

Minutes of the Meeting of the Group for implementation of recommendation of the Thirteenth Finance Commission for Improvement of Statistical System at State and District Levels held on October 24, 2013

The eighth meeting of the group comprising representatives of the Ministry of Finance, the Ministry of Statistics and Programme Implementation (MoS&PI) and the officers of the concerned State Governments including the officer-in-charge of the Directorate of Economics and Statistics (DES) was held at Sardar Patel Bhawan, New Delhi on October 24, 2013.

2. The list of participants in the meeting is given in Annexure-I.
3. Shri K. K. Lamba, DDG, NAD welcomed the participants and gave opening remarks on 13FC and its status as on date. Thereafter, Shri Ashish Kumar, ADG, NAD and Chairman of the group in his inaugural address urged all the participating States to expedite the progress to achieve the milestones since time left for 13FC completion is very short which is around 1.5 year. He requested the States to take all the activities simultaneously and utilize the available funds. He also stated that if funds were not utilized fully and milestones were not achieved in time it would be difficult to obtain the grant from the 14FC. His opening remarks were followed by discussion on expenditure plans drawn out by the States for achieving the targets/milestones of the XIII-FC grant-in-aid.

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4. As per the guidelines of Ministry of Finance (F.No.34 (1) PCD/2010 dated January 24, 2011) the States of Kerala, Karnataka, Uttar Pradesh, Punjab and Uttarakhand submitted their revised expenditure plans for the grant-in-aid under XIII FC, appropriately incorporating the milestones along with the approval of the State's High Level Monitoring Committee (HLMC). Accordingly, revised expenditure plans of these States were discussed in detail based on power point presentations made by them highlighting the revisions made. State-wise recommendation and actions to be taken are given below:

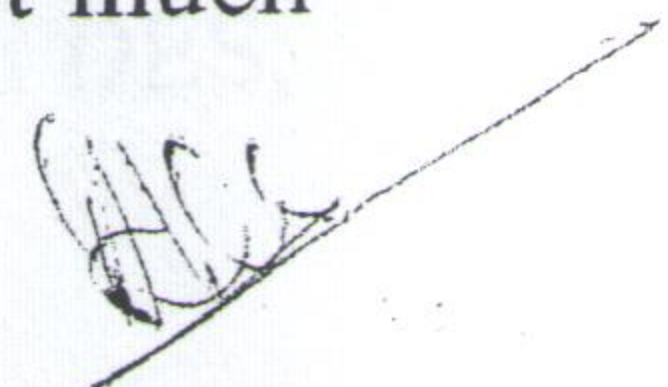
(i) Karnataka

In principle the proposal submitted by the State was approved by the Group except the procurement of 61 computers amounting Rs. 46.00 lakhs. The Chairman and Director (FCD) were of the view that DES, Karnataka may reconsider the purchase of such a large number of computers from this grant and keep it to minimum as per the state income unit strength which was only 33 officers and staff in the State or the officers directly engaged in XIII FC activities. Accordingly, DES has agreed to reconsider its proposal and reduce the number of computers to be purchased from 61 to 48. The balance amount of Rs. 8.00 lakhs would be adjusted against "Training" component of the expenditure plan. The revised proposal submitted by the State is approved by the Group.

(Action: DES, Karnataka)

(ii) Kerala

The revised expenditure plan comprised of revalidation of funds that remained unspent from the previous installment. The State was informed that revalidation was not required on part of Govt. of India and DES should take necessary steps to utilize the funds available. Apart from this, not much



difference in the revised expenditure plan from the earlier expenditure plan was found. The group suggested that the State should take up a study on NPI sector which keep would help them cover "the orphanage/old age home" as well. Rest of the revised plan was found acceptable and the revised proposal was approved by the Group.

(Action: DES, Kerala)

(iii) Punjab

From the revised expenditure plan, it was observed that under the head "providing network connectivity among the Districts and State headquarter and procurement of IT equipment", the figure was revised to Rs.405.00 lakhs against the earlier provision of Rs. 160.00 lakhs. Details should be provided **before the proposal was approved by the Group.** Further this should have approval of HLMC.

(Action: DES, Punjab)

(iv) Uttarakhand

The revised expenditure plan included an extra head "Compilation & Publication of Child Statistics". The Group felt that child statistics is not related to any of the milestones of XIII-FC grant-in-aid and therefore, it was advised to drop this activity from the plan. Secondly, the DES was requested to conduct training programmes for lower staff of DES who are directly or indirectly associated with activities of 13FC, besides training programmes for senior officers. Each training programme should have the prior concurrence of CSO.

It was informed to the Group that the pooling of central and State sample survey data of 66th round of NSS would not be started due to lack of technical knowledge in DES. The State was advised to seek help from DES,

Uttar Pradesh or DES, Karnataka, who have already done the pooling successfully. If required, Uttarakhand may depute the concerned programmer/officer to these States for acquiring necessary skill in pooling. Rest of the proposal was found to be in order and was approved.

(Action: DES, Uttarakhand)

v) **Uttar Pradesh**

The revised expenditure plan of the State was discussed in details. It was observed that three new activities such as (i) Compilation of Inter-State Trade Data, (ii) Preparation of Input Output Table with the help of External Agencies and (iii) Collection of Basic Statistics in Urban Area were included in the expenditure plan. The Group felt that these new activities should not be included in the expenditure plan at this stage, since only 1.5 years were left for utilization of the grant-in-aid. Further, the Group advised that the amount earmarked for these activities should be utilized against the head "Collection of Farm Activities Data".

The Activity namely "Strengthening of infrastructure of DES Districts Offices" under 1st installment was earmarked at Rs. 543.00 lakhs and included procurement of generator-sets. DES, Uttar Pradesh was advised to ensure that all the generators procured under 13FC should always be functional and adequate fuel and maintenance provision made from State fund. With these observations, the revised proposal was approved.

(Action: DES, Uttar Pradesh)

8. The following common points were informed to the participants:



- (i) The expenditure plans should contain a summarized Statement giving the year-wise and milestone-wise estimated fund requirement in a particular installment.
- (ii) Unless any State is changing the head of the activities, it should not be referred to the Group for approval. The Group decided that if changes with an activity were required for implementation of the scheme, the DES would carry out these changes with the approval of their Principal Secretary.
- (iii) The general approach should be to include physical infrastructure like furniture and hardware etc. in SSSP. However, as regards the proposal for provision of generator sets, the group discussed the issue and decided that it could be allowed, subject to the condition that the generator set was for the sole purpose of the computer and other equipment provided to the statistical officers. However, the cost of running and maintenance of the generators would be borne by the States from their own funds.
- (iv) In respect of Improvement of farm activities, as per the guidelines district-wise 10 major crops are to be identified besides the crops covered under ICS scheme. Both yield and cost of cultivation should be obtained by using a suitable methodology designed with the help of Agriculture University in the State.

(Action: All Concerned States)

- (v) The States were informed that revalidation of unspent amount of previous installments was not required on part of Govt. of India. However, it was decided that the Director (FCD) will issue suitable guidelines, which will be circulated by NAD to all the States.

(Action: Director (FCD), NAD)

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(Action: Director (FCD), NAD)

- (vi) Under XIII FC, 10% of the grant is earmarked for training which should be organized by the State Govts. as per the instructions issued earlier by CSO. The training module should be got approved from CSO, before commencement of any training programme. Complete schedule of training should also be informed to CSO.
- (vii) Training programme proposed by a State must have some link with XIII FC activities/ milestones or with the methodology for estimation of GSDP/DDP etc. and officers/officials at all levels specifically those posted in districts and involved in collection of data should be trained.
- (viii) As per recommendations of Ministry of Finance (MoF), Utilization Certificate in the prescribed format should be sent to MoS&PI for recommending the release of subsequent instalments to MoF.
- (ix) HLMC would be meeting at least twice in a year to discuss various issues related to implementation of recommendations of XIII FC. A copy of the minutes of HLMC meeting should be sent to MoS&PI, immediately after these are issued.

(Action: All Concerned States)

The meeting ended with vote of thanks to the Chair.

