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STANDING COMMITTEE ON FINANCE
(2020-202)

SEVENTEENTH LOK SABHA

MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION

[Action taken by the Government on the recommendations contained in Twenty-ninth Report of the Standing Committee on Finance on 'Demands for Grants (2021-22)']

THIRTY-NINTH REPORT



LOK SABHA SECRETARIAT
NEW DELHI

August, 2021 / Sarvana, 1943 (Saka)

THIRTY-NINTH REPORT

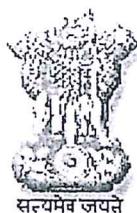
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[Action taken by the Government on the recommendations contained in Twenty-ninth Report of the Standing Committee on Finance on 'Demands for Grants (2021-22)']

Presented to Lok Sabha on *August 3, 2021*
Laid in Rajya Sabha on *August 3, 2021*



LOK SABHA SECRETARIAT
NEW DELHI

August, 2021 / Sarvana, 1943 (Saka)

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* Not appended in the cyclostyled copy

COMPOSITION OF STANDING COMMITTEE ON FINANCE (2020-2021)

Shri Jayant Sinha - Chairperson

MEMBERS

LOK SABHA

2. Shri S.S. Ahluwalia
3. Shri Sukhbir Singh Badal
4. Shri Subhash Chandra Baheria
5. Shri Vallabhaneni Balashowry
6. Shri Shrirang Appa Barne
7. Dr. Subhash Ramrao Bhamre
8. Smt. Sunita Duggal
9. Shri Gaurav Gogoi
10. Shri Sudheer Gupta
11. Vacant
12. Shri Manoj Kishorbhai Kotak
13. Shri Pinaki Misra
14. Shri P.V Midhun Reddy
15. Prof. Saugata Roy
16. Shri Gopal Chinayya Shetty
17. Dr. (Prof.) Kirit Premjibhai Solanki
18. Shri Manish Tewari
19. Shri Parvesh Sahib Singh Verma
20. Shri Rajesh Verma
21. Shri Giridhari Yadav

RAJYA SABHA

22. Vacant
23. Shri A. Navaneethakrishnan
24. Shri Praful Patel
25. Dr. Amar Patnaik
26. Shri Mahesh Poddar
27. Shri C.M. Ramesh
28. Shri Bikash Ranjan
29. Shri G.V.L Narasimha Rao
30. Dr. Manmohan Singh
31. Smt. Ambika Soni

SECRETARIAT

1. Shri V.K. Tripathi - Joint Secretary
2. Shri Ramkumar Suryanarayanan - Director
3. Shri Kulmohan Singh Arora - Addl. Director
4. Shri Kh. Ginalal Chung - Under Secretary

INTRODUCTION

I, the Chairperson of the Standing Committee on Finance, having been authorized by the Committee, present this Thirty-ninth Report on action taken by Government on the Observations / Recommendations contained in the Twenty-ninth Report of the Committee (Seventeenth Lok Sabha) on Demands for Grants (2021-22) of the Ministry of Statistics and Programme Implementation.

2. The Twenty-ninth Report was presented to Lok Sabha / laid on the table of Rajya Sabha on 16 March, 2021. The Action Taken Notes on the Recommendations were received from the Government *vide* their communication dated 6 June, 2021.

3. The Committee considered and adopted this Report at their sitting held on 29 July, 2021.

4. An analysis of the action taken by the Government on the recommendations contained in the Eleventh Report of the Committee is given in the Appendix.

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

NEW DELHI
29 July, 2021
7 Sarvana, 1943 (Saka)

SHRI JAYANT SINHA,
Chairperson,
Standing Committee on Finance

CHAPTER – I
REPORT

This Report of the Standing Committee on Finance deals with action taken by the Government on the recommendations/observations contained in their Twenty-ninth Report (Seventeenth Lok Sabha) on Demands for Grants (2021-22) of the Ministry of Statistics and Programme Implementation which was presented to Lok Sabha / laid in Rajya Sabha on 16 March 2021.

2. The Action Taken Notes have been received from the Government in respect of all the six recommendations contained in the Report. These have been analyzed and categorized as follows:

- (i) Recommendations/Observations that have been accepted by the Government:

Recommendation Nos. 1,2,3,4,5 and 6

(Total: 06)
(Chapter- II)

- (ii) Recommendations/Observations which the Committee do not desire to pursue in view of the Government's replies:

NIL

(Total: NIL)
(Chapter- III)

- (iii) Recommendations/Observations in respect of which replies of Government have not been accepted by the Committee and which require reiteration:

NIL

(Total : NIL)
(Chapter -IV)

- (iv) Recommendations/Observations in respect of which final replies by the Government are still awaited:

NIL

(Total: NIL)
(Chapter- V)

3. The Committee desire that the replies to the recommendations/observations contained in Chapter-I may be furnished to them expeditiously.

4. The Committee will now deal with the action taken by the Government on their recommendations.

Recommendation (Sl. No. 4)

5. The Committee understand that the Members of Parliament Local Area Development Scheme (MPLADS) is an ongoing Central Sector Scheme implemented by the Programme Implementation Wing of the Ministry of Statistics and Programme Implementation (MOSPI). The (MPLADS) has a fixed yearly allocation of amount of Rs 3950.00 crore as per the entitlement of Rs 5 crore per MP (per annum) for 790 Hon'ble MPs of both the Lok Sabha and Rajya Sabha. In the Summary and Analysis of Demand for Grants (2021-22) by (MOSPI) it has been stated that the Funds released to the District Authority by the Government of India are not lapsable and thus funds left in the district can be carried forward for utilisation in the subsequent years. Further, funds not released by the Government of India will be carried forward for making release in the subsequent years subject to the fulfilment of criteria stipulated. The Committee also observed that fund expenditure during 2018-19 was Rs 5012.13 crore as compared to Rs 2491.45 crore in 2019-20 i.e. fund expenditure in 2019-20 is only for 49.70% of fund expenditure in 2018-19. The committee also understand that pursuant to the Union Cabinet decision on 6th April, 2020 operation of MPLADS has been suspended for 2 financial years I.E. 2020-21 and 2021-22 and the financial outlay of Rs 3950 crores (BE of 2020-21) has been placed at the disposal of department of expenditure on 8th April 2020 for managing Covid pandemic. While acknowledging the rationale for placing MPLADS fund at the disposal of Department of Expenditure to manage the COVID-19 pandemic. The Committee would like to highlight that there are many MPLADS projects in 2019-20 and earlier fiscal, which were left unfinished midway despite the sanction letters being issued and funds for the same were withheld citing the Cabinet decision on April 6,2020. The Ministry may therefore consider releasing these funds which were duly sanctioned for the previous financial years, while also ensuring that the funds already released are fully utilized without delay. Such an expenditure is expected to

bring positive impact to people who have been adversely affected by the pandemic across the country. The committee would point out in this regard that MPLADS projects have, since its inception, as stated in the Annual Report, 2020-21 of MOSPI, "benefited the local community by meeting various developmental needs such as drinking water facility, education, electricity, health and family welfare, irrigation, non-conventional energy, community centres, public library, bus stand/stops, roads, pathway and bridges, sports etc". The Committee feel that MPLADS projects definitely can help in giving relief to the local community affected by the Covid-19 pandemic. The Committee would therefore urge the Ministry to pursue actively with the implementing agencies so that the funds already sanctioned for previous years are effectively utilized during the coming fiscal. The pending funds are linked to projects that have been committed by on Hon'ble MPs to the public and should therefore be released to fulfill these promises.

6. The Ministry in their action taken reply stated as under:-

"The matter of unreleased installments under MPLADS as on 31.03.2020 was repeatedly taken up during FY 2020-21 by Committees on MPLADS (both LS and RS), Committee on Estimates and Joint Committee on Salaries and Allowances of Members of Parliament and it was specifically desired therein that the matter of unreleased installments as on 31.03.2020 be taken up with Department of Expenditure, Ministry of Finance whose mandate as per Allocation of Business Rules, 1961 is release of Central Assistance for upgradation grants and grants for rural/local bodies and other grants as recommended by successive Finance Commissions. References also continued to be received on continuous basis from several Members of Parliament requesting for release of such unreleased installments.

Vide Department of Expenditure O.M. No. 56(02)/PF-II/2006 (Pt) dated 16.03.2021, a sum of Rs 2200 Crore was allotted to the Ministry with the following conditions:

- (i) release of pending installments in respect of Members of the Lok Sabha for 2019-20 shall get first priority;
- (ii) release of pending installments in respect of Members of Rajya Sabha for 2019-20 shall get first priority;

- (iii) Ministry shall continue to carry out the ongoing exercise of settlement and closure of accounts of Ex-Members as no further releases for earlier years will be made;
- (iv) Ministry shall consider modification in MPLADS Guidelines to the effect that if a work sanctioned by a MP is not used for five years, it will automatically lapse and even if there is a committed liability for the work to be completed subject to Para 2.6 and Para 4.7 to 4.10 of the MPLADS Guidelines.

Ministry has been requested to complete the task at (iii) and (iv) above within six months.

In pursuance of the Department of Expenditure OM dated 16-03-2021, the Department of Economic Affairs vide it OM dated 22-03-2021 allotted Rs. 2200 crore to the Ministry and directed to spend / exhaust the allotment within FY 2020-21, so that amount is not lapsed. The Ministry made the best efforts to deploy all the available resources at its wherewithal towards accomplishing the objective of release maximum number of pending installments and utilization of allotted Rs. 2200 crore within FY 2020-21.

In pursuance of the conditions for release stipulated in D/o Expenditure O.M. No. 56(02)/PF-II/2006 (Pt) dated 16.03.2021, Ministry released *Rs 1107.5 Crore (=443 installments)* out of the allotted sum of Rs 2200 Crore. Out of these Rs. 1107.5 crore, Rs. 900 crore is released towards pending installments of 2019-20 and Rs. 207.5 crore is released for pending installments of previous years to Nodal District Authorities in respect of MPs of Lok Sabha and Rajya Sabha. The Committee may appreciate that the Ministry has been able to release Rs. 1107.5 crore in last few days of the FY 2020-21 as the allotment letter from Department of Economic Affairs was received on vide OM dated 22-03-2021. The remaining funds (Rs. 2200.00 crore – Rs. 1107.50 crore = Rs. 1092.50 crore) lapsed on 31-03-2021, as per Department of Economic Affairs OM dated 22-03-2021.

The Ministry was also able to clear all the installments for which eligibility criteria as per MPLADS guidelines were fulfilled and all relevant documents were available. All the release proposals received by the Ministry till 31-03-2021 noon which are found eligible have been cleared. Only those proposals which were not found eligible due to lack of documents and non-fulfillment of eligibility criteria as per MPLADS guidelines and in those districts where Model Conduct of Conduct was under implementation due to assembly elections in five States / UT and by-elections in some constituencies, the Ministry was not able to release pending installments.

However, vide it OM dated 7th April 2021, Ministry has requested Department of Expenditure to allot the remaining funds in FY 2021-22 so that the remaining

pending installments may be released by the Ministry. The remaining of pending MPLADS installments due up to 31-03-2020, shall be released by the Ministry subject to receipt of allotment from the Ministry of Finance and fulfillment of eligibility criteria and eligible documents as per the MPLADS Guidelines.

The Ministry has been continuously following up with the States and Nodal Districts to effectively utilize the funds released by the MPLADS to the accounts of Nodal District Authorities as per the guidelines of MPLADS and clear all the committed liabilities at the earliest and complete the ongoing works.”

7. The Ministry of Statistics and Programme Implementation informed that the Ministry was allotted Rs 2200 crore by Department of Economic Affairs on 22 March 2021 in pursuance to Department of Expenditure's OM dated 16.03.2021. The Ministry of Statistics and Programme Implementation were directed by the Ministry of Finance to spend/exhaust the allotment within 2020-2021 FY i.e 31 March 2021 to ensure that the allotment does not lapse. The Committee are informed further that out of the Rs 2200 crore allocation, MoSPI was able to release Rs 1107.50 crore leaving the remaining Rs 1092.50 crore to lapse. The Committee are unable to comprehend the reason as to why Rs 2200 crore were allotted to MoSPI barely one week before the end of FY 2020-21. The Committee would expect the Ministries to avoid such adhocism. The MoSPI should be more proactive with regard to MPLADS fund management and avoid lumpy release of funds at the end of the fiscal in future. This constitutes a serious lapse in fiscal management with negative consequences for communities across India.

Recommendation (Sl. No. 5)

8. The Committee are concerned about the manpower shortage that appears to be persisting for a prolonged period of time. For instance in the Field Operation Division (FOD), the number of employees in position in 2019-20 was 3121 as against 4389 sanctioned strength; in 2020-21 it was 3453 against the sanctioned strength of 4385 and in 2021-22, it is 3256 against the sanctioned strength of 4336. The manpower situation in other departments/wings of the Ministry is quite similar. As for the reasons for such manpower shortage, the Ministry have stated that many officers have retired in the past two years and the Department of personnel and Training (DoP&T) are yet to fill the vacant posts and some posts are to be recruited by UPSC/SSC as per the recruitment rules.

9. Though the Ministry have put forth many reasons for the manpower shortage in the Ministry, the Committee are of the opinion that the Ministry has not done enough in human resource planning and development. The Committee therefore desire that MoSPI must pay greater attention to its manpower policy and avoid leaving vacant posts to remain unfilled in the Ministry for several years.

10. The Ministry in their action taken reply stated as under:-

"The efforts made by the Ministry as under;

- The posts of Junior Statistical Officer (JSO) of Subordinate Statistical Services (SSS) cadre at entry level are filled through open competition viz.-Combined Graduate Level Examination (CGLE) conducted by the Staff Selection Commission (SSC). The vacancies at the level of JSOs are regularly reported to the SSC for recruitment. The vacancies for the year 2019 and 2020 have already been reported to Staff Selection Commission (SSC). The appointment to the post of JSOs on the basis of CGLE 2018 would be initiated once their nominations and necessary documents such as dossiers etc. are received from the SSC to this Ministry.
- The posts of Senior Statistical Officers (SSO) are promotional posts of JSOs. The Ministry makes all out efforts so that promotions are processed in time. The

process of promotion from JSO to SSO for filling up of all the expected vacancies in the year 2021 at the level of SSOs is already under process.

- Amendment of Recruitment Rules of SSS is also under process and is expected to be finalized shortly.
- It is pertinent to mention that the pay scales of SSS officers are not commensurate with similarly placed organized Group-B services, which is one of the major reasons for high attrition rate in SSS. To make the service more attractive and in order to reduce attrition rate at the level of JSOs, Ministry of Statistics & Programme Implementation had taken up the issue regarding up gradation of Grade Pay from Rs.4200 to Rs.4600 with Committee of Secretaries (COS) vide this ministry ID Note No.12035/02/2010-SSS dated 05.09.2016, the decision of COS is still awaited.
- This Ministry is of the considered view that grant of Grade Pay (GP) of Rs.4600 (Level-7) to JSOs and GP of Rs.4800 (Level-8) to SSOs of SSS would be instrumental in arresting effectively the high rate of attrition in SSS and make the service more attractive. The matter of pay level upgradation, at par with similar placed organized Group B services is under consideration in consultation with Ministry of Finance to make the service more attractive and reduce the iteration rate.
- SSS Division is in consultation with participating Organizations for processing the proposal of Cadre Review to facilitate Manpower to cater to the field/basic level statistical functionaries to statistical system of the country.
- MoSPI is a sub-cadre of Ministry of Home Affairs (MHA) and therefore, the Officers/Staff of Central Secretariat Service (CSS) (Assistant Section Officer), Central Secretariat Stenographers Services (CSSS) (Steno-D & PA) & Central Secretariat Clerical Service (CSCS) (Senior Secretariat Assistant and Junior Secretariat Assistant) are posted by MHA in Admn-II Section of this Ministry. In the past two years, many Officers of these Cadres have retired / voluntary retired / death / transfer on promotion / promotion; as a result many of these posts are lying vacant and have not been filled by MHA.
- The matter relating to separation of sub-cadre of MoSPI has been taken up with Department of Personnel & Training (DoP&T). Efforts are being made to expedite the matter by way of sending regular correspondences as well as meeting with DoP&T and MHA. Requisite information on the part of MoSPI has already been provided to DoP&T. The matter is at present pending with DoP&T.
- As regards filling up the vacant posts in the grade of MTS in MoSPI (Main), the requisition has already been sent to Staff Selection Commission for filling up 33 vacant posts in the grade of MTS in MoS&PI (main). The reply from Staff Selection Commission is still awaited.”

11. The Ministry of Statistics and Programme Implementation (MoSPI) have stated in their reply that appointment to the post of Junior Statistical Officer (JSO) on the basis of Combined Graduate Level Examination-2018 would be initiated once nominations and necessary documents are received from Staff Selection Commission (SSC) to the Ministry. The Ministry also stated that the vacancies for the year 2019 and 2020 have already been reported to SSC already. The Committee are further informed that the Subordinate Statistical Service (SSS) Officers are not given commensurate pay scales *viz-a-viz* similarly placed Group 'B' service officers in other departments resulting in high rate of attrition. The Committee are not inclined to accept the various reasons adduced by MoSPI for manpower shortage which has become a chronic issue with the Ministry. From the reply the Committee understand that to fill vacant posts the time taken is more than 3 years. The Committee would therefore like the Ministry to follow proper manpower planning policy, forecasting their manpower requirements for the coming years well in advance so as to avoid leaving vacant posts unfilled for years.

New Delhi;
29 July 2021
7 Sravana, 1943 (Saka)

SHRI JAYANT SINHA,
Chairperson,
Standing Committee on Finance

Minutes of the Fourteenth sitting of the Standing Committee on Finance (2020-21)
The Committee sat on Thursday, the 29th July, 2021 from 1430hrs. to 1500 hrs. in
Committee Room 'D', Parliament House Annexe, New Delhi.

PRESENT

Shri Jayant Sinha – Chairperson

LOK SABHA

2. Shri S.S. Ahluwalia
3. Shri Vallabhaneni Balashowry
4. Shri Shrirang Appa Barne
5. Shri Manoj Kishorbhai Kotak
6. Shri Pinaki Misra
7. Shri Gopal Chinayya Shetty
8. Dr. (Prof.) Kirit Premjibhai Solanki
9. Shri Manish Tewari
10. Shri Rajesh Verma

RAJYA SABHA

11. Shri A. Navaneethkrishnan
12. Dr. Amar Patnaik
13. Shri Mahesh Poddar
14. Shri C.M. Ramesh
15. Shri G.V.L Narasimha Rao

SECRETARIAT

- | | | |
|---------------------------------|---|---------------------|
| 1. Shri Vinod Kumar Tripathi | - | Joint Secretary |
| 2. Shri Ramkumar Suryanarayanan | - | Director |
| 3. Shri Kulmohan Singh Arora | - | Additional Director |
| 4. Shri Kh. Ginlal Chung | - | Under Secretary |

3. 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) Thirty-second Report on the subject 'Implementation of Insolvency and Bankruptcy Code-Pitfalls and solutions' of the Ministry of Corporate Affairs.
- (ii) Thirty-third Report on Action Taken by the Government on Recommendations contained in 68th Report (Sixteenth Lok Sabha) on

subject 'Banking Sector in India - Issues, Challenges and the Way Forward with specific reference to NPAs/ Stressed Assets in Banks/Financial Institutions' of the Ministry of Finance (Department of Financial Services).

- (iii) Thirty-fourth Report on Action Taken by the Government on Recommendations contained in 12th Report on 'Financing the Startup Ecosystem' of the Ministry of Finance (Departments of Economic Affairs and Revenue) and Ministry of Commerce (Department for Promotion of Industry and Internal Trade).
- (iv) Thirty-fifth Report on Action taken by the Government on the recommendations contained in 25th Report on Demands for Grants (2021-22) of the Ministry of Finance (Departments of Economic Affairs, Expenditure, Financial Services, and Investment and Public Asset Management).
- (v) Thirty-sixth Report on Action taken by the Government on the recommendations contained in 26th Report on Demands for Grants (2021-22) of the Ministry of Finance (Department of Revenue).
- (vi) Thirty-seventh Report on Action taken by the Government on the recommendations contained in 27th Report on Demands for Grants (2021-22) of the Ministry of Corporate Affairs.
- (vii) Thirty-eighth Report on Action taken by the Government on the recommendations contained in 28th Report on Demands for Grants (2021-22) of the Ministry of Planning.
- (viii) Thirty-ninth Report on Action taken by the Government on the recommendations contained in 29th Report on Demands for Grants (2021-22) of the Ministry of Statistics and Programme Implementation.

After some deliberations, the Committee adopted the above draft Reports with some modifications and authorised the Chairperson to finalise them and present the Report to Parliament.

The Committee then adjourned.

A verbatim record of the proceedings has been kept.

APPENDIX

(Vide Para 4 of the Introduction)

ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE TWENTY-NINTH REPORT OF THE STANDING COMMITTEE ON FINANCE (SEVENTEENTH LOK SABHA) ON DEMANDS FOR GRANTS (2021-22) OF THE MINISTRY OF STATISTICS AND PROGRAMME IMPLEMENTATION

	Total	% of total
(i) Total number of Recommendations	06	
(ii) Recommendations/Observations which have been accepted by the Government (vide Recommendations at Sl. Nos.1,2,3,4,5 & 6)	06	100.00%
(iii) Recommendations/Observations which the Committee do not desire to pursue in view of the Government's replies	NIL	--
(iv) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee	NIL	--
(v) Recommendations/Observations in respect of which final reply of the Government are still awaited	NIL	--