Crores, High end Servers to an extent of Rs. 2.00 Crores, allocation to an extent of Rs. 5.00 Crores and Construction works to be undertaken at Kolkata, Delhi, Bangalore and others outlying offices and units to an extent of Rs. 12.00 Crores and the rest is due to enhanced scientific, research and academic activities of the Institute.

#### **IV. National Sample Survey Office (NSSO)**

4.1 Since its inception in 1950, National Sample Survey Office (NSSO), is responsible for conducting large scale nation-wide sample surveys for generating statistics for bridging the data gaps on varied socio-economic aspects, crucial for planning, policy formulation and informed decision making. Primary data is collected regularly through nation-wide household surveys. The National Sample Survey Office (NSSO) headed by the Director General and Chief Executive Officer (DG&CEO) conducts nation-wide sample surveys on various socio-economic aspects, provides technical guidance to states in the field of agricultural statistics for conducting crop area and yield estimation surveys under the Improvement of Crop Statistics (ICS) Scheme, undertakes the field work relating to Annual Survey of Industries (ASI) and collects monthly retail prices. NSSO functions under the overall direction of National Statistics Commission (NSC) with requisite independence and autonomy in the matter of collection, processing and publication of NSS data. It also maintains and updates frame of urban area units for use in sample surveys in urban areas.

4.2 The NSSO has four divisions, namely (i) Survey Design & Research Division (SDRD), (ii) Field Operations Division (FOD), (iii) Data Processing Division (DPD) and (iv) Coordination & Publication Division (CPD).

4.3 Results of NSSO surveys are brought out in the form of NSS reports.

4.4 When enquired as to what steps are being taken by the Ministry to improve the quality of data, the Ministry, in their post-evidence reply stated that in order to improve data quality by reducing respondents' fatigue, NSSO has constituted a Core Group in 2013 to find out solutions for shortening the length of questionnaire on Consumer Expenditure Survey. The proposed solution is being experimented in the current round of NSS survey. Apart from these steps, quality of NSS data is ensured through a number of checks and scrutiny at various stages of data collection and data processing. The training of the Field Investigator are organized elaborately in local languages to ensure correct implementation of concepts and definitions. There is also a system of inspection by senior officers to check the quality of data and the working of Field Investigators during data collection. Quality of data is also ensured by adoption of appropriate scientific methods in conducting the survey, and in processing of data. For this purpose, NSSO appoints in each Round, a Working Group comprising of eminent economists, statisticians and other experts to oversee the development of survey instruments, data processing instruments and also checking the reliability of survey results presented in NSS Reports. As per the survey process flow, for any NSS SE survey, FOD collects the data, SDRD prepares the survey instruments and also prepares the report and DPD is involved in the data processing activity of these SE surveys. DPD makes its best effort to improve the quality of data. In the entire process of data validation, DPD closely interacts with FOD and SDRD for clarifications, wherever required. Data validation process in DPD is quite elaborate and involves pre-data entry scrutiny, post data entry scrutiny in the form of Computer Scrutiny Program for content checks, coverage checks, howler (extreme value) checks, consistency checks through computer edit rules etc. These validation rules are provided by SDRD, based on which the requisite software are developed in DPD. Thus DPD plays a significant role in improving the quality of data collected by FOD through various stages of validation. In order to improve data quality by reducing respondents' fatigue, NSSO has constituted a Core Group in 2013 to find out solutions for shortening the length of questionnaire on Consumer Expenditure Survey. The proposed solution is being experimented in the 72nd Round of NSS survey. It is

expected that with proper and effective implementation of ISSP and capacity development of the state statistical officials there will be significant improvement in quality of data collected and methods at the levels particularly with respect to the identified 20 key statistical activities.

## **V. Support for Statistical Strengthening (SSS)**

5.1 The project is aimed at building up a sound statistical system through which the ultimate benefits of the scheme would be in terms of providing a sound data support mechanism in respect of comparable statistical indicators. The objective of the scheme sought to be achieved through this plan scheme is to strengthen the capacity of the State Statistical System keeping in view the National Statistical Commission (NSC) 2001 recommendations. In particular, the project is designed to give effect to those NSC recommendations that concern the States/UTs, by strengthening the State/UT level Statistical System, in general and strengthening the role of the State Directorates/Bureaus of Economics and Statistics, in particular. The project is also designed to help build the required capacities at the State/UT level to collect, compile and disseminate relevant and reliable official statistics, to serve the twin objectives of planning and policy making at the State and Sub-State levels. India Statistical Strengthening Project (ISSP) and Basic Statistics for Local Level Development (BSLLD) - two centrally sponsored schemes, have been merged as one scheme, i.e. Support for Statistical Strengthening (SSS) in the Annual Plan 2014-15. It has been provided total budget of Rs. 100.00 crores, 80% of which would be funded through a World Bank loan, and the remaining 20% would be borne by the Government of India.

5.2 When enquired about the reasons for increase in India's contribution to International Bodies in BE 2014-15, the Ministry in a written reply stated that the increase was proposed, as request was received in the Ministry from International bodies to increase the contribution of the country. However, the contribution will only be increased after competent approval. The expenditure for 2013-14 was Rs. 16.00 lakh. There was no variation of expenditure with respect

to RE, however, increase in BE for 2014-15 was based on the request from International Bodies as elaborated above.

5.3 On the issue of current status of India Statistical Strengthening Project (ISSP) and how ISSP have benefited from associating with International Bodies, the Ministry in their post-evidence reply stated that the India Statistical Strengthening Project (ISSP) is a Centrally Sponsored Scheme (CSS) being implemented by the Ministry in the different States/UTs since 2010. The Scheme was developed through technical and financial assistance from the World Bank. It aims at improving the statistical capacity and infrastructure of State Statistical Systems for collecting, compiling and disseminating reliable official statistics for policy planning and a host of other/ varied purposes, particularly at the State and Sub-State levels. A total of Rs. 650.43 crores has been approved for the project. 33 States/UTs (except for Chandigarh & Goa) have expressed their willingness to participate in the ISSP. It is being currently implemented in 13 States and 1 UT, namely, Karnataka, Gujarat, Rajasthan, Andhra Pradesh, Tamil Nadu, Bihar, Sikkim, Lakshadweep, Mizoram, West Bengal, Odisha, Kerala, Jharkhand and Manipur, to which Rs. 648.97 Crore has been committed. So far, Rs. 171.11 crore has been released to these States/UT and as reported by States, an expenditure of Rs. 127 crore has been incurred. The Project implementing States are presently at various stages of implementation of the project. The continuation of the ISSP for the XII Plan period has recently been approved. Currently, revisiting of the States Statistical Strategic Plans (SSSPs) has been undertaken, in accordance with the prescribed parameters, to include only doable activities that could be completed in the project period. Officers from the Division have been participating in various training programmes on the subject conducted by ESCAP and IMF. Further, the Division keeps benefiting from the technical assistance received from IMF and EUROSTAT in implementation of the international standards in compilation of National Accounts Statistics.

## **VI. Shortage of Manpower**

6.1 There are 927 vacancies in Subordinate Statistical Service. 802 vacancies in Fields Operation Division (FOD) and 125 vacancies exist in Non-FOD as on



31.3.2014. In the absence of regular field staff as per requirement, the sample surveys to be undertaken by NSSO will have to be conducted through Contract Employees, which may affect the quality of data collected.

The National Statistical Systems Training Academy (NSSTA) is facing problem due to non-availability of qualified Faculty. Taking up of all the programmes envisaged for the NSSTA will depend upon the availability of qualified and competent Faculty.

The implementation of “India Statistical Strengthening Project”, which is implemented by the States/ UTs, also depends upon the availability of qualified manpower with States/ UTs, as the states are facing the same problem of manpower shortage. Drafting of State Strategic Statistical Plans by States would also depend upon availability of competent Consultants for the job.

The implementation of the scheme “Basic Statistics for Local Level Development”, which has been crafted with the objective of developing the decentralized data base at village/ block level for local level planning in all the States, may also face similar constraints.

6.2 On the issues of staff position, non-filling up of vacancies and how it is adversely affecting the working of the Ministry and its field offices, the Ministry submitted the following information to the Committee.

T

Sl. No.	h	Dept./Wing/Division	Sanctioned	Actual	Vacancies
1		P I Wing	90	70	20
2	e	Deptt. Proper & CSO	532	436	96
3		I S Wing	168	99	69
4		Pr A.O.	136	103	33
5	d	Field Operations Division	4287	3200	1087
6		Data Processing Division	865	576	289
7	e	Survey Design & Research Division	115	91	24
8	s	Computer Services	133	76	57
		Total	6326	4651	1675

The posts are lying vacant over the years and adversely affecting the working mainly in Field Operation Division, Data Processing Division, Survey Design & Research Division and Computer Services. In Field Operation Division, Ministry is engaging contractual staff for the last three years. However, despite required training imparted to the contractual staff engaged for the field work of

the surveys, the quality of data cannot be expected as high as that in case of trained regular manpower having vast experience accumulated over the years. In respect of Computer/ Data Processing Divisions, the vacancies are adversely affecting the data entry/ data verification and validation work. Therefore, part of data entry work is being outsourced to private parties.

For the year 2014, 512 vacancies were reported to SSC against Combined Graduate Level Examination (CGLE) 2013 and due to some reasons, SSC had conducted re-examination for CGLE 2013 and the results are yet to be declared by SSC. Therefore, 512 vacancies are expected to be filled up during the current year.

Ministry is facing acute shortage of manpower in Subordinate Statistical Service (SSS). Though, Ministry has taken necessary action to minimize the shortage of manpower by recruiting the SSS Officers by SSC through Combined Graduate Level Examination. Presently, to meet the shortage of manpower at SSS level, Ministry is resorting to outsourcing of Junior Statistical Officers and Senior Statistical Officers in Field Operation Division of NSSO through engaging contractual staff.

6.3 Further dwelling upon the issue of manpower shortage particularly in data collection and processing, the Ministry, in their post-evidence reply stated that the vacancies could not be filled up due to various reasons, such as non-finalization of recruitment rules, court cases and non-availability of eligible candidates. These vacancies are adversely affecting the work of DPD. In view of this, DPD has been deploying the available resources efficiently in all kind of data processing work and is outsourcing part of data entry and data verification job in NSS rounds. Due to difficult nature of data collection work and lower grade pay in comparison to other Central Group 'B' Services, candidates are not inclined to join the service. Ministry of Finance has been requested to upgrade the Grade Pay of Jr. Statistical Officer (Statistical Investigator Grade II) from `4200 to `4600 at par with Assistants of CSS and Inspectors of Excise, Customs and Income Tax and the same is under consideration. Ministry of Statistics and Programme Implementation is also considering the proposal for the grant of field allowance to the Investigators working in field establishments. Another reason for shortage of

manpower in Subordinate Statistical Service (SSS) are inadequate opportunities for career progression, strenuous nature of work and comparatively lower remuneration. These reasons are responsible for higher attrition rate in the service. However Ministry is taking necessary step to eliminate the problems encountered.

## **VII. Time and cost over-run of projects**

7.1 The Infrastructure & Project Monitoring Division (IPMD) performs the following roles:

- monitoring of the implementation of central sector infrastructure projects and infrastructure performance,
- an initiator of systemic improvements and of better project management practices and
- a facilitator in taking up issues with the relevant authorities in case of individual projects.

**Project Monitoring:** IPMD is mandated with monitoring of central sector projects costing more than Rs. 150 crore in 16 sectors. The IPMD acts as an independent watchdog and a monitor flagging slow/wayward projects.

The monitoring of the implementation of the central sector projects above Rs. 150 crore is done through the mechanism of Online Computerized Monitoring System (OCMS), in which project authorities are required to furnish information. From the information compiled from the OCMS, three Reports, namely, Flash Report on Central Sector Projects (Rs. 150 crore and above, and a Flash Report on Mega projects (costing more than Rs. 1000 crore) is brought out every month. Also, a detailed Quarterly Project Implementation Status Report is brought out every quarter.

7.2 When asked about the steps taken to gather information on cost over-run of big projects, the Ministry in their post-evidence reply stated that the Ministry of Statistics and Programme Implementation (MoSPI) monitors on-going Central Sector Projects on time and cost overruns costing Rs. 150 crore and above on the basis of information supplied by the project implementing agencies through

the mechanism of the Online Computerized Monitoring System (OCMS). As on 1st July 2014 there are 729 ongoing Central Sector Projects on the monitor of MoSPI. The matter of undertaking monitoring of Public Private Partnership (PPP) projects by MoSPI has been taken up with the Ministry of Finance (Department of Economic Affairs). The matter is under examination in that Ministry. The State Sector projects are implemented by the State Governments. Within the resources available, it might not be feasible for this Ministry to collect the information from different project implementing agencies from different States across the country. It is submitted that on the initiative of this Ministry, Central Sector Projects Coordination Committees (CSPCCs) have already been constituted in twenty five States to resolve the State level issues faced by the project implementing agencies. The remaining States are being regularly requested to constitute CSPCCs. The major steps taken to prevent cost and time overruns includes rigorous project appraisal, better monitoring through OCMS; regular review of infrastructure projects along with the concerned administrative Ministry; and setting up of Central Sector Project Co-ordination Committees (CSPCC) in the States under the Chief Secretaries for removal of bottlenecks and for facilitating the speedy implementation of major projects.

7.3 When enquired specifically as to whether the Ministry can build a data collection frame work for all projects, whether Central or States, in one platform, the Ministry in their post-evidence reply stated that the mandate of Ministry of Statistics and Programme Implementation is to monitor the Central Sector Infrastructure Projects costing Rs. 150 crore and above. The Ministry monitors these projects on time and cost overruns through Online Computerised Monitoring System (OCMS). State Governments may have different mechanisms to meet their objectives of project implementation and monitoring. Further, the monitoring parameters used by various project implementing agencies may vary depending on the nature and requirements of the State Governments or implementing agencies. Therefore, it is difficult to build a common framework of project monitoring for Centre and States in one place.

## **PART- II**

### **RECOMMENDATIONS / OBSERVATIONS**

#### **I. Budgetary Allocation**

The Committee note with concern that despite their repeated recommendations, the Ministry have failed to devise any effective mechanism to identify and overcome the deficiencies in the existing system of budgetary planning and control. On the one hand, there is a spurt in the budgetary allocations under certain Heads, namely Information Technology, Professional Services, Major Works, etc., on the other hand gross underutilization of funds has been noticed under flagship schemes such as the Indian Statistical Strengthening Project (ISSP) which is crucial for the very functioning of the Ministry. The Committee are dismayed to note that the Ministry have failed to act on the recommendations of the Committee contained in the Seventy-eighth Report (15<sup>th</sup> LS) on action taken by the Government on their Seventieth Report on Demands for Grants (2013-14), with regard to proper utilisation of budgeted funds. Given the continued failure of the Ministry to heed to the recommendation made by the Committee in their interest, the Committee are constrained to recommend once again that the Ministry must make a realistic assessment of funds required and strive earnestly to utilize them as per approved sanctions. Non-utilisation should be a rare exception instead of being a regular feature as witnessed now. Citing the same reasons before the Committee year after year can only project the Ministry in a poor light and undermine their goals and objectives.

#### **II Indian Statistical Institute, Kolkata**

The Indian Statistical Institute (ISI), Kolkata was recognized as an “Institute of National Importance” by the Indian Statistical Institute Act, 1959. Its substantial contribution to the quality of theoretical and applied statistical work is acknowledged globally. Therefore, it goes without saying that the Institute requires to be nursed with utmost care to allow it to flourish and excel further. The Committee are constrained to note that

the Actual Expenditure incurred in respect of ISI during 2012-13 and 2013-14 was Rs. 41.38 crore and 38.66 crore respectively, which is quite less than the BE of the respective years viz. Rs. 42 crore and Rs. 43 crore, respectively. However, in BE 2014-15, enhanced allocation of Rs. 76 crore has been made, that too in anticipation of appraisal and approval of Plan Scheme Grant- in-Aid to ISI. In the face of persistent underutilization of funds by ISI, Kolkata in the last two financial years, the Committee are concerned about the performance of this Institution of National Importance and eminence. The Committee, therefore, urge the Ministry to complete the appraisal and approval of the Plan Scheme expeditiously in a time bound manner. Since the Ministry have stated that the BE 2014-15 is adequate for ISI, the Committee would expect the Ministry to expedite all the pending works being undertaken in ISI branches at Tezpur, Kolkata, Delhi and Bengaluru, as only a few months are left before the Financial Year 2014-15 comes to an end. In this context, the Committee would also suggest that the expertise available with ISI should be fully utilized and deployed for improving the quality of statistics collected and compiled including the methodologies applied.

### **III. National Sample Survey Office (NSSO)**

The Committee note that National Sample Survey Office (NSSO), is responsible for conducting large scale nation-wide sample surveys for generating statistics for bridging data gaps on various socio-economic aspects, crucial for planning, policy formulation and informed decision making. The Committee are concerned over the growing apprehensions, on the quality of GDP data gathered by NSSO. Doubts have also been raised over the data relating to the population below poverty line. The Committee, therefore, urge the Ministry to get their act together, as compilation of credible data for the Government is their primary responsibility. The Committee also recommend that the Ministry must take urgent steps to employ only trained persons in data collection. For this purpose, orientation courses should be regularly held for the field personnel involved in data collection, particularly contractual staff who

also need to be paid a fair remuneration for the work assigned to them. The Ministry must also use Information Technology optimally for this purpose, as it will go a long way in enhancing their efficiency and inducing more credibility to data collection.

#### **IV. Support for Statistical Strengthening (SSS)**

The Committee note that the project “Support for Statistical Strengthening (SSS)” is aimed at building up a sound statistical system, providing a sound data support mechanism in respect of comparable statistical indicators. The Committee also note that the two Centrally Sponsored Schemes- India Statistical Strengthening Project (ISSP) and Basic Statistics for Local Level Development (BSLLD) have been merged as one Scheme, i.e Support for Statistical Strengthening (SSS) in the Annual Plan 2014-15. From the facts available, the Committee are, however, not satisfied with the performance of the Project so far. Apart from gross under-utilisation of funds under this project, questions being raised on various aspects of data collected suggest that the efforts for Statistical Strengthening have not yielded the desired results. The Committee expect the Ministry to fully utilize the allocated funds to revamp the statistical system in the country in a time bound framework. Since, ISSP is associated with international bodies, it is all the more necessary that it be put to a most vigorous evaluation so that it passes muster with international experts.

In this context, the Committee are surprised to note the Ministry’s silence on a specific question as to whether International Bodies are required to furnish details about how they have spent the contribution made by India. The Committee are of the view that as the international bodies have asked for increasing the contribution made by India, it is imperative that the Ministry should know the details of utilization of contributions made by India in the previous years. The Committee desire that as soon as such details are received from the international bodies, the same may be placed before the Committee.

## **V. Shortage of Manpower**

The Committee note with alarm that a whopping 1675 vacancies exist across all Departments/Wings/Divisions of the Ministry. Shortage of manpower has become an endemic problem in the Ministry, which they are unable to overcome. At a time when the Ministry should have been engaged in modernizing themselves, they are still grappling with basic issues of manpower shortage. It is a matter of great concern that, by the Ministry's own admission, the quality of data collected by contract employees in the absence of regular field staff may not be up to the mark. The Committee are of view that as substantial funds are invested for gathering vital data, the Ministry must ensure that the data they gather and disseminate is of the highest quality. Towards this end, the issue of manpower shortage must be squarely addressed without any further delay, as it has a direct bearing on the timeliness and reliability of data collected. If the Ministry is presently functioning without timeliness and one-third of their required manpower, it raises serious doubts about the functioning of the Ministry as well as their field offices, which cannot but seriously undermine the performance, goals and standards of the Ministry. Considering the fact that there is no dearth of qualified and talented people in any field in the country, the Committee are surprised by the argument of the Ministry that vacancies could not be filled due to non availability of eligible candidates. The Committee, therefore, recommend the Ministry to take up the issue with the Department of Personnel and Training on urgent basis so that they can make necessary changes in relevant recruitment rules etc., if they are a hindrance, in order to employ available people for the field operations of the Ministry. Requisite training can be imparted to them in data collection and compilation so that efficiency and reliability of work is ensured. The Ministry may also take the case of upgradation of pay scale of Junior Statistical Operator to its logical culmination at the earliest.

## **VI. Time and cost over-run of projects**

The Committee note that the Infrastructure & Project Monitoring Division (IPMD) of the Ministry is mandated with monitoring of central



sector projects costing more than Rs. 150 crore in 16 sectors. The IPMD acts as an independent watchdog and a monitor, flagging slow/wayward projects. The Committee also note that as on 1<sup>st</sup> July, 2014 there were 729 on going central sector projects on the monitor of the Ministry. As the Ministry has expressed their inability to monitor each and every central project, the Committee are of the view that the Ministry for the time being may concentrate on incomplete infrastructure projects in highways, power and railways, involving organizations like the NHAI, NTPC and Railways, where there are large and chronic cost over- runs, leading to huge losses to the exchequer. Such a focussed monitoring would go a long way in speeding up long-pending infrastructure projects crucial for augmenting economic growth.

#### **VII. Twenty Point Programme (TPP)**

The Committee note that the Ministry comes up with a TPP – 2006. Annual Review Report every Year. As of now the Report for 2011-12 has been released and the Report for 2012-13 is under print. The Committee find such a huge time lag in release of these Review Reports inexplicable. It defies logic as to what course would be possible and what purpose will Review Reports serve when they are being released so belatedly. The Committee, therefore, desire that the release time lag of these Reports should be minimized. The Committee are sure that this would not be an insurmountable task for the Ministry in this age of information technology.

New Delhi;  
12 December, 2014  
21 Agrahayana, 1936 (Saka)

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

## **Minutes of the Fifth Sitting of the Committee on Finance**

The Committee sat on Thursday, the 9<sup>th</sup> October, 2014 from 1245 hrs. to 1415 hrs. in Committee Room 'D', Parliament House Annexe, New Delhi.

### **PRESENT**

**Dr. M. Veerappa Moily - Chairperson**

### **MEMBERS**

#### **LOK SABHA**

2. Shri Sudip Bandyopadhyay
3. Shri Nishikant Dubey
4. Shri P.C. Gaddigoudar
5. Shri Shyama Charan Gupta
6. Shri Rattan Lal Kataria
7. Shri Bhartruhari Mahtab
8. Shri Rayapati Sambasiva Rao
9. Prof. Saugata Roy
10. Shri Jyotiraditya M. Scindia
11. Shri Gajendra Singh Sekhawat
12. Shri Jayant Sinha

#### **RAJYA SABHA**

13. Shri Naresh Gujral
14. Shri A. Navaneethakrishnan
15. Shri Brajesh Pathak
16. Dr. Mahendra Prasad
17. Shri P. Rajeeve
18. Shri C.M. Ramesh
19. Shri Digvijaya Singh
20. Dr. Manmohan Singh

### **SECRETARIAT**

- |                             |   |                     |
|-----------------------------|---|---------------------|
| 1. Shri P.C. Koul           | - | Director            |
| 2. Shri R.K. Suryanarayanan | - | Additional Director |
| 3. Shri M.L.K. Raja         | - | Deputy Secretary    |

### **WITNESSES**

#### **Ministry of Statistics and Programme Implementation**

1. Dr. T.C.A. Anant, Secretary & Chief Statistician of India
2. Shri P.K. Pujari, AS & FA

3. Shri Dinesh Singh, Addl. Secretary

**Indian Statistical Institute (ISI), Kolkata**

Prof. Bimal K. Roy, Director

**National Sample Survey Organisation, (NSSO)**

1. Shri A.K. Mehra, DG & CEO
2. Smt. Amarjeet Kaur, ADG, Field Operations Division
3. Smt. Sudha Midha, ADG, Data Processing Division
4. Shri Samiran Mallick, ADG, Survey Design and Research Division

**Central Statistics Office (CSO)**

1. Shri Ashish Kumar, ADG, National Accounts Division
2. Shri G.C. Manna, ADG, Economic Census Division
3. Shri G.M. Boopathi, ADG, Coordination and Publications Division
4. Shri S.N. Singh, ADG, Social Statistics Division

2. The Sitting commenced with the Opening Address of the Chairperson, wherein, he while welcoming the witnesses also drew their attention to Direction 58 of Directions by the Speaker, Lok Sabha regarding confidentiality of evidence tendered by Witnesses. He, thereafter, asked the witnesses to introduce themselves. The Committee then proceeded to take oral evidence of the representatives of the Ministry of Statistics and Programme Implementation in connection with the examination of Demands for Grants (2014-15). The major issues discussed included physical and financial performance of the Ministry in the context of Demands for Grants (2013-14), strengthening of NSSO and quality of data gathered by NSSO, perennial shortage of manpower, functioning of Indian Statistical Institute, funds spent under MPLADs, time and cost overrun of many national projects, status of implementation of new schemes announced by the Government in budget 2014-15, relevance of Twenty-Point Programme, benefits of association of Indian Statistical Strengthening Programmes with International Bodies, fate of implementation of plan programmes in the absence of Planning Commission, implementation of e-Governance project, etc.

3. Before the Sitting concluded, the Chairperson directed the representatives of the Ministry of Statistics and Programme Implementation to furnish written replies to the points which could not be responded to during the discussion within two weeks.

(The witnesses then withdrew)

A verbatim record of proceedings has been kept.

The Committee then adjourned.

## **Minutes of the Thirteenth Sitting of the Committee on Finance**

The Committee sat on Thursday, the 11<sup>th</sup> December, 2014 from 1500 hrs. to 1630 hrs. in Committee Room 'D', Ground Floor, Parliament House Annexe, New Delhi.

### **PRESENT**

**Dr. M. Veerappa Moily – Chairperson**

### **MEMBERS**

#### **LOK SABHA**

2. Shri Venkatesh Babu T.G.
3. Shri P.C. Gaddigoudar
4. Shri Shyama Charan Gupta
5. Shri Rattan Lal Kataria
6. Shri Bhartruhari Mahtab
7. Shri Gopal Shetty
8. Shri Anil Shirole
9. Dr. Kirit Somaiya

#### **RAJYA SABHA**

10. Dr. Mahendra Prasad
11. Shri C.M. Ramesh
12. Shri Ajay Sancheti
13. Dr. Manmohan Singh

### **SECRETARIAT**

- |                              |   |                     |
|------------------------------|---|---------------------|
| 1. Shri R.K. Jain            | - | Joint Secretary     |
| 2. Shri P.C. Koul            | - | Director            |
| 3. Shri R.K. Suryanarayanan  | - | Additional Director |
| 4. Shri Kulmohan Singh Arora | - | Deputy Secretary    |

### **WITNESSES**

	X	X	X	X	X	X
2.	X	X	X	X	X	X
3.	X	X	X	X	X	X

(The Witnesses then withdrew.)

(The Committee then adjourned for Tea)

(At around 1605 hours the Sitting resumed with the Chairperson in Chair)

4. Thereafter the Committee took up following draft Reports for consideration and adoption: -

- (i) Draft Report on Demands for Grants (2014-15) of the Ministry of Finance (Departments of Economic Affairs, Expenditure, Financial Services and Disinvestment);
- (ii) Draft Report on Demands for Grants (2014-15) of the Ministry of Finance (Department of Revenue);
- (iii) Draft Report on Demands for Grants (2014-15) of the Ministry of Planning;
- (iv) Draft Report on Demands for Grants (2014-15) of the Ministry of Corporate Affairs;
- (v) Draft Report on Demands for Grants (2014-15) of the Ministry of Statistics and Programme Implementation; and
- (vi) Memorandum No. 2 regarding draft Report on Action Taken by the Government on the Observations/Recommendations contained in the Seventy-ninth Report (Fifteenth Lok Sabha) on the Subject 'Policy on New Licences in the Banking Sector'.

5. After some deliberations, the Committee adopted the draft Reports at Sl. Nos. (i), (ii), (iv), (v) and (vi) above without any modification and authorised the Chairperson to finalise them in the light of factual verification from concerned Ministries/Departments.

6. As regards the draft Report at Sl. No. (iii) above some Members pointed out to the Chairperson that due to paucity of time they could not go through it while some others wanted it to be further discussed. The consideration of draft Report at Sl. No. (iii) was accordingly deferred to the next Sitting of the Committee scheduled to be held on 18<sup>th</sup> instant.

**The Committee then adjourned.**

**A verbatim Record of the proceedings has been kept.**