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**STANDING COMMITTEE ON FINANCE
(2021-22)**

SEVENTEENTH LOK SABHA

**MINISTRY OF STATISTICS AND
PROGRAMME IMPLEMENTATION**

**DEMANDS FOR GRANTS
(2022-23)**

FORTY FOURTH REPORT



**LOK SABHA SECRETARIAT
NEW DELHI**

March, 2022 / Phalguna, 1943 (Saka)

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(SEVENTEENTH LOK SABHA)

MINISTRY OF STATISTICS AND
PROGRAMME IMPLEMENTATION

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(2022-23)

Presented to Lok Sabha on ~~22~~ 22 March, 2022

Laid in Rajya Sabha on ~~22~~ 22 March, 2022



LOK SABHA SECRETARIAT
NEW DELHI

March, 2022 / Phalguna, 1943 (Saka)

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COMPOSITION OF STANDING COMMITTEE ON FINANCE (2021-22)

Shri Jayant Sinha - Chairperson

MEMBERS

LOK SABHA

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

RAJYA SABHA

22. Shri Ahmad Ashfaque Karim
23. Shri Sushil Kumar Modi
24. Shri A. Navaneethakrishnan
25. Shri Praful Patel
26. Dr. Amar Patnaik
27. Shri Mahesh Poddar
28. Dr. C.M. Ramesh
29. Shri G.V.L Narasimha Rao
30. Dr. Manmohan Singh
31. Smt. Ambika Soni

SECRETARIAT

- | | |
|---------------------------------|-----------------------|
| 1. Shri Siddharth Mahajan | - Joint Secretary |
| 2. Shri Ramkumar Suryanarayanan | - Director |
| 3. Shri Kulmohan Singh Arora | - Additional Director |
| 4. Shri Kh. Ginlal Chung | - Deputy Secretary |

INTRODUCTION

I, the Chairperson of the Standing Committee on Finance, having been authorised by the Committee, present this Forty Fourth Report (Seventeenth Lok Sabha) on 'Demands for Grants (2022-23)' of the Ministry of Statistics and Programme Implementation.

2. The Demands for Grants (2022-23) of the Ministry of Statistics and Programme Implementation were laid on the Table of the House on 9 February, 2022 under Rule 331E of the Rules of Procedure and Conduct of Business in Lok Sabha.

3. The Committee took oral evidence of the representatives of the Ministry of Statistics and Programme Implementation on 24 February, 2022. 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 (2022-23).

4. The Committee considered and adopted this Report at their Sitting held on 14 March, 2022.

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

New Delhi;
14 March, 2022
23 Phalguna, 1943 (Saka)

SHRI JAYANT SINHA,
Chairperson
Standing Committee on Finance

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REPORT
PART-I
CHAPTER -I

INTRODUCTORY-BRIEF PROFILE OF THE MINISTRY

A. ORGANISATION AND ITS FUNCTIONS:

The Ministry of Statistics and Programme Implementation (MoSPI) came into existence as an independent Ministry on 15th October, 1999 after the merger of the Department of Statistics and the Department of Programme Implementation. The ministry is the nodal agency for the planned and organized development of the statistical system in the country and coordination of statistical activities among different stakeholders in Government of India, State Governments as well as meeting requirements of the International Agencies.

1.2 The Ministry of Statistics and Programme Implementation attaches considerable importance to coverage and quality aspects of statistics released in the country and uses technology to achieve the same. The statistics released by the Ministry are based on administrative sources, surveys and censuses conducted by the Central and State Governments and non-official sources and studies. The surveys conducted by the Ministry are based on scientific sampling methods and are supervised by the National Statistical Commission. Data is collected through dedicated field staff who are regularly trained in the concepts and definitions of the items and the scope of the survey. Inline with the emphasis on the quality of statistics released by the Ministry, the methodological issues concerning the compilation of national accounts are over seen by an Advisory Committee on National Accounts, industrial statistics by a Standing Committee on Industrial Statistics and price and cost of living indices by a Technical Advisory Committee on Price Indices. The Ministry compiles data sets based on current data, after applying standard statistical techniques and extensive scrutiny and supervision.

1.3 The Ministry has two wings, viz. Statistics Wing, called National Statistics Office (NSO) and Programme Implementation (PI) Wing. The Programme Implementation Wing has two Divisions, namely (i) Infrastructure and Project Monitoring and (ii) Members of Parliament Local Area Development Scheme. Besides these two wings, there is a National Statistical Commission (NSC) created through a Resolution of Government of India and one autonomous institute viz. Indian Statistical Institute (ISI) which is declared as an institute of national importance by an Act of Parliament, known as "Indian Statistical Institute Act No. 057 of 1959".

B. NATIONAL STATISTICAL OFFICE (NSO)

1.4 The National Statistics Office (NSO), an attached office of the Ministry, coordinates the statistical activities in the country and evolves statistical standards. Its activities inter-alia includes compilation of National Accounts, Index of Industrial Production, Consumer Price Indices for Urban/Rural/Combined, Human Development Statistics including Gender Statistics and Economic Census and imparting training in Official Statistics. National Sample Survey activities are conducted through a subordinate office of this Ministry namely, Field Operations Division (FOD). NSO also assists in the development of statistics in the States and Union Territories and disseminates Energy Statistics, Social and Environmental Statistics and prepares the National Industrial Classification.

National Accounts

1.5 The National Accounts Division (NAD) of NSO is responsible for preparation of national accounts, which include the estimates of Gross Domestic Product (GDP), National Income, Government/Private Final Consumption Expenditure, Capital Formation and Saving along with details of transactions of institutional sectors. NAD annually brings out a publication titled "National Accounts Statistics", containing these statistics. NAD is also responsible for preparation and release of Supply-Use Tables (SUT) and Input-Output Transaction Tables (IOTT) from time to time. NAD maintains

liaison with international organizations on matters related to estimation of national income.

1.6 NAD provides technical guidance and support to the State/ UT Directorates of Economics & Statistics (DESS) on compilation of estimates of State Income and related aggregates, including estimates of State Domestic Product. State level estimates of Gross Value Added (GVA) and Gross Fixed Capital Formation (GFCF) in respect of supra-regional sectors, namely, Railways, Communication, Services related to broadcasting, Financial Services and Central Government Administration are furnished by the NAD for the purpose.

1.7 In order to ensure comparability between the National and State level estimates, the NAD compiles comparable estimates of Gross and Net State Domestic Product (GSDP/NSDP) by economic activity and Per Capita Income estimates, in consultation with the DESS.

1.8 In compliance with the Special Data Dissemination Standards of the International Monetary Fund (IMF) and as per its own policy, the NAD releases annual and quarterly estimates of GDP from time to time as per pre-specified schedule given in Advance Release Calendar. Schedule of release of various estimates by NAD in year 2022 is given below:

Calendar for Quarterly Estimates of GDP

(1)	Q3 of 2021-22	:	28 th February, 2022
(2)	Q4 of 2021-22	:	31 st May, 2022
(3)	Q1 of 2022-23	:	31 st August, 2022
(4)	Q2 of 2022-23	:	30 th November, 2022

Q1: April-June, Q2: July-September, Q3: October-December, Q4: January-March

Calendar for Annual Estimates of GDP

- | | | | |
|-----|--------------------------------------|---|---------------------------------|
| (1) | First Advance Estimates for 2021-22 | : | 07 th January, 2022 |
| (2) | First Revised Estimates for 2020-21 | : | 31 st January, 2022 |
| (3) | Second Advance Estimates for 2021-22 | : | 28 th February, 2022 |
| (4) | Provisional Estimates for 2021-22 | : | 31 st May, 2022 |

Cadre Control –ISS and SSS

1.9 The Administration Division of the Ministry functions as the Cadre Controlling Authority of offices of Indian Statistical Service (ISS) and Subordinate Statistical Service (SSS) cadres including matters relating to their training, career progression and manpower planning.

STATISTICAL SERVICES

Indian Statistical Service

1.10 The Indian Statistical Service (ISS) was constituted on 1st November, 1961 as a cadre of qualified professionals with core discipline of Statistics to control, coordinate, monitor and steer the diversified statistical system to render the crucial statistical needs of planning, policy formulation and decision making by the Government and to consolidate and disseminate these statistics at National and International level.

1.11 The posts of ISS at various Grades are distributed among various Ministries, Departments and Organisation with the aim to have an appropriate statistical set-up in the Ministries/Departments to provide a real time objective data and to analyze it for: (a) policy formulation, implementation and monitoring (including concurrent monitoring and evaluation and outcome/endline assessment) and (b) decision making.

1.12 Ministry of Statistics & Programme Implementation acts as the Cadre Controlling Authority of Indian Statistical Service. The Ministry is concerned with all matters pertaining to the service including recruitment, promotion, training, career and manpower planning, etc. However, day-to-day administrative matters of ISS officers are looked after by the Ministries/Departments in which the officers are posted.

1.13 Recruitment to the service is made through Indian Statistical Service Examination conducted by UPSC annually, promotion from the feeder grade i.e. Subordinate Statistical Service (SSS) and through absorption of Statistical Officers working in other Ministries/Departments. The service has grown over the years in terms of relevancy and number of posts. The allocation of posts in various grades at the time of initial constitution and at present areas follows:

Grade	Sanctioned Strength	On Cadre Strength as on 30.11.2021	
		In-position	Vacancy
Higher Administrative Grade plus (HAG+)	05	05	-
Higher Administrative Grade (HAG)	18	17	01
Senior Administrative Grade(SAG)	136	105	31
Junior Administrative Grade(JAG) & NFSG	176 #	77	99
Senior Time Scale (STS)	179	228**	-49
Junior Time Scale (JTS)	300*	162	138
Total	814	594	220

Out of these, 30% of senior duty posts are operated in NFSG

* Including 50 posts of leave, deputation and training reserve.

** 54 posts of JAG have been temporarily downgraded to STS of ISS.

1.14 The first examination for direct recruitment to the service was held in the year 1967 and the first batch of the service was appointed in the year 1968. Till date, 42 batches of direct recruits have joined the service. The latest batch of 30 officers has already joined in the month of August, 2020.

1.15 The ISS Rules, 2016 provide for 50 per cent of the posts in JTS to be filled up by direct recruitment and 50 per cent by promotion from Subordinate Statistical Service (SSS) cadre. There is no direct recruitment at any level except in JTS of the service. All the vacancies in other grades are filled up by promotion.

Subordinate Statistical Service

1.16 The Subordinate Statistical Service (SSS) was constituted on 12th February, 2002 as a cadre of qualified personnel with core discipline of Statistics to assist in building crucial statistical database covering various aspects of Indian Economy for planning, policy formulation and decision making by the Government.

1.17 The SSS is a Group-B Central Civil Service of statistical function posts which constitutes feeder cadre for Indian Statistical Service (ISS). It comprises of Senior Statistical Officers (SSO) (Group-B Gazetted) and Junior Statistical Officers (JSO) (Group-B Non-Gazetted). As per 7th CPC, the Pay Scale of SSO corresponds to Level-7 and that of JSO to Level-6 in the Pay Matrix. The officers of the SSS cadre are posted in various Ministries/Departments/Organisations of the Government of India across the country.

1.18 Ministry of Statistics & Programme Implementation is the Cadre Controlling Authority (CCA) of SSS. The Ministry is concerned with all matters pertaining to the service including recruitment, promotion, training, career and manpower planning, etc. However, day-to-day administrative matters of SSS officers are taken care by the respective Ministries/Departments/Organizations where these officers are posted.

1.19 The SSS Rules, 2013 provides for 90% of the posts of JSO to be filled up by direct recruitment through open competitive examination viz. Combined Graduate Level Examination (CGLE) conducted by the Staff Selection Commission (SSC) while 10% of total posts are to be filled by promotion from the feeder posts (Statistical function posts existing at level-4 and level-5 of pay matrix). **As per Recruitment Rules of SSS, there is no direct recruitment at the level of SSO of the service.**

1.20 The sanctioned strength and number of incumbents in position as on 30.11.2021 are as follows:

S. No.	Name of the Post	Sanctioned strength as Per RRs of 2013 of SSS	On Cadre Strength as on 30.11.2021	
			In-position	Vacancy
1.	Senior Statistical Officer	1754	1885*	1814**
2.	Junior Statistical Officer	2189	2212*	1502**
Total Strength		3943	4097*	3316

* The Difference between sanctioned strength in the relevant schedule of RR of 2013 of SSS and present strength is due to ensuing abolition/decadrement/encadrement of posts in SSS. The revised RRs are yet to be issued.

** Including officers who are working against SSS Posts but not absorbed in SSS.

C. THE PROGRAMME IMPLEMENTATION (PI) WING

1.21 The Programme Implementation Wing has the following responsibilities:

- i. Monitoring the performance of the country's eleven key infrastructure sectors, viz., Power, Coal, Steel, Railways, Telecommunications, Ports, Fertilizers, Cement, Petroleum & Natural Gas, Roads and Civil Aviation. The achievement/performance of current month and for the cumulative period of these sectors is analyzed 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 for the previous year.
- ii. Monitoring of all Central Sector Projects costing ₹150 crores and above.

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). The constant persuasion of the IPMD has resulted in improved reporting and now majority of the Public sector enterprises are reporting on-line. The physical performance are measured in terms of milestones and percentage physical progress against the target dates and quantities whereas the financial performance is measured on a yearly basis with respect to the link expenditure on each project. IPMD brings out the following reports and forward the same to Prime Minister's Office, Cabinet Secretariat, Ministry of Finance, Planning Commission and the concerned administrative Ministries.

- iii. Implementation of Members of Parliament Local Area Development Scheme (MPLADS).

MPLADS

1.22 The Members of Parliament Local Area Development (MPLAD) Scheme is an ongoing Central Sector Scheme implemented by the Programme Implementation wing of the MoSPI. The scheme is governed by a set of Guidelines issued by the Ministry which have been revised from time to time. The basic objective of the MPLAD Scheme is to enable the Hon'ble Members of Parliament to recommend creation of durable community

assets of national priorities viz. drinking water, primary education, public health, sanitation and roads, etc. MoSPI, as the Nodal Ministry, is responsible for policy formulation, release of funds and evaluation of implementation of the Scheme. The Ministry releases the entitled funds to the Members and monitors the overall position of funds released, cost of works sanctioned, funds spent, etc. This scheme is Grants-in-Aid from the Government of India, as Special Central Assistance to States for expenditure to be incurred for the creation of developmental community works recommended by Hon'ble Members of Parliament. The allocation of funds under the scheme is made on annual basis. The MPLADS has a fixed yearly allocation of amount of ₹ 3950.00 Crore as per the entitlement of ₹ 5.00 crore per MP (per annum) for 790 Hon'ble MPs of both Lok Sabha and Rajya Sabha. Under this scheme, the Members of Parliament (LS&RS both) have a choice to recommend to the concerned District Collectors(s) for works of capital nature to the tune of ₹ 5.00 crore per year to be taken up in their respective constituencies/States for creation of durable assets based on local needs. The amount of annual entitlement is released by MPLAD Division in two installments. Funds released to the district authority by the Government of India are non-lapsable. Funds left in the district can be carried forward for utilization in the subsequent years. Further, the funds not released by the Government of India in a year will be carried forward for making releases in the subsequent years subject to the fulfillment of criteria stipulated. The District Authorities execute development works on the recommendation of Member of Parliament in accordance with the extant guidelines prescribed by the respective State Governments.

D. NATIONAL STATISTICAL COMMISSION (NSC)

1.23 The Government of India, through a MoSPI resolution dated 1st June, 2005, decided to set up the National Statistical Commission (NSC). The NSC is, inter-alia, mandated to evolve policies, priorities and standards in statistical matters and provides technical advice to monitor / enforce statistical priorities and standards pertaining to the national statistical system.

1.24 The NSC has four part-time Members besides a part-time Chairperson, each having specialization and experience in specified statistical fields. CEO, NITI Aayog is

an ex-officio Member of the Commission. The Chief Statistician of India is the Secretary to NSC. NSC has a permanent secretariat headed by a SAG Level Officer, assisted by supporting staff, from MoSPI.

1.25 The main functions of the Commission are to evolve strategies for improving the statistical system of the country, besides serving as a nodal and empowered body for all core statistical activities of the country and evolving, monitoring and enforcing statistical priorities and standards

E. INDIAN STATISTICAL INSTITUTE (ISI)

1.26 Indian Statistical Institute (ISI) is an autonomous institution under MoSPI and is devoted to research, teaching in Statistics and its applications in related subjects, natural sciences and social sciences. The Institute was established on 17th December in the year 1931 by Prof. P.C. Mahalanobis, at Kolkata, West Bengal. In addition to the headquarters located at Kolkata, the ISI has Centres at Delhi, Bengaluru, Chennai, Tezpur, (North-East Centre) and some outlying Units and branches located at Mumbai, Pune, Hyderabad and Giridih. The institute gained the status of an Institution of National Importance through Indian Statistical Institute Act, 1959, known as "Indian Statistical Institute Act No. 057 of 1959". MoSPI provides Grants-in-Aid to ISI for its functioning, academic activities and infrastructure creation and maintenance.

Degrees/courses offered

1.27 The ISI conducts various courses (bachelor, post-graduate diploma, masters and PhD degree programs) in various subjects with prime focus on statistics mathematics, quantitative economics, computer science and such other subject related to statistics as may be determined by the Institute from time to time. Over the years, the institute has developed a set of unique research and academic programme, which are cross-disciplinary in nature. These programmes cater the unique need of statistical analysis of large scale data collected at different government and non-government sectors. The two recent additions to the academic programs are M. Tech in Cryptology and Security at ISI Kolkata and Post Graduate Diploma in Agricultural and Rural Management with Statistical Methods and Analytics (PGDARSMA) in the Giridih branch.

RC Bose Centre for Cryptology and Security

1.28 The RC Bose Centre for Cryptology and Security has been established at ISI Kolkata to promote interdisciplinary research in Mathematics, Computer Science and Statistics towards furtherance of teaching, research as well as training and development in Cryptology and Cyber Security. It acts as a national hub for cryptographic requirements, cutting-edge research activities and indigenous capacity building to fulfill the growing demands at the national level. The Centre is funded by MoSPI as a part of the Grant-in-Aid to the Indian Statistical Institute, under a separate line in the budget.

Innovative Multidisciplinary Study Centres

1.29 Apart from contributing to knowledge dissemination and talent development, ISI continues to work on innovative multidisciplinary applications to address issues of national importance. Towards this, ISI has also set up two Centres of Excellence, namely, **Centre for Artificial Intelligence and Machine Learning** at ISI Kolkata, and **Centre for research on the Economics of Climate, Food, Energy and Environment (CECFEE)** at ISI Delhi. These centres work at cutting edge interdisciplinary areas of research including in machine learning and cryptology, and in climate change. Other recent examples include contributions of ISI made in the areas of currency management, understanding extinction risk of wildlife, accurate assessment of consumer confidence, development as well as assessment of encryption methodologies, assessment of risk from counterfeit currencies, improvement of defense production systems, understanding level of cleanliness of towns and cities calibrated by their inherent complexity and development of national coal index. ISI scientists made significant contributions in understanding the biology of covid-19, the epidemiological aspects of its spread and modeling and predicting the infections. Several notable contributions have also been made in the field of Artificial Intelligence, Cryptology & Cyber Security, Data Science, Pattern Recognition, Computational Intelligence, Bioinformatics and Statistical Quality Control etc. The studies undertaken by the institute have been recognized by several awards at National/International level.

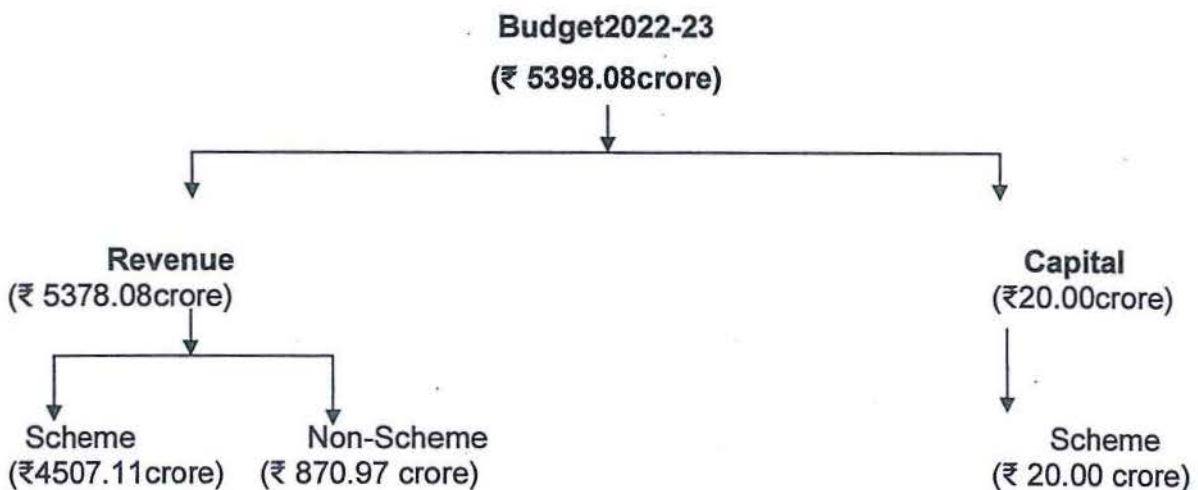
1.30 The institute take initiatives to widen its reach by encouraging the multi-disciplinary studies as also promoting research programmes and courses in statistics; mathematics; computer science; quantitative economics; quality, reliability and operations research; quality management science; cryptology & security; library & information science; statistical methods and analytics and various fields of physics & natural sciences and social sciences in the emerging areas and to benefit public at large.

CHAPTER II
BUDGETARY ALLOCATION

BUDGET 2022-23

The Demands for Grants under Demand No. 96 for the Ministry includes a budget proposal of ₹ 5398.08 crore for the year 2022-23. The demand under Revenue is ₹5378.08 crore and under Capital is ₹ 20.00crore. The Ministry proposes to undertake two Schemes namely, (i) Capacity Development (CD) Scheme and (ii) Member of Parliament Local Area Development Scheme (MPLADS).

2.2 The World Bank assisted Scheme 'National Program for Improving Quality of Statistics in India (NPIQSI)' was appraised as a new Scheme by the Standing Finance Committee (SFC), chaired by CSI cum Secretary, MoSPI and approved by Hon'ble Minister, MoSPI for a period of five years starting from 1st April, 2020 to 31st March, 2025 involving a cost of ₹ 426 crore (50% to be reimbursed by the Bank). However, certain activities were rendered infeasible due to pandemic situation and other unforeseen reasons, which resulted in considerable reduction in the overall budget of the project. As the loan agreement for the project was not signed and project was not effective, the MoSPI approached the Ministry of Finance for considering the proposal of MoSPI opting out of the Scheme. Keeping in view the status of the Scheme, only token provision has been kept for FY 2022 – 23.



NON-SCHEME 2022-23

2.3 The Ministry's Non-Scheme budget of ₹870.97 crore in 2022-23 is primarily salary oriented as the major function of the Statistics Wing (NSO) is to conduct census / surveys, collect, analyses and disseminate data, which is a staff intensive function. The major components of the Non-Scheme budget for the Ministry during 2022-23 are given below:

Object Head	Budget (₹ In lakh)	% of total Non-Scheme Budget
Salaries	48034.08	55.15%
Domestic Travels	932.81	1.07%
Foreign Travel	45.27	0.05%
Office Expenses	1371.89	1.58%
Rent Rates & Taxes	3414.06	3.92%
Publications	48.66	0.06%
OAE	206.95	0.23%
Grants-in-aid to ISI, Kolkata	32170.00	36.94%
Others	873.28	1.00%
Total	87097.00	

2.4 The Ministry provides Grants-in-Aid to Indian Statistical Institute (ISI) for its functioning, academic activities and infrastructure creation and its maintenance as part of the Non-Scheme component of the budget. ISI is devoted to the research, teaching and application of statistics, natural sciences and social sciences. The institute gained the status of an Institution of National Importance through Indian Statistical Institute Act, 1959. Section 4 of the ISI Act, empowers ISI, *inter-alia*, to grant degrees and diplomas in statistics, mathematics, quantitative economics, computer science and such other subjects related to statistics. From the budget of the Ministry, an amount of ₹ 32170.00 lakh has been kept as grants-in-aid to the Institute, as Non Scheme allocation during 2022-23.

2.5 National Statistical Commission Non Scheme budget for the year 2022-23 has been pegged at ₹ 1.44crore.

2.6 The Non-Scheme allocation shows an increase from ₹756.50 crore in 2021-22 (RE) to ₹870.97 crore (BE) during 2022-23.

SCHEME 2022-23

2.7 The Ministry has been implementing two Central Sector schemes namely, Capacity Development (CD) Scheme, and Members of Parliament Local Area Development Scheme (MPLADS). The total Scheme budget proposal in 2022-23 for the Ministry is ₹4527.11crore.

2.8 Out of the total Scheme budget of ₹4527.11 crore, ₹562.10crore is earmarked for Capacity Development (CD) Scheme. The object-head wise allocation of expenditure of CD Scheme is as follows:

Object Head	Budget (₹ In lakh)	% of total Scheme Budget
Salaries	1031.00	1.83%
Domestic Travel Expenses	3735.64	6.65%
Foreign Travel Expenses	100.00	0.18%
Office Expenses	1468.00	2.61%
Rent Rates & Taxes	660.00	1.17%
Publications	325.00	0.58%
Other Admn. Expenses	1267.60	2.26%
Advertising & Publicity	1606.20	2.86%
Professional Services	33113.45	58.91%
Information Technology	2636.16	4.69%
Machinery & Equipment	300.00	0.53%
Major Works	1700.00	3.02%
Lump sum provision for NE States	4307.00	7.66%
Others	3959.95	7.04%
Total	56210.00	

2.9 An amount of ₹3965.00 crore has been provided in BE 2022-23 under MPLADS.

2.10 **Grants-in-aid (under Scheme):** The proposed outlay under grants-in-aid during 2022-23 is ₹3982.81 crore which includes (i) ₹ 32.81 crore for Capacity Development scheme Non- North East and (ii) ₹ 3950.00 crore for MPLAD Scheme.

- Also, in view of the COVID-19 pandemic, activities under the Support for Statistical Strengthening (SSS), a Sub-Scheme of CD Scheme which were to be undertaken by States / UTs were hampered and, as a result of which States/UTs could not complete their physical achievements & financial targets. Thus, they could not seek their instalments as envisaged.
- The provisioned funds for National Integrated Information Platform (NIIP) were linked with achievement of milestones by the vendor engaged in the project. The vendor could not achieve the projected milestones resulting into reduced expenditure. the purpose.

For FY 2021-22:

Further, out of total allocated amount of Rs. 598.36 crore in BE 2021-22 of CD Scheme, Rs. 158.15 crore only could be spent up to 31.12.2021. The major reasons of shortfall in expenditure vis-a-vis the BE 2021-22 are as under:

One of the allocations under CD Scheme was for Economic Census (EC) Sub-Scheme. The BE 2021-22 for EC was Rs. 280 crore and the expenditure under EC was Rs. 0.63 Crore up to 31.12.2021, which was significantly low due to following reasons:

- The balance payment to the Common Services Centers (CSC) -Special Purpose Vehicle - SPV, engaged for the conduct of 7th EC, could not be made due to non-achievement of last payment milestone of the 7th EC.
- Due to COVID-19 pandemic, field visits of officers, planned studies, meetings/ seminars for 7th EC remained restricted. These activities could not be arranged as envisaged and, the provisioned funds could not be utilized.
- The allocation made in Grant-in-Aid (General) under EC could not be utilized as was envisaged due to extension of activities related to closure of 7th EC project and issues relating to preparation of Statistical Business Register (SBR).
- The expenditure under the Support for Statistical Strengthening (SSS) Sub-Scheme of CD Scheme up to 31.12.2021, is Rs. 5.08 crore against BE 2021-22 of Rs. 33.44 crore. Due to COVID 19 pandemic, the activities which were to be undertaken by States/UTs were hampered, and as a result of which, States/UTs could not complete their physical achievements & financial targets. Thus, they could not seek the next instalments.
- The expenditure under National Integrated Information Platform (NIIP) could not happen due to delay in achievement of milestones of NIIP by the vendors. Also, the funds provisioned for construction activities National Statistical Systems Training Academy (NSSTA), CPWD has shown inability to utilize the entire budget resulting to less expenditure."

Scheme-wise allocation of BE.RE &Actual Expenditure 2019-20, 2020-21, 2021-22 and 2022-23

(Scheme Budget)

(Rs.in crore)

Sl. No.	Name of the scheme	2019-20	2020-21			2021-22			2022-23
		Actual expenditure	BE	RE	Actual expenditure	BE	RE	Expenditure (based on e-lekha on 31.12.21)	BE
Central Sector Schemes(1 to 2)									
1	Capacity Development	564.72	706.00	713.96	647.14	598.36	347.00	158.15	562.10
2	NPIQSI					28.52	0.00	0.00	0.01
Total MOSPI (without MPLADS)		564.72	706.00	713.96	647.14	626.88	347.00	158.15	562.11
P.I. Wing									
3	MPLADS	3642.50	3960.00	2.00	1108.15	20.10	2633.50	635.11	3965.00
Grand Scheme Total (MOSPI)		4207.22	4666.00	715.96	1755.30	646.98	2980.50	793.26	4527.11

2.11 There has been a shortfall in fund utilization by Rs.58.86 crore in 2020-21 against the BE of Rs.706 crore; and Rs.440 crore in 2021-22 against the Budget allocation of Rs.598.36 crore (73.53% shortfall) under Capacity Development. On being asked to explain the reasons for the huge mismatch between budgetary allocation and its utilization, the Ministry inter alia submitted the following written reply as stated below:

“For FY 2020-21:

The major reasons for shortfall in fund utilization against the BE allocations under Capacity Development (CD) Scheme in Financial Year 2020-21 are as under:

- Due to expenditure ceilings / restrictions / guidelines issued by Ministry of Finance, and issues arising out of COVID-19 pandemic, many of the activities under CD Scheme viz. tours, training of officers, workshops/seminars, publicity, etc. could not be undertaken physically, as envisaged, and the funds allocated for these activities could not be spent during the FY 2020-21.

CHAPTER III

MEMBERS OF PARLIAMENT LOCAL AREA DEVELOPMENT SCHEME (MPLADS)

The Members of Parliament Local Area Development Scheme (MPLADS) was launched by the Govt. of India on 23rd December 1993 to provide a mechanism for Members of Parliament to recommend works of developmental nature for creation of durable community assets and for provision of basic facilities including community infrastructure, based on locally felt needs to be taken up in their Constituencies/States. Initially, the MPLADS was under the control of Ministry of Rural Development. The subject relating to the MPLADS was transferred to the Ministry of Statistics and Programme Implementation in October 1994. The scheme is governed by a set of Guidelines, which have been comprehensively revised from time to time. The present Guidelines were issued in June 2016.

3.2 The salient features of the MPLAD Scheme:

- a. *MPLADS is a Central Scheme fully funded by the Government of India under which funds are released in the form of Grants-in-aid directly to the District Authorities.*
- b. *The funds released under the Scheme are non-lapsable, i.e. the entitlement of funds not released in a particular year is carried forward to the subsequent years, subject to eligibility. At present, the annual entitlement per MP/Constituency is ₹5crore.*
- c. *Under MPLADS, the role of the Members of Parliament is limited to recommend works. Thereafter, it is the responsibility of the District Authority to sanction, execute and complete the works recommended by Members of Parliament within the stipulated time period.*
- d. *The elected Lok Sabha Members can recommend works in their respective constituencies. The elected members of the Rajya Sabha can recommend works anywhere in the State from which they are elected. Nominated Members of the Lok Sabha and Rajya Sabha can recommend works, anywhere in the country.*
- e. *For the works meant for trust/society there is a ceiling of ₹50 lakh for the lifetime of each trust/society with certain exceptions as mentioned in para 2.5.1 and para 3.21.5 of the Guidelines on MPLADS. An MP can recommend funds only upto*

₹100 lakh in all in a financial year, from MPLADS funds for works to trusts/societies.

- f. *MPLADS works can be implemented in areas affected by natural calamities like flood, cyclone, hailstorm, avalanche, cloudburst, pest attack, landslides, tornado, earthquake, drought, tsunami, fire and biological, chemical, radiological hazards, etc. MPs from the non-affected areas of the State/UT can also recommend permissible works upto a maximum of ₹25 lakh per annum in the affected area(s) in that State/UT.*
- g. *In the event of "Calamity of severe nature" (which is decided and declared by the Government of India) in any part of the country, an MP can recommend works up to a maximum of ₹1 crore for the affected district. The funds in this regard will be released by the Nodal District Authority of the MP concerned to the State Nodal Department of the affected State to execute permissible works as the procedure to this effect was amended vide this Ministry's O.M. No. C-19/2017-MPLADS dated 26.10.2018.*
- h. *In order to accord special attention to the development of areas inhabited by Scheduled Castes (SCs) and Scheduled Tribes (STs), 15% of MPLADS funds are to be utilized for areas inhabited by SC population and 7.5% for areas inhabited by ST population. In case the constituency of a Lok Sabha Member has insufficient ST population, such funds may be utilized in SC inhabited areas and vice-versa. Further, in case the constituency of a Lok Sabha Member has insufficient SC and ST population (both put together) in the area, they may recommend works for the creation of community assets in SC/ST areas outside their Constituency but within their State of election.*
- i. *If an elected Member of Parliament finds the need to contribute MPLADS funds to a place outside that State/UT or outside the constituency within the State or both, the MP can recommend eligible works, under these Guidelines upto a maximum of ₹25 lakh in a financial year. Such a gesture on the part of an MP will promote national unity, harmony, and fraternity among the people, at the grass roots level.*
- j. *The MP may recommend maximum of ₹20 lakh per year for giving assistance to Differently Abled Citizens for purchase of tri-cycles (manual/ battery operated/ motorized), motorized/ battery operated wheel chair and artificial limbs; and aids/devices for visually and hearing impaired.*
- k. *MPs may recommend their MPLADS funds to aided educational institutions which are receiving financial assistance from state government and are recognized by a State/UT/Central Board of Secondary Education in case of schools and by State/Central University in case of colleges and are not charging*

commercial fee from students. Such aided educational institutions are eligible for receiving MPLADS funds for all permissible items under the Guidelines with no ceiling. Both **aided and un-aided** educational institutions which are recognized by a Board of Secondary Education/University and are **run by trusts/societies** are eligible for receiving MPLADS funds for all permissible items under the Guidelines; the particular trust/society which runs the concerned educational institution will be governed by the maximum ceiling i.e. ₹50 lakh imposed on trusts/societies under the Guidelines (para3.21).

- i. Energy efficient Community Gobar Gas plants, Crematoria and structures on burial/ cremation grounds and Non-conventional energy systems/devices for Community use are inter alia included in sector VI & VII of Annexure-IV(E) of the Guidelines. Purchase of Stubble Clearing and Super Seeder machines subject to fulfillment of certain conditions is also permissible under MPLADS.
- m. MPs may recommend MPLADS Funds for augmentation of funds for Scheme such as 'Swachh Bharat Abhiyan' which provides for construction of individual toilets, subject to provisions contained in para 3.17 and 3.18 of the Guidelines on MPLADS.
- n. MPs may recommend MPLADS Funds for the installation of Wi-Fi system in educational institution, village and selected location subject to certain conditions. Purchase of laptops subject to certain conditions is also permissible for Government and Government-aided educational institutions.
- o. Funds released by the Government of India are deposited by the District Administrations in Nationalized Banks (including IDBI Banks)/Regional Rural Banks (Gramin Banks) which are on Core Banking Platform with the Nationalized Bank as their sponsor, for each MP for the purpose of MPLAD Scheme.
- p. The roles of Central Government, State Government, District Authorities and Implementing Agencies have been clearly defined in the Guidelines on MPLADS for implementation of MPLAD Scheme.

Impact

3.3 Since inception, the Scheme has 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 centers, public libraries, bus stands/stops, roads, pathways and bridges, sports, etc. These works are sanctioned, executed and monitored as per the provisions of the MPLADS Guidelines.

3.4 The Ministry has also furnished the following written submissions on MPLADS:

“Under the scheme of MPLADS, since inception of the scheme an aggregate amount of ₹ 55844.75 crore has been released by the Ministry till 31.12.2021. During the same period, the District Authorities are reported to have issued the sanctions for different items of work costing ₹ 56962.11 crore and against this, the expenditure of ₹ 54330.05 crore has been achieved.

- For managing the economic and health impacts of COVID-19 pandemic, a decision was taken by the Union Cabinet not to operate the MPLAD Scheme for two financial years 2020-21 and 2021-22, hence the budgetary outlay of ₹3950.00 crore under MPLAD scheme was placed at the disposal of Ministry of Finance.
- Department of Expenditure vide their O.M. No. OM No.56(2)/PF-II/2006(Pt.), dated 16-3-2021 allotted funds to the tune of ₹ 2,200.00 crore for release of pending installments primarily relating to the year 2019-20, under MPLADS, out of which the Ministry could release 443 installments amounting to ₹ 1107.50 crore in FY 2020-21.
- Department of Expenditure allotted funds to the tune of ₹1172.50 crore for release of 469 pending installments for the FY 2019-20 vide their O.M., dated 28-5-2021. Consequently, ₹ 635.00 crore has been released in current FY 2021-22 (till December 2021).
- The Government has now restored the MPLAD Scheme for the remaining part of the financial year 2021-22 and continued the MPLAD Scheme upto FY 2025-26.
- During the remaining part of the FY 2021-22, the Ministry will release MPLADS funds at the rate of ₹ 2.00 crore per Member of Parliament in one installment, on fulfillment of criteria for the release of first installment of a Financial Year in accordance with extant MPLADS Guidelines.
- During the period of FYs 2022-23 to 2025-26, the annual entitlement per Member of Parliament (MP) will remain at ₹ 5.00 crore which will be released in two installments of ₹ 2.50 crore each, subject to the fulfillment of conditions as per the extant MPLADS Guidelines.”

System of Monitoring of Performance of Capacity Development Scheme

- The Ministry has prepared a Monthly Expenditure Plan (MEP) with the objective of reviewing monthly as well as quarterly progress of utilisation of the budget and initiate timely corrective action. The expenditure is being closely monitored wherever required; so as to avoid large scale unspent budget provisions.

- For each component of the CD Scheme, the physical targets are linked to the MEP and the progress is closely monitored through regular meetings.
- Monthly/Quarterly Expenditure Review meetings are being held to ensure proper utilisation of funds under the scheme.
- System of monitoring of the implementation of MPLAD Scheme: -
- Annual All India Review Meeting with the Nodal Secretaries of the States/UTs is organized to discuss the implementation of the scheme.
- The provisions of guidelines are amended from time to time on the recommendations/suggestions of various stakeholders if found feasible as per the objective of the scheme.
- The Physical and Financial progress of the scheme can be seen and monitored by the various Stakeholders with the help of MPLADS portal.
- Training is provided to district officials to submit the online requisite eligible documents in order to enable the Ministry for timely release of funds.
- The officers of the Ministry visit various states/districts from time to time to review the implementation of the scheme.
- The MoSPI, as a measure of steps for improvement of the Scheme, has conducted a Third-Party Physical Evaluation of MPLADS works in the FY 2021 in respect of 216 Nodal Districts across the country for the assets created in Districts under MPLADS during the period from 01.04.2014 to 31.03.2021. The agency has submitted its final report on 31st August, 2021. Accordingly, this Ministry is in process for revision of Guidelines and revamping of MPLADS portal in consultation with major stakeholders.”

3.5 Actual expenditure under MPLAD Scheme were Rs. 3642.50 crore in 2019-20, Rs 1108.15 crore in 2020-21 and Rs. 635.11 crore (as on 31.12.21) in 2021-22. The Committee wanted to know the reasons for the decreasing trend in MPLADS funds utilization/release; the Ministry in their written reply submitted the following as stated below:

“The reasons for decreasing trend in MPLADS funds utilization/release are as under;

In FY 2019-20

The annual budgetary allocation for MPLAD Scheme is ₹ 3950 crore for release of annual entitlement of ₹ 5 crore to Hon’ble Members of Parliament in two instalments of ₹ 2.5 crore each. The instalments are released in accordance with extant MPLADS guidelines. During the financial year (FY) 2019-20, against the

annual allotment of ₹3950 crore, an amount of ₹3640.00 crore was released based on the eligible release proposals received from the Nodal Districts.

In FY 2020-21

In the FY 2020-21, an amount of ₹ 3950 crore was allocated for MPLAD Scheme. However, for managing the economic and health impacts of COVID-19 pandemic, a decision was taken by the Government in April, 2020 not to operate the MPLAD Scheme for two financial years 2020-21 and 2021-22 and accordingly, the budgetary outlay of ₹ 3950 crore of the MPLAD scheme was placed at the disposal of Ministry of Finance.

Subsequently, the Ministry of Finance made allocation of ₹ 2200 crore on 22-03-2021 for release of pending instalments of FY 2019-20 and FYs prior to 2019-20, subject to the condition that first priority to be given for the release of pending instalments of Financial Year 2019-20, in respect of Members of Parliament of Lok Sabha and Rajya Sabha, up to 31-03-2021. This amount was to be exhausted within the FY 2020-21 for release of pending instalments in respect of works already sanctioned up to 2019-20. The MPLADS Division released ₹1107.5 crore (443 instalments of ₹ 2.5 crores) upto 31-03-2021 in last few days of FY 2020-21, as per the extant MPLADS Guidelines based on the eligible proposals received from the Nodal District Authorities. and each instalment is sanctioned separately after completing established procedure. The Ministry was not able to release instalments to Nodal Districts from where eligible documents were not received and where Election Commission of India had implemented Model Code of Conduct due to assembly elections / bye-elections in few States / UTs.

Therefore, in light of the above conditions, the saving under MPLADS was due to (i) the initial decision of the Government not to operate the MPLAD Scheme for FY 2020-21 and 2021-22 (ii) short window of 10 days for processing cases in March 2021 (iii) Model Code of Conduct in 5 poll-bound States/UTs and (iv) non-receipt of complete proposals from District Administrations.

In FY 2021-22

In 2021-22, ₹ 1172.50 crore was obtained under Rule 61 (Appendix 10) of GFR 2017 vide Department of Economic Affairs Office Memorandum dated 03.06.2021 and first Supplementary for clearing pending liabilities under MPLADS for 2019-20. In November 2021, the Government decided to restore and continue MPLAD Scheme during the remaining part of the financial year 2021-22 and upto 2025-26. Accordingly, an amount of ₹ 2633.50 crore has been allocated in the budget for 2021-22. Out of this, an expenditure of ₹936.50 crore has been incurred upto 15th February 2022. The low pace of expenditure is due to the fact that funds have

been received through Second Batch of Supplementary Demands for Grants only in January, 2022.”

3.6 While deposing before the Committee on 24.02.2022 in connection with examination of Demands for Grants (2022-23), representative of the Ministry made the following oral submission on MPLADS:

“The objective is to enable the hon. MPs to recommend works of development nature in their constituencies. It is focussed on creation of durable assets. The annual budget is, as usual, Rs.5 crore per MP. Rs.5 crore into 790 MPs comes to Rs.3,950 crore. The entitlement is Rs.5 crore per annum. This year in 2021-22 the Cabinet has restricted to Rs.2 crore per annum. We give two per cent to the district as administrative expenditure out of that instalment. These are some of the key sectors where we have the guidelines to recommend the work, and the instalments of the MPLADS have been increasing over the last few years. This has been the instalment structure.”

3.7 Regarding reviewing of guidelines on MPLADS, the Secretary of the Ministry made the following oral submission:

“About MPLADS, as you are all aware, our constraint is, we have guidelines. We follow whatever is the guidelines. I got the suggestion today that our guidelines are little old, that is of 2016. In fact, I would tell here we are actually in the process of revision of the guidelines. We are in consultation process with State authorities and all the stakeholders. We actually initiated before the Covid.”

3.8 On being further asked about the “stakeholders” as referred by the Secretary, he clarified that they are “Mostly we are taking it up with the district authorities and their experience”.

3.9 Release of funds gets delayed as the district authorities do not provide requisite authorities do not provide requisite documents in time. On this issue the Ministry furnished the following submission in their post-evidence reply as stated below:

“Release of funds under MPLADS is strictly subject to fulfillment of fund-related criteria and submission of fund-related documents and those documents being found in order upon scrutiny along with fulfillment of criteria of unspent and un sanctioned balance. Delayed submission of requisite documents like Monthly Progress Report (MPR), Utilization Certificates, Provisional Utilization Certificates and Audit Certificates, by the District Authorities, adversely affect the release of pending installments.

For the purpose of making release of MPLADS funds, Ministry requires consolidated Utilization Certificates from the District Authorities against installments previously released to the District Authorities for works under implementation. The format of the Utilization Certificate is given at Annexure-VIII of the MPLADS Guidelines. Individual Work-wise Utilization/completion Certificates are received by the District Authorities from the implementing agencies at the field level as MPLADS is implemented at the field level within the aegis of such Scheme architecture. The Utilization Certificates have to be duly counter signed by the District Authority. Ministry lays specific emphasis on the opening and closing figures, amount of interest accruing and details of checks exercised by the District Authority while furnishing the Utilization Certificate.

For release purposes, the Ministry also requires Monthly Progress Reports(MPRs). MPRs are dynamic in nature which keep changing progressively with corresponding release/expenditure and contain cumulative details on physical and financial progress of works such as number of works recommended, sanctioned , ongoing, information on unspent and unsanctioned balances, amount received on distribution from predecessor MP, interest accruing, number of inspections done by the District Authority etc. Every fresh MPR received through the portal of the Ministry is duly scrutinized and compared by the Ministry with the previous MPR submitted by the District Authority and discrepancies, if any, are taken up with the District Authorities which are then required to take appropriate action and submit rectified MPRs along with clarification on the discrepancies so observed. The format of the MPR is given at Annexure-VI of the MPLADS Guidelines. A dedicated team of Officials is entrusted with this task in particular.

Audit Certificate is also required for release of funds. All the clauses of Audit Certificate are minutely scrutinized and even minor discrepancies in the wordings/figures are taken up with the District Authorities who are then required to take up the discrepancies with the Auditing firm and re-submit rectified Audit Certificate along with the clause-wise action taken report. The format of the Audit Certificate is given at Annexure-IX of the MPLADS Guidelines.

To address the issue of sub-optimal utilization of MPLADS funds,

- i. Ministry has time and again taken up the matter of sub-optimal utilization of MPLADS funds with the State/UT Nodal Departments during the Annual Review Meeting on MPLADS, the latest during the occasion of 22nd All India Review Meeting with State/UT Nodal Departments on 17th January, 2020.
- ii. All the States/ UTs were directed to take up the cases rigorously where utilization is not up to the mark to improve the utilization of funds. The States/UT have been directed to ensure that funds released in a year are utilized in the same year so that delay in release of funds could be minimized and instances of parking / idling of funds in the bank accounts as unspent balance could be reduced.

- iii. District Authorities have also been directed to speed up utilization (by following due processes) and diligently follow the time line for sanction as prescribed in Para 3.12 and 3.13 in the MPLADS Guidelines.
- iv. The Nodal Departments of the State/UT Governments are also impressed upon by the Ministry to put in place an institutional mechanism to regularly review the progress of implementation and utilization of funds under MPLAD Scheme, if not done so far. They are time and again requested to convene meetings under the Chairmanship of Chief Secretary/ Administrator of the State/UT with the District Authorities and MPs at least once in a year and send the Minutes of such Meetings to the Ministry.
- v. Officers of the Ministry are deputed to visit various States/districts to review the implementation of the Scheme which contributes positively to speed up the pace of execution of works.
- vi. The Ministry intends to address the existing gaps in MPLADS by use of technology through proposed revamp of the MPLADS portal. The Ministry intends to incorporate additional technology-enabled functionalities in the existing MPLADs portal and convert it into a technological solution.”

CHAPTER IV

NATIONAL INTEGRATED INFORMATION PLATFORM (NIIP)

The National Integrated Information Platform (NIIP) has been envisaged as a platform for automation of the official statistical processes and development of a National Data Warehouse of Official Statistics (NDWOS).

4.2 MoSPI collects, compiles and publishes various socio-economic indicators of National Interest for policy making, planning, research and other public users e.g. Index of Industrial Production (IIP), Consumer Price Index (CPI), National Accounts Statistics (NAS), Sustainable Development Goals (SDG) indicators, etc. There are several portals/ software/ manual systems existing for performing these tasks and data acquisition is dependent on manual processes. The existing portals of MoSPI, with improved features, are proposed to be brought under the NIIP as part of the NIIP project presently being implemented by MoSPI.

4.3 Learning Management System (LMS) has also been made part of this project for overall capacity building of statistical system for internal use of National Statistical Systems Training Academy (NSSTA).

The status of major activities undertaken under this project, so far, are stated below:

- System requirement study has been completed for most of the divisions.
- Portal development of CPI & OCMS has been completed and is under deployment for business testing.
- MoSPI website has been launched on 17th November, 2020 with new features.
- Portal development and testing of IIP is in progress.
- Data migration for EC 3-6, some surveys of NSS, CPI, IIP, ASI etc. for last 10 years has been completed and ASI & NSS (5 Surveys) dashboard has been deployed in production for Go-Live. Development of remaining NSS schedules is in progress and other analytical dashboards are under different stages of development.
- Learning Management System (LMS) has been deployed in production.

- Development of Analytics Dashboard NIIP and NIF is in progress.
- Portal development of Classification, Energy Statistics and NAD-14 units are in progress.
- Development of 6 modules has been completed in Training Unit and are under User Acceptance Testing.

4.4 National Integrated Information Portal (NIIP), is designed as a one-stop platform for all official statistics using advanced technology to integrate existing and future data bases of administrative statistics and ensuing data across government offices, sectors, geographies and time.

4.5 When asked to furnish the factual status of the project (NIIP), and to state whether it is operational now, the Ministry inter alia gave the following reply as stated below:

“NIIP is a complex project having a number of modules of various products of MoSPI. There are about 37 modules of NIIP at various stages of development. These stages include legacy data migration, system requirements design, development of software and related environment/portal/dashboards, testing of the product, enablement of the production environment, security audit, training of stakeholders and support for on-going services and portals. The details of stages of key products / modules are as follows:

- System requirement study is completed for the divisions.
- Data migration of Economic Census (EC 3-6), surveys of National Sample Survey (NSS), Consumer Price Index (CPI), Index of Industrial Production (IIP), Annual Survey of Industries (ASI) etc. for last 10 years is completed.
- MoSPI website has been launched on 17th November, 2020.
- Learning Management System (LMS) has been deployed in production for internal use of National Statistical System Training Academy (NSSTA) for imparting training to Central and state Govt. officers/ officials.
- Dashboards of Annual Survey of Industries (ASI) & National Sample Surveys (5 Surveys) have been deployed in production for Go-Live. Development of remaining NSS schedules and EC are completed.
- The other products / modules under NIIP are at various stages of development / testing / Deployment.”

4.6 The National Integrated Information Platform (NIIP) has been envisaged as a platform for automation of the official statistical processes and development of a National Data Warehouse of Official Statistics (NDWOS). The NDWOS is aimed to evolve as a digital repository of all official statistics with homogenized meta-data. NIIP will also provide tools for data analytics to power users for generating desired set of statistics/ graphs/ charts/ GIS visualisations, based on the data stored in NDWOS. Dashboards, data visualisations and sharable data downloads would also be made available to general users.

4.7 The Ministry were asked whether real time validation data and monitoring of the national economy will be enabled by this project without time lag, the Ministry in their reply stated:

“Publishing economic indicators/ factsheets in different formats at regular intervals is an important need of India’s policy makers and international organizations etc. NIIP will cater to the need of publishing at a single place, important economic indicators at regular intervals in the form of reports & visualizations in a user friendly manner. NIIP platform will include MoSPI products like IIP, CPI, National Accounts, OCMS, Dashboards of various NSS Survey, Annual Survey of Industries, Indicators of Indian Economy etc.. Presently 30 indicators are being compiled from respective data sources and are being uploaded on the website of MOSPI”.

4.8 While deposing before the Committee on 24.02.2022, the Secretary, MoSPI made the following oral submission on the issue of integrity of data published by the Ministry as stated below:

“I would like to make one more point here. GDP and those things, media and those debates may come because many of the times there is academic debate also, and even in two experts in the same Committee because all the products we are saying are all vetted by the Committee, Working Group and also the National Statistical Commission.”

CHAPTER V

PERIODIC LABOUR FORCE SURVEY (PLFS)

The nationwide Periodic Labour Force Survey (PLFS) was launched from April 2017. The objective of PLFS is primarily two-fold viz. (i) to measure the labour force indicators in the short time interval of three months for the urban areas only in the Current Weekly Status (CWS) and (ii) to generate estimates of all important labour force parameters in both usual status (ps+ss) and CWS annually for both rural and urban areas.

5.2 Rotational panel sampling design is being used for PLFS in the urban areas. In the rotational scheme of two years duration sampling frame for both urban and rural areas remain unchanged. The panel which had been in use for two years has been replaced with an updated panel from July, 2021. The updated panel will remain unaltered till July 2023. Current Panel (July 2021-June 2023) is in progress in eSIGMA platform.

5.3 The Annual Report on PLFS for 2019-20 was released in July 2021. Quarterly Bulletin of PLFS for the quarter July-September 2020 was released in August 2021, Quarterly Bulletin of PLFS for the quarter October-December 2020 was released in September 2021 and Quarterly Bulletin of PLFS for the quarter January-March 2021 was released in November 2021. The Annual Bulletin on additional indicators of PLFS for the period July 2019 – June 2020 was released in September 2021.

5.4 The Ministry in their replies to list of points have furnished the following written submission on PLFS:

“PLFS is a continuous survey launched by the NSO in 2017. This survey enables generation of annual estimates of various employment and unemployment indicators for both rural and urban areas. Prior to PLFS, employment and unemployment indicators were not available annually/quarterly. On the basis of PLFS, Quarterly Bulletins are brought out, corresponding to different quarters of the survey period, giving estimates of labour force indicators, for the urban areas.

Some additional information was also collected in PLFS during 2020-21 on (a) Migration particulars and temporary visitors in the households (b) duration of engagement in the work, reason for not working during last 365 days, etc.

Refinement of survey sampling methodology:

- a. On the basis of the recommendations of the National Statistical Commission to ensure that the time taken for filling up the responses in NSS surveys may be targeted at around 45 minutes, a number of changes/modifications have been incorporated in the questionnaires. In addition, changes in the survey methodology of collection of data have also been made for reducing respondent burden and enhancement of quality of the survey data.
- b. Necessary refinement in sampling design through stratification and enhancement of sample size has been incorporated with a view to generate estimates of some important parameters for aspirational districts in CAMS.
- c. In PLFS, a rotational panel sampling design is used in urban areas. In this rotational panel scheme each selected household in urban areas is visited four times – in the beginning with first visit schedule and thrice periodically later with revisit schedule. For rural areas, in each quarter of the survey period, 25% FSUs of annual allocation were covered. Rotational panel sampling is used in the labour force survey by NSO for the first time with the objective of generation of quarterly estimates of employment and unemployment indicators in urban areas.”

5.5 While deposing before the Committee on 24.02.2022, the Secretary, Ministry of Statistics and Programme Implementation made the following oral submission on PLFS report as stated below:

“Yes, there are certain issues on Period Labour Force Survey. Maybe, some of you have touched upon the delay. These surveys are relatively new. It is three years old now. I am not giving any justification. I also do agree that the delay has to reduce. In fact, my team has worked hard and set up a plan to make better use of technology to review the time lag. From current nine months’ time lag. Maybe, in one stroke, it will be challenging to go to two months. But in the phased manner, nine months or seven months, we will improve this in the near future. That is definitely our aim because we also believe that not only quality of the data but also timeliness should be maintained so that it is more useful in the policy.

About PLFS, I have come across few media articles including one by NITI Aayog. They say that PLFS quality is excellent. It is released quarterly and we also do the annual release. Quarterly data is released only with respect to urban areas. For this quarterly data, quality has been assessed. They also reported it in the media article. I also had a chance on many occasions to meet the former Chief Economic Adviser in person. My intention was to take his input as to how to improve this employment statistics. He also gave an assurance that there is no doubt about data quality. We

can just reduce the nine months' lag to at least four or five months in the beginning. Then if we go in the long run, align it with the GDP frequency, it will be good enough. I also took the feedback of the then Chief Economic Adviser to improve this and we are improving it."

5.6 The Committee wanted to know when was the most recent PLFS report released by the Ministry. The Secretary, inter alia stated:

"Sir, we have released up to quarter ending March, 2021."

5.7 On being asked about the global benchmark to put out labour data and to specify whether it takes a year for it, the Secretary, Ministry of Statistics and Programme Implementation made the following oral submission:

"Definitely not. The benchmark varies from country to country between maybe two months to five months. We are trying to achieve that benchmark. As I said, this is a three-year old survey. We are definitely moving now in that direction, we have a plan to use technology."

5.8 He further added that:

"Maybe in another fifteen days' time I will be releasing the quarter ending June 2021, and gradually this lag will reduce. Gradually that lag will get reduced. These are all backlogs and this was done manually. Unless I clear that, even though I am using recent survey technology, those will not be released till the backlogs are cleared. This is a time series."

CHAPTER VI

SEVENTH ECONOMIC CENSUS

The 7th Economic Census (EC) is being conducted by MoSPI as a Central Sector Sub Scheme under the umbrella scheme Capacity Development during the period 2019-21. EC gives the total count of non-farm establishments in the formal and informal sector and number of workers working therein along with other cross-sectional parameters at the lowest level of geography.

6.2 CSC e-Governance Services India Ltd (an SPV under the Ministry of Electronics and Information Technology) has been engaged as the implementing agency by the Ministry to undertake engagement & training of enumerators for data collection/supervision, development of IT platform, etc. for 7th EC. Field work of 7th EC was launched across the States/UTs in a phased manner during the year 2019 and was completed (except the State of West Bengal and a few pockets in the UT of Andaman & Nicobar Islands) on 31st March, 2021.

6.3 End-to-end IT implementation in Economic Census has facilitated near real time fieldwork, monitoring, supervision, data analytics and report generation/dissemination. The sampling frame for future surveys, directory of establishments, etc., 7th EC results are expected to benefit policy makers, researchers, businesses, etc. in their evidence based decision making.

6.4 The Committee wanted to know the improvements and efficiency brought about with the use of ICT application in the process of the 7th Economic Census, the Ministry gave the following reply:

“In previous six economic censuses, data collection activity was done on paper-based schedule. In the absence of digitization in data collection; real time monitoring of fieldwork & supervision, concurrent data analytics for improving data quality and mid-course corrections, etc. were major challenges. Using advanced ICT tools, 7th Economic Census is being conducted using end-to-end digital platform that has resulted in various improvements in this humongous data collection activity.

Standardization and implementation of various processes have resulted in increased efficiency, inter alia, as under:

- i. Training & on boarding of enumerators through online Learning Management System (LMS)
- ii. Monitoring of fieldwork (such as, manpower mobilization, fieldwork coverage and completion, supervision) through interactive MIS dashboards by State & Central agencies at District/SRO/RO/State Capital/Zone/National level
- iii. Independent sample second level supervision by State/Central agencies;
- iv. Improved data quality and mid-course interventions using concurrent data analytics
- v. Continuous consultation and feedback from State/UT on provisional results as available on interactive Business Intelligence tool.
- vi. Availability of digitized data for quick finalization and dissemination to users.

Despite several challenges, 7th EC fieldwork has been completed in all State/UTs except West Bengal and in a few pockets of A&N Islands. Activities pertaining to data validation, cleaning and finalization is being undertaken in consultation with State/UT government. Follow up with State/UT is being done for early examination of provisional results and approval by the State Level Coordination Committees (SLCC-constituted under State Chief Secretary) to enable Ministry in releasing All India results at the earliest."

6.5 In reply to specific query on Periodic Economic Census, the Ministry inter-alia given the following post evidence reply as stated below:

"Periodic Economic Censuses are important to assess the entrepreneurial growth in the country.

Economic Census (EC) provides valuable insight into spread/clusters of economic activities, ownership pattern, persons engaged, source of finance, etc. of all establishments (especially household-based establishments) in the country. In addition to providing an updated sampling frame for follow-up enterprise surveys, 7th EC database is expected to form the foundation for Statistical Business Register (SBR). SBR is an important statistical product that can be used to obtain critical inputs on business demography for policy interventions by government agencies at central/state level.

EC database may also provide insights into evolving nature of entrepreneurship; corresponding skilling requirement & employment potential; etc. Future economic censuses are expected to update SBR as also to measure the evolving nature of entrepreneurship in the country."

Part-II

OBSERVATIONS/RECOMMENDATIONS

CAPACITY DEVELOPMENT (CD) SCHEME

1. The Committee note that under the Capacity Development (CD) Head there have been shortfalls in fund utilization by Rs. 58.86 crore in 2020-21 against the BE of Rs 706 crore; and Rs. 440 crore in 2021-22 against the Budget allocation of Rs. 598.36 crore (73.53% shortfall). The reasons furnished by the Ministry for the shortfalls include such factor as expenditure ceilings/restrictions/guidelines issued by Ministry of Finance, issues arising out of Covid 19 pandemic which curtailed tours, training of officers, workshops/seminars etc. However, the reasons for the shortfall furnished by the Ministry are not convincing to the Committee. The Committee understand that Covid 19 pandemic led to curtailment of many planned activities. However, they feel that fund utilization shortfall to the extent of 73.53% cannot be justified by Covid 19 pandemic alone. Furthermore, non-achievement of projected milestone by vendors engaged in concerned projects cannot justify the huge variation between the Budget outlay and actual expenditure. While the Capacity Development head has various important component in terms of projects, the huge unspent allocation has indicated that most projects have been left dormant which also points towards the failure of the Ministry in monitoring the concerned vendors to complete projects on a timely basis. The Committee are inclined to believe that proper budgetary yardstick has not been applied while formulating budget proposal under this Head (Capacity

Development). The Committee, therefore, urge the Ministry to ensure that projects under Capacity Development are monitored closely and also that realistic yardsticks are applied when budgetary projection are made.

MEMBERS OF PARLIAMENT LOCAL AREA DEVELOPMENT SCHEME (MPLADS)

2. Members of Parliament Local Area Development Scheme (MPLADS) was launched to provide a mechanism for Members of Parliament to recommend works of developmental nature for creation of durable community assets and provision of basic facilities including community infrastructure, based on locally felt needs to be taken up in their Constituencies/States. As per third party monitoring agencies – National Bank for Agriculture and Rural Development Consultancy Services (NABCONS) and Agricultural Finance Corporation (AFC) Ltd, the MPLAD Scheme is found to be a unique scheme, having the characteristic features of decentralized development which resulted in creation of good quality assets, which have had a positive impact on the local economy, social fabric and physical environment. Both these agencies also noticed a few shortcomings/lacunae in the implementation of the scheme such as diversion of use of MPLADS assets, delay in financial sanction, delay in completion of works and works awarded to ineligible trusts/societies. The Committee further note that Third Party Evaluation conducted in 2021 by M/s Deloitte Touch Tohmatsu India LL (DELLOITE) found that out of the total assets assessed and verified, 95.9% of assets were found to be functional and 95.6% of the total projects created under MPLADS are found to be durable. In the backdrop of these findings of third-party agencies, the Committee find it pertinent to mention that full utilization of fund

allocated under MPLADS is a big challenge as the guidelines governing the modalities of fund release and mechanism of implementation of the Scheme need review and revamp. The MPLADS's main stakeholders i.e. Members of Parliament, have their role only "limited to recommend works". It has been stated in Para 7.1(c) in Annual Report 2021-22 (MOSPI) *"Under MPLADS, the role of the Members of Parliament is limited to recommend works. Thereafter, it is the responsibility of the District Authority to sanction, execute and complete the works recommended by Members of Parliament within the stipulated time period"*. The Committee are of the view that unless guidelines of MPLADS are streamlined, optimum fund release and implementation of projects under MPLAD Scheme may continue to lag. Implementation of the projects relying heavily on the concerned District Authority often posed a bottleneck for projects under MPLADS. On this specific issue, the Ministry in their post evidence reply have also submitted that *"Delayed submission of requisite fund-related documents like Utilization Certificates, Provisional Utilization Certificates and Audit Certificates, by the District Authorities, adversely affect the release of pending installments"*. The Committee also feel pertinent to mention that though District Authority get 2% administration charge for projects under MPLADS, necessary documents for release of funds could not come forth from them in time. The Committee, therefore, urge the Ministry to plug such administrative delays and also consider the views of Members of Parliament in this respect, when the MPLADS guidelines are revised.

NATIONAL INTEGRATED INFORMATION PORTAL (NIIP)

3. The Committee note that National Integrated Information Portal (NIIP) is designed as one-stop platform for all official statistics using advanced technology to integrate existing and future data bases of administration statistics and ensuring data across government offices/sectors, geographies and time. The Ministry in their written submission informed the Committee that NIIP is a complex project having a number of modules of various products of MoSPI. There are about 37 modules of NIIP at various stages of development. The Committee also note that the existing portal of MoSPI, with improved features, are proposed to be brought under the NIIP as part of the NIIP project presently being implemented by MoSPI. In this regard, the Committee urge the Ministry to expedite completion of the ongoing NIIP design as soon as possible and make it comparable to the best designs in the world such as the World Bank and IMF portals etc.

PERIODIC LABOUR FORCE SURVEY (PLFS)

4. From the reply furnished by the Ministry, the Committee note that Periodic Labour Force Survey (PLFS) is a continuous survey launched by the NSO in 2017 and this survey enables generation of annual estimates of various employment and unemployment indicators for both rural and urban areas. The Committee are however surprised to note the long time-lag in releasing reports on PLFS. The Quarterly Bulletin of PLFS for the quarter July-September 2020 was released in August 2021; for October-December 2020 quarter, in September 2021; and for January-March 2021, in November 2021 and so on. The Secretary, MoSPI has

acknowledged the time-lag in the PLFS report while deposing before the Committee. The Committee desire that employment data provided by PLFS, being one of the most important socio-economic indicators, vital to policy makers should be produced periodically without time-lag. The Committee, therefore, urge the Ministry to narrow down the time-lag in PLFS report by scaling up the efforts and making use of advanced information technology.

ECONOMIC CENSUS

5. The Committee understand that Economic Census (EC) provides valuable insight into spread/clusters of economic activities, ownership pattern, source of finance, etc. of all establishments in the country. Regarding the 7th Economic Census which was launched in 2019, the Ministry informed that “using advanced ICT tools, 7th Economic Census is being conducted using end-to-end digital platform that has resulted in various improvements in this humungous data collection activity”. The Ministry further submitted that “Despite several challenges, 7th EC field work has been completed in all states/UTs except West Bengal and in a few pockets of A&N Islands”. The Committee feel pertinent to mention that the 7th EC has taken more than 3 years to complete the census, and this will make the data on some items/samples irrelevant or outdated for stakeholders to be used as parameters. The Committee, therefore, expect the Ministry to release the Economic Census without any further delay lest the data becomes infructuous.

New Delhi;
14 March, 2022
23 Phalgun, 1943 (Saka)

SHRI JAYANT SINHA,
Chairperson
Standing Committee on Finance

Minutes of the Twelfth sitting of the Standing Committee on Finance (2021-22)
The Committee sat on Thursday, the 24th February, 2022 from 1420hrs. to 1620
hrs in Main Committee Room, Parliament House Annexe, New Delhi.

PRESENT

Shri Jayant Sinha – Chairperson

LOK SABHA

2. Shri S.S. Ahluwalia
3. Shri Subhash Chandra Baheria
4. Dr. Subhash Ramrao Bhamre
5. Shri Gaurav Gogoi
6. Shri Manoj Kotak
7. Shri Pinaki Misra
8. Shri Gopal Shetty
9. Shri Manish Tewari

RAJYA SABHA

10. Shri Ahmad Ashfaque Karim
11. Dr. Amar Patnaik
12. Shri Mahesh Poddar
13. Dr. C.M. Ramesh
14. Smt. Ambika Soni

SECRETARIAT

- | | | | |
|----|------------------------------|---|---------------------|
| 1. | Shri Siddharth Mahajan | - | Joint Secretary |
| 2. | Shri Ramkumar Suryanarayanan | - | Director |
| 3. | Shri Kulmohan Singh Arora | - | Additional Director |
| 4. | Shri Kh. Ginlal Chung | - | Deputy Secretary |

WITNESSES

Ministry of Statistics and Programme Implementation

1. Shri G.P. Samantha, Secretary
2. Shri Jayant Sinha, Additional Secretary & Financial Advisor
3. Shri Shankar Lal Menaria, DG (FOD)
4. Shri Madan Mohan hasija, ADG (IICU)
5. Shri Tanweer Qamar Mohammad, JS (Admin)
6. Shri Arindam Modak, DDG (PI)
7. Shri Chandradeep Kumar Jha, DDG
8. Ms. Sanghmitra Bandyopadhyay, Director (ISI)

2. At the outset, the Chairperson welcomed the Members and the witnesses to the sitting of the Committee. After customary introduction the Ministry gave a PowerPoint Presentation on the mandate of the Ministry and budget allocations. The subsequent issues discussed include improving modalities for release of MPLADS funds, utilization of the fund for community development, construction of infrastructure, quantum of funds for MPLADS *vis-à-vis* Member of Legislative Assembly Local Area Development Fund, management of 2% of MPLADS as administrative expenses, review of MPLADS Guidelines and inviting the views and suggestions of its stakeholders, efficient data collection and release of real time data indicators, data integration using IMF model, enhanced Ministry's dashboard (making it more user friendly), definition employment, Periodic Labour Force Survey (PLFS), etc.

3. The witnesses responded to the queries raised by the Members and the Chairperson then directed the representatives of the Ministry of Statistics and Programme Implementation to furnish written replies to the points raised by the Members which could not be readily replied by them during the discussion within a week to the Secretariat.

The witnesses then withdrew.

A verbatim record of the proceedings has been kept.

Minutes of the Thirteenth sitting of the Standing Committee on Finance (2021-22)
The Committee sat on Monday, the 14th March, 2022 from 1500hrs. to 1630 hrs. in
Committee Room 'B', Parliament House Annexe, New Delhi.

PRESENT

Shri Jayant Sinha – Chairperson

LOK SABHA

2. Shri S.S. Ahluwalia
3. Shri Subhash Chandra Baheria
4. Shri Shrirang Appa Barne
5. Dr. Subhash Ramrao Bhamre
6. Smt. Sunita Duggal
7. Shri Manoj Kotak
8. Shri Ravi Shankar Prasad
9. Shri Gopal Shetty
10. Shri Manish Tewari
11. Shri Rajesh Verma

RAJYA SABHA

12. Shri Sushil Kumar Modi
13. Shri A. Navaneethakrishnan
14. Shri Praful Patel
15. Dr. Amar Patnaik
16. Shri Mahesh Poddar
17. Shri G.V.L Narasimha Rao

SECRETARIAT

- | | | | |
|----|------------------------------|---|---------------------|
| 1. | Shri Siddharth Mahajan | - | Joint Secretary |
| 2. | Shri Ramkumar Suryanarayanan | - | Director |
| 3. | Shri Kulmohan Singh Arora | - | Additional Director |
| 4. | Shri Kh. Ginlal Chung | - | Deputy 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) Fortieth Report on Demands for Grants (2022-23) of the Ministry of Finance (Departments of Economic Affairs, Expenditure, Financial Services, Investment & Public Asset Management and Public Enterprises).
- (ii) Forty-First Report on Demands for Grants (2022-23) of the Ministry of Finance (Department of Revenue).
- (iii) Forty-Second Report on Demands for Grants (2022-23) of the Ministry of Corporate Affairs.
- (iv) Forty-Third Report on Demands for Grants (2022-23) of the Ministry of Planning.
- (v) Forty-Fourth Report on Demands for Grants (2022-23) of the Ministry of Statistics and Programme Implementation.

After some deliberations, the Committee adopted the 40th to 44th draft Reports on DFG (2022-23) and authorised the Chairperson to finalise them and present the Reports to the Parliament. The Committee decided to defer adoption of the Report on 'the Chartered Accountants, the Cost and Works Accountants and the Company Secretaries (Amendment) Bill, 2021' as some Members sought more time to consider the various issues related to the Bill.

The Committee then adjourned.

A verbatim record of the proceedings has been kept.