



**Ministry of Statistics & Programme  
Implementation**

**REPLY**

**TO**

**SEVENTY – EIGHTH REPORT**

**Of**

**Action taken by the Government on the  
recommendations contained in Seventieth Report**

**Of**

**The Standing Committee on Finance,  
Lok Sabha Secretariat,  
on the Demands for Grants (2013-14)**

Seventy Eighth Report on Action Taken by Government on the Recommendations/observation contained in the Seventieth Report of the Standing Committee on Finance on Demands for Grants (2013-14) of the Ministry of Statistics and Programme Implementation.

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**Seventy Eighth Report on Action Taken by Government on the Recommendations/observation contained in the Seventieth Report of the Standing Committee on Finance on Demands for Grants (2013-14) of the Ministry of Statistics and Programme Implementation.**

**Recommendation Serial No. 1**

**(Para No. 7)**

**(Budgetary Allocation)**

The Committee are constrained to note that the Ministry have furnished a routine reply regarding under-utilisation of plan funds, just as their budget formulation itself, wherein they have kept their BE at the same level (i.e. Rs. 631 crore) since 2012-13 without any regard to actual expenditure. They have now sought to shift the onus on the state governments and hold them responsible for the slow pace of utilization of funds. The Committee are, however, of the view that it is the responsibility of the Ministry to follow-up and constantly monitor the utilisation of plan funds and implementation of related programmes at the state level. Thus the Ministry has to squarely assume responsibility in this regard, as these schemes have been formulated and funded by them. The Committee desire that the identification of States should be done, which are lagging behind in utilization of funds and that corrective steps be taken to identify the problem areas and difficulties encountered by these States and apprise the Committee in this regard within 3 months from presentation of this Report.

**Reply:-**

The ISSP, a complex and multi-dimensional Project being the first of its kind being implemented in the country by the State Statistical Organisations, had initially encountered several serious teething problems at the State/ UT levels, such as securing, in a timely manner, the requisite financial and administrative approvals for implementation of the various components of the scheme, delays pertaining to allocation of land for execution of the physical infrastructure, delays due to coordination issues between the State Statistical Bureaus/State Directorates of Economics & Statistical, and concerned line Departments/agencies of the State/UT Governments etc. However, the implementation of the project in the States has now gathered momentum as a result of initiatives/ measures taken by the Ministry such as reviews and meetings, visits to States/UTs, use of various force such as Conference of Central and State Statistical Organizations (COCSSO), Inter-Zonal Council Meetings etc. for discussions on ISSP etc. During September, 2013, the status of project implementation was reviewed and the matter was taken up with Chief Secretaries of 11 states, to inter-alia review the physical and financial progress from time to time and if necessary, have a fresh re-assessment based on realistically doable activities, timelines and fund requirement etc.

2. So far, `148.12 Crore has been released to 14 States/UT, with Karnataka having received even its third installment. The states of Rajasthan, Gujarat, Andhra Pradesh, Tamil Nadu, West Bengal and Mizoram have almost utilized their first installment of funds released and approached the Ministry for release of their second installment. Their proposals are being examined at present. The review of Jharkhand project was taken up in October, 2013 and the State Government was requested to speed up the implementation. Discussions have been held with Sikkim, Kerala and Orissa and they have been advised to speed up the utilization

with realistic assessment of deliverables, cost and time considerations, Continuous efforts are being made with the concerned State/ UT Governments to improve the implementation of project.

3. It is pertinent to mention that constant meeting of expenditure figures of Ministry by Secretary (S&PI) in senior officers meeting has led to encouraging results as on 31<sup>st</sup> December, 2013, in current Financial Year 2013-14, out of `595 crore (at RE) allocated to Ministry (excluding MPLADS), expenditure of ` 388 crore i.e. 65% of total allocation, has been achieved.

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**Recommendation Serial No. 2**

**(Para No. 10)**

**(Basic Statistics for Local Development (BSLLD) Scheme)**

The Committee had observed that they were not happy with the persistent under utilisation of budgetary allocation under Basic Statistics for Local Level Development (BSLLD) Scheme and therefore desired that realistic projection of funds for the scheme should be made so as to achieve the intended objectives. In their response, the Ministry have simply stated that “the recommendations of the Committee are noted for compliance.” As this is not a satisfactory reply, particularly considering the large deficit in utilisation of funds amounting to just about half of the allocations year after year, the Committee would like the Ministry to furnish comprehensive action taken replies indicating the specific action taken or proposed to be taken by them as per extant action taken procedures, which has been intimated to them while forwarding copy of the Committee’s Report.

**Reply:-**

“Basic Statistics for Local Level Development (BSLLD)” is a Plan Scheme for Pilot Studies on:

a) Identifying data sources for compilation of BSLLD, b) Construction and field testing of schedules and instruction sets for compiling village/ward/ city/town level statistics, c) development of Methodology for collection of information etc.

The nature of the Scheme is such that the Ministry has to depend on various States/UTs Governments for its implementation. Under the said Scheme, the funds are given to the State/UTs Governments for conduction the said pilot studies. The fresh sanction of funds depends on the utilization of earlier sanctioned funds and the completion of work by them. The slow pace of work and non- utilization of funds results in under- utilization of plan funds.

The MOSPI is constantly following up with the States/UTs Governments to ensure the utilization of funds. The follow up is done in the form of written as well as oral communications. Review meetings were taken with State Governments at the level of Director, Deputy Director General and Additional Director General at regular intervals. Even at the level of Secretary, MOSPI, Half yearly review meetings were convened to speed up utilization of funds released to the States. Most recent review meeting was organized on 1<sup>st</sup> October, 2013, under the chairpersonship of Additional DG, Social Statistics Division, Central Statistics Office where officers from most of the Directorates of Economics & statistics of State/UTs Governments participated. The timely utilization of funds and the completion of work were once again emphasized. Simultaneously, as a part of realistic assessment, the budget provision has been suitably adjusted for current Financial Year.

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**Recommendation Serial No. 3**

**(Para No. 13)**

**(Collection and dissemination of reliable and credible statistics)**

**While appreciating the administrative measures taken by the Ministry to strengthen the statistical cadre, the Committee would reiterate that Data Validation Mechanism should be put in place at various levels in order to improve data quality and reliability. In this connection, the setting up of a Division in the Department of Economic Affairs as well as establishing Statistical Divisions in all the other important Departments which have been enumerated in the action taken replies of the Ministry, along with cadre review of the Statistical Services should be expedited. This will help to ensure better implementation of programmes and projects and effective monitoring thereof.**

**Reply:-**

It is informed that data validation checks are already a part of the procedures followed in the compilation of National Accounts and the Consumer Price Indices. However, often the estimates of National Accounts undergo revision due to revision in the data received from source agencies. Therefore, it needs to be ensured that the data received from the source agencies, is duly validated, which is only possible if there is a well-augmented Statistical Division in each of these



source agencies. Some of the agencies which supply data for this Division, but do not have an established Statistical Division are -

1. Department of Shipping
2. Department of Financial Services
3. Railway Board, M/o Railways
4. Department of Public Enterprises
5. Department of Heavy Industries
6. Department of Power
7. Department of Revenue

Further, there is a need to set up a Division in the Department of Economic Affairs so that the National Accounts data which is used for various economic policy purposes may be optimally and effectively utilized.

To take care of concerns raised, Ministry is taking several steps. However, the most important step for reforming administrative and technical structure of Indian Statistical System is to carry out the cadre review of the service by suitably equipping all relevant Ministries/Departments with statistical personnel at appropriate level. Ministry has already initiated the proposal of next comprehensive Cadre Review of Indian Statistical Service.

The cadre review will ensure establishing of statistical division in above Ministries/Departments and it is expected that the quality of data furnished by these Ministries/ Department will improve.

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**Recommendation Serial No. 4**

**(Para No. 16)**

**(Shortage of Manpower)**

**The Committee regrets to note that the Ministry has not yet taken effective steps to overcome shortage of manpower. Therefore, the Committee would like to recommend that energetic steps may be taken by the Ministry to overcome this constraint within a period of one year.**

**Reply:-**

With respect to shortage of manpower in Subordinate Statistical Service, it is informed that M/o Statistics & Programme Implementation have taken necessary action to minimize the number of vacancies. As on 1<sup>st</sup> November, 2013 there are 232 Vacancies in Statistical Investigators Gr. I and 968 vacancies in Statistical Investigator Grade II. Now since the revised Recruitment Rules have been notified all vacant posts in Statistical Investigator Grade-I will be filled up by granting promotions to S.I Gr.II. Besides, 496 posts in Statistical Investigator Grade-II were filled up by direct recruitment through Staff Selection Commission during 2012-13 and for the year 2013-14 it is proposed to recruit 453 candidates recommended by SSC through Combined Graduate Level Examination 2012 as against intimated vacancies of 700. Further about 512 vacancies against CGLE 2013 have been conveyed to SSC against CGLE 2013 and hopefully this will arrest the issue of

shortage of manpower. The Ministry of Statistics and Programme Implementation is also taking up all the steps to reduce the rate of attrition in S.I Gr.II.

One of the reasons for higher rate of attrition has been lower grade pay in SSS and the matter was taken up with Cabinet Secretariat through a COS note on which views of DOPT have been obtained and the same are being forwarded to Cabinet Secretariat for consideration by the COS. By adhering to Strategic Action Plan 2012-15, M/o Statistics & Programme Implementation shall overcome the problem of manpower shortage in the next few years.

Till date, in the current financial year, appointment letter to 343 Statistical Investigators of 2012 batch have been issued and they are in the process of joining.

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**Recommendation Serial No. 5**

**(Para No. 19)**

**(Infrastructure and Project Monitoring)**

As already observed by the Committee as on 1 January, 2013, more than 18% of the projects under the monitoring mechanism of the Ministry have recorded an average delay of nearly 4 years, which has correspondingly led to a staggering cost overrun of about 85%. In the light of this glaring fact, the Committee hope that pending issues on project approvals, sanctions etc. will be expedited. The Committee also desire that the formation of Central Sector Projects Coordination Committees (CSPCCs) in the concerned states should also be done without any delay.

**Reply:-**

Central Sector Projects Coordination Committees (CSPCCs) have already been constituted in twenty States. The remaining States are being regularly requested to constitute CSPCCs.

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**Recommendation Serial No. 6**

**(Para No. 22)**

**(Infrastructure and Project Monitoring)**

The Committee had suggested that there would be several projects of less than Rs. 150 crore entailing time and cost overruns, which would require to be monitored by the Ministry. The Committee are not convinced with the reply of the Ministry that in the year 2010 it was decided to raise the limit to monitor the Central Sector Infrastructure Projects from Rs. 20 crore to 150 crore, so as to bring the number of projects on the monitor of the Ministry to manageable level. Considering that a huge chunk of the developmental programmes fall in the sub Rs. 150 crore bracket involving huge volume of funds, the Committee would suggest that at least projects of Rs. 50 crore and above should be overseen and monitored by the Ministry of Statistics and Programme Implementation, as this Ministry has been created specifically for this purpose with the mandate to monitor implementation of Central sector programmes. Further, the Ministry should also compile information on State sector projects, so that a comprehensive national view on development projects as a whole emerges.

**Reply:-**

It is respectfully submitted that lowering the limit of the projects monitored by this Ministry from ` 150 crore to ` 50 crore will make the number of projects unmanageable and the relatively larger projects will not get the desired attention. Within the resources available with this Ministry, the limit of ` 150 crore seems appropriate for the present.

The Ministry's mandate is to monitor the Central Sector Infrastructure Projects costing ` 150 crore or more. The State Sector projects are implemented by the State Governments. Within the resources available, it might not be feasible for this Ministry to collect the information from different project implementing agencies from different States across the country.

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