

## **FOREWORD**

The 10<sup>th</sup> Pay Revision Commission has submitted the first part of its report on the pay, allowances, pension, and allied matters of employees and pensioners on 13.07.2015. The first part covered most of the issues but certain topics were not included owing to paucity of time as well as for enabling further detailed studies. The following issues mentioned in the terms of reference, which were not covered in the first part are now included in the second and final part of the report. Also, certain issues which find mention in the first part are further elucidated.

- Health Package and Health Insurance Scheme
- Efficiency, Transparency and Accountability in Civil Service
- IT enabled Services
- Lateral entry in Government Service
- Other Recommendations

Thiruvananthapuram  
30.12.2015.

Tenth Pay Revision Commission

## **ORGANISATION**

### **Commission**

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2. Sri.K.V.Thomas, Member Secretary
3. Adv.T.V.George, Member

### **Secretariat**

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2. Sri. N.M. Raveendran, Joint Secretary
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12. Sri. Naushad A., Computer Assistant
13. Sri. Suresh Babu, Confidential Assistant
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15. Sri. Basil Singh.B., Clerical Assistant
16. Sri. Bijukumar K., Office Attendant
17. Sri. Anilkumar R., Office Attendant
18. Smt. B.S. Vasanthi Amma, P.A. to Chairman
19. Sri. A.M. George, Special Assistant to Chairman
20. Sri. G. Sreedharan Nair, P.A. to Member Secretary
21. Sri. K.V. Raj, Driver
22. Sri. Rishikesan.K., Driver
23. Sri. Abdul Irshad H., Driver
24. Sri. Renjith Vimala., Driver
25. Sri. Muraleedharan., Driver
26. Sri.R.Sunil, Personal Security Officer (Chairman)
27. Sri.T.S.Vijayakumar (Security KEXCON)
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30. Smt.Girija K., Part-time Sweeper

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## CHAPTER 1

### HEALTH PACKAGE AND HEALTH INSURANCE SCHEME

- 1.1 One of the terms referred to the Commission was to examine the scope and viability of introducing a new health package as in Central Government/any other State Government/Other Sectors for the employees and service pensioners of the State and make recommendations thereon. Also, it was referred to look into the feasibility of introducing a health insurance scheme for employees and pensioners by collecting premium from them. The Commission while holding discussions with service organisations and departmental heads had also discussed those issues. Almost, all service/pensioners organisations had requested for a health insurance scheme. Before examining the matter, it will be better to understand the present situation first.
- 1.2 **Medical reimbursement:** The current system prevailing in the State is reimbursement of the cost of medical expenses and hospitalization subject to the following conditions:
- (i) Treatment should be made in Government hospitals or approved Private hospitals. Reimbursement of the cost of medical expenses incurred for the treatment at other private hospitals will be considered only after getting approval from Government.
  - (ii) Treatment at private hospitals should be referred by Doctors of Government hospitals with the counter signature of D.M.O ( O.P Ticket should be produced).
  - (iii) Application should be in the prescribed form.
  - (iv) Name, signature and seal of the Doctor, description of disease, date of commencement of treatment, name and chemical name of the medicine should be entered in the essentiality Certificate.
  - (v) Separate claims should be submitted for treatment at different hospitals.
  - (vi) Prior permission from Director of Health Services/Government should be obtained for treatment outside the state.
- 1.3 **Interest Free Medical Advance:** Interest free medical advance is provided in cases where the cost of medical care will be comparatively higher and payment of fee upfront is required. Anticipated expense is paid in advance and is later adjusted against the reimbursement claim. Government sets apart a fund for the purpose. The allocation for current financial year is Rs.9 crore.
- 1.4 **Medical Allowance to pensioners:** Pensioners are given an amount of Rs.300 per month towards medical allowance. They are not eligible for any other health care benefits.
- 1.5 **Drawback of existing system:** Even though the State Government appropriates a considerable sum on account of medical reimbursement, the

amount that is set apart is not proportionate to the actual requirement. Details of budgetary provisions on health care of employees and pensioners may be seen below. It can be seen that even the budgeted amount is not being spent fully. The funds are distributed among the departments and some may require more and some may not require even the allotted funds. That is why even when the requirements are higher, the funds get lapsed. A sizeable number of employees are infact foregoing reimbursement claims as the procedures are cumbersome. The health care system in Kerala is dominated by the private sector and that also contributes to the low amount of reimbursement claims. For pensioners, only a monthly allowance of Rs.300 is given and no further provision is made for medical care. It is against this backdrop, the needs of employees and pensioners have to be considered.

The budget allocation and expenditure on account of medical reimbursement for the last 12 years is as follows:

Expenditure on medical re-imbursements							Medical Allowance to Pensioners	
Period	Budget Estimates			Final Appropriation			BE	Accounts
	Rs. in crore							
	Plan	Non Plan	Total	Plan	Non Plan	Total	Non Plan	
2003-04	1.08	7.52	8.60	0.93	10.46	11.39	3.25	4.78
2004-05	0.63	9.62	10.25	0.60	14.29	14.89	3.25	8.08
2005-06	0.80	12.22	13.02	0.70	17.80	18.50	7.00	8.65
2006-07	0.80	24.52	25.32	1.04	24.98	26.02	9.41	36.45
2007-08	0.67	29.44	30.11	0.88	25.89	26.77	42.00	35.90
2008-09	0.86	33.00	33.86	0.73	26.11	26.84	34.00	37.78

2009-10	0.74	38.44	39.18	0.96	28.15	29.11	36.75	39.46
2010-11	1.20	40.63	41.83	1.02	32.00	33.02	41.00	38.46
2011-12	1.15	44.27	45.42	1.33	33.32	34.65	41.00	133.67
2012-13	1.28	47.58	48.86	0.88	37.51	38.39	90.00	117.53
2013-14	1.92	49.79	51.71	1.34	41.85	43.19	123.87	124.44
2014-15	1.99	53.99	55.98	0.97	42.99	43.96	117.50	128.42
2015-16	2.05	59.00	61.05	NA	NA	NA	129.17	NA

## **MEDICAL INSURANCE SCHEME IN TAMIL NADU**

- 1.6 **For employees:** The Government of Tamil Nadu implemented a medical care scheme namely the New Health Insurance Scheme, 2012 to provide for health care assistance to the Employees of Government Departments, Public Sector Undertakings, Statutory Boards, Local Bodies, State Government Universities, willing State Government Organisations / Institutions and their eligible Family Members with provision to avail of assistance up to Rs.4 lakh for a block of four years as in the case of the Chief Minister's Public Insurance Scheme. The United India Insurance Company Limited was selected to manage the scheme after competitive bidding. The Annual Premium for this Scheme is Rs.1,800/- per employee plus Service Tax as applicable. The premium is deducted from salary and the Government bears the service tax portion. This Scheme is administered through a Third Party Administrator under the control of United India Insurance Company Limited, Chennai. The payment of premium is being regulated as per the terms and conditions of the agreement between the Insurance Company and the Government of Tamil Nadu.
- 1.7 **For Pensioners:** New Health Insurance for Pensioners was introduced in 2014. The insurance cover is up to Rs.2 lakh for a block period of 4 years and the premium is Rs.1800 plus service tax. The scheme is mandatory and premium is deducted from pension.

## **HEALTH SCHEME IN ANDHRA PRADESH/TELANGANA**

- 1.8 The Health Scheme is intended to provide cashless treatment to all the State Government employees including the State Government pensioners, along with their dependent family members through a network of empanelled hospitals of Aarogyasri Health Care Trust, in lieu of the medical reimbursement system. The scheme will provide treatment in Network Hospitals for all the listed therapies. Though a maximum of Rs.2 lakh per episode (with no limit on episode) is prescribed; in cases where it exceeds Rs.2 lakh, cashless treatment will continue. The Trust will settle the claim after scrutiny. Monthly deductions @ Rs.90 and Rs.120 are made from salary/pension, as per slab. The employees/pensioners contribute 40% of the fund and Government funds the balance 60%.

## **HEALTH INSURANCE IN MAHARASHTRA**

- 1.9 The Maharashtra Government introduced a health insurance scheme to its retiring employees, last year. All employees above 55 years are covered. The scheme specifies capping of coverage in certain cases. The rates of premium in floater sum insured for employee and spouse are as follows-

Sum insured-Premium

RS.100000/- RS. 6000/-

RS. 200000/- RS. 6900/-

RS. 300000/- RS. 7800/-

RS. 400000/- RS. 8600/-

RS. 500000/- RS. 9400/-

RS. 800000/- RS. 11800/-

RS. 900000/- RS. 12600/-

RS. 1000000/- RS. 13500/-

RS. 2000000/- RS. 20800/-

Plus Service Tax @ 12.36% (revised 14.5%) will be added on above rates.

## **CENTRAL GOVERNMENT HEALTH SCHEMES**

- 1.10 The Central Government employees are covered under the Medical Attendance Rules. Infact, the Medical Attendance Rules which is followed by Government of Kerala is modeled on its basis. Both are more or less identical. However, the Central Government introduced another scheme known as CGHS in 1954. CGHS facilities are admissible to all the Central Government Servants who are paid their salary/ pension from the Civil Estimates of the Central Government. Central Government Health Scheme (CGHS) is a health scheme for serving / retired Central Government employees and their

families. Monthly deductions are made from salary and for pensioners upfront payment (on annual basis or onetime payment basis) is required. At present only 25 cities are covered under the scheme all over India, with 450 hospitals/ wellness centres. The monthly recovery from employees ranges from Rs.50 to Rs.500, based on grade pay.

1.11 The facilities available are –

OPD treatment and medicines from CGHS Wellness Centres; Specialist Consultation at Government Hospitals; Hospitalization at Government and CGHS empanelled hospitals; Investigations at Government and empanelled Diagnostic centres; Reimbursement of expenses incurred for purchase of Hearing Aid, Hip/Knee Joint implants, Artificial Limbs, Pacemakers, ICD/Combo device, CPAP, BiPAP, Oxygen Concentrator etc., as per the CGHS ceiling rates and guidelines; Medical consultation and dispensing of medicines in Ayurveda, Homeopathy, Unani and Siddha systems of medicine (AYUSH); In case of emergency, CGHS beneficiaries can go to any hospital, empanelled or non-empanelled and avail of medical treatment. Reimbursement of expenses for treatment in private unrecognized hospitals in case of emergency.

1.12 The Commission discussed the positions mentioned above in other States and Government of India. The system prevailing in Andhra/Telangana is the most beneficial to employees. Then comes the CGHS. While introducing a new health package, the Commission cannot overlook the financial requirements and the State's resources. Both the above schemes will require heavy funding by Government and the Commission does not favour overburdening the Government further, especially as it has already made recommendations running into several thousand crores. The other option is to look into the feasibility of introducing a health insurance scheme, which the service and pensioners organisations have almost unanimously demanded.

### **HEALTH INSURANCE SCHEME FOR EMPLOYEES AND PENSIONERS - KERALA**

1.13 The Commission went through the health insurance schemes prevailing in Tamil Nadu and Maharashtra. A point worth noting is that both the States are having health insurance schemes to the general public and the schemes for employees/pensioners are modified extensions to suit them. The advantage of a group health insurance scheme is obviously the sharing of risk. Sharing of risk results in considerable reduction in the premium, which benefit will not occur if the employee/pensioner goes individually. A large number of employees in Kerala are already having health insurance coverage on their own, by paying heavy premium. It will be a great relief to such employees as well as to those who are desirous of taking insurance coverage, if the State can introduce a group health insurance scheme. As stated earlier, the medical expenses of the employees are many times above that the Government is re-

imbursing. It is mainly because treatment at private hospitals is generally not admissible. The catch is that about 70% of the hospitals in Kerala are in the private sector and it is exactly why the employees and pensioners are welcoming the introduction of a health insurance scheme. The Commission discussed different models to implement the scheme and zeroed on the following model.

- 1.14 The Commission was assisted by the New India Assurance Company Limited (NIAC), a leading public sector company in the Health Insurance field. Discussions were held with its top officials several times. The Commission expresses its gratitude for the whole hearted involvement of the officials in explaining the nuances of the health insurance sector to the Commission.

## **PROPOSED SCHEME**

- 1.15 **Separate schemes for employees and pensioners:** The employees are already covered under the Kerala Government Servants' Medical Attendance Rules, 1960 but the pensioners are not part of it. They are only eligible for a monthly Medical allowance of Rs.300. Considering this fundamental difference as well as the cost of health insurance for the pensioners, which is far higher than the employees, the Commission recommends separate schemes for employees and pensioners.

## **EMPLOYEES**

- 1.16 **Mandatory:** Only employees who are covered under the Kerala Government Servants' Medical Attendance Rules, 1960 shall come under the new medical health insurance scheme. It shall be mandatory.
- 1.17 **Exemptions:** It shall be optional for those employees, whose spouses are also State Government employees. Either, any one of them shall join the scheme or both may opt for the scheme for getting better cover. In the case of State Government employees, whose spouses are covered under medical health schemes of Government of India, Other State Governments or other organisations, they may be exempted from joining the State Medical Health Insurance provided the other scheme is better.
- 1.18 **Funding:** The terms of reference suggests collection of premium from employees and pensioners. The Commission has recommended hike in pay and pension, which will result in additional liquidity to the employee/pensioner. DA was merged at 80% (64%previous revision) and fitment benefit was recommended at 12% as against 10% of previous revision. In the circumstances, the employees will be in a better position to contribute towards the premium and no Government subsidization is necessary. However, 50% of the budget provision (current provision Rs.61.05 crore) may be set apart towards Government's contribution towards payment of premium. Also, the Government will have to bear the cost of paying premium upfront, which may be around Rs.40 crore per year.

- 1.19 **Insured amount:** As stated above, the Commission considered different permutations to find an optimum plan which could be implemented. The premia (tentative figures) quoted by New India Assurance Company for serving employees are as follows-

Sum insured	premium
Rs.2,00,000	Rs.3968+ST
Rs.3,00,000	Rs.5464+ST

- 1.20 A pragmatic approach is required to kick start the scheme and it will only be sensible to go for an insurance cover, which will attract a lesser premium. The premia mentioned above are only indicative and the Commission feels it will come down considerably when tendered. In the circumstances, the Commission recommends the insured amount at Rs.2 lakh per annum. Once the whole data is captured and scheme settles down, say after a couple of years, individual specific coverage may be introduced.
- 1.21 **Claims above Rs.2 lakh:** 50% of the budget provision for medical reimbursement may be set apart for OP Treatment and the remaining 50% to settle claims over the insured amount of Rs.2 lakh. . A part of this fund could be utilized to settle claims above the insured amount, as per existing Medical Attendance Rules, ie., the eligibility criteria now in existence will be applicable for claims above Rs.2 lakh, ie., bills in excess of Rs.2 lakh will have to be paid by the employee and re-imbursement claimed as per existing rules. Re-imbursement should not be made on first come first served basis, but the budgeted amount available should be distributed among all the claimants on a pro-rata basis.
- 1.22 **Persons covered:** In the case of employee, employee plus spouse and two dependent children. If more children are to be covered the employee will have to pay premium for the purpose.
- 1.23 **Uncovered persons:** Those dependents, who are eligible for medical reimbursements as per Medical Attendance Rules but are not covered as per pre-para, will continue to enjoy the benefit of existing scheme.
- 1.24 **OP treatment:** The coverage will be only for inpatient treatment and expenditure on outpatient treatment shall be guided by existing rules.
- 1.25 **Buffer:** The Insurance Companies generally charge about 80% of buffer amount as premium, which will add to the cost of premium. As the Government will be making good the expenses above the insured amount to employees, a buffer is not required.

## **PENSIONERS**

- 1.26 **Optional:** There may be a situation where a section of pensioners may not be inclined to join the scheme as the premium will cut into their pension. The

Government health care system for the general public in Kerala provides almost free services and if one is satisfied by that, the necessity for insurance cover may not be felt. However, there is a sizable part of the pensioners who will be more than willing to join the insurance scheme. Considering all these aspects, the Commission recommends that the new health medical insurance scheme may be optional at the discretion of the pensioner. If Government is able to share a part of the premium, the scheme can be made mandatory.

- 1.27 **Family pensioner:** Family pensioner will also be eligible for the scheme.
- 1.28 **Persons covered:** Pensioner plus spouse or family pensioner.
- 1.29 **Funding:** The Commission has already recommended a hike in pension and the fitment benefit which was 12% in the last revision, was also proposed for a hike at 18%. There will be additional liquidity for the pensioner and will be in a better position to pay for the insurance premium. Considering the huge financial commitment that would arise due to the recommendations already made, the Commission is not inclined to burden the Government further. Currently, the pensioners are not getting any medical re-imbursements which means the Government is not spending money on it. As such, the premium on insurance will also have to be borne by the pensioner.
- 1.30 **Medical Allowance:** Medical allowance of Rs.300 per month will be continued to be paid irrespective of whether one has opted for the insurance scheme or not, to take care of the OP treatment.
- 1.31 **Insured amount:** The premia (tentative figures) quoted by New India Assurance Company are as below. As in the case of employees the insured amount shall be Rs.2 lakh. The coverage will only for inpatient treatment and outpatient treatment will not be covered under the scheme.

Sum insured	premium
Rs.2,00,000	Rs.9600+ST
Rs.3,00,000	Rs.13900+ST

- 1.32 **Claims above Rs.2 lakh:** There will not be any cover beyond Rs.2 lakh and any expenses over and above it shall be borne by the pensioner.

## GENERAL

- 1.33 The scheme may be titled as “Kerala Government Medical Insurance Scheme for Employees” and “Kerala Government Medical Insurance Scheme for Pensioners”. A model prospectus of the scheme has been drafted and may be seen in Appendix I. Though the draft is based on the prospectus given by NIAC, the Commission has made certain changes especially regarding discount and loading ratios.

- 1.34 **Coverage:** The insurance cover shall start from day one. Pre-existing diseases shall be covered and there shall not be any waiting period.
- 1.35 **Age limit:** There shall be no age limit in admitting to the scheme.
- 1.36 **Cash less facility:** The Insurer shall provide for hassle free cash less facility. Hospitals with better track records shall be accredited for the purpose and preferably the insured shall be able to undergo treatment at his choice of hospital. Also, sufficient number of hospitals shall be accredited, covering each taluk.
- 1.37 **Low claim discount ratio:** If the total claims are less than the premium, the insurance companies usually provide for discounts, which will be adjusted in the subsequent premium. In group insurance, the benefit will accrue collectively as a group and not on individual basis. The Insurer will have to meet his cost as well as profit from the premium he collects. The discount ratio will have to be negotiated by providing for expenditure and a reasonable profit for the insurance company. The Commission feels 15% of the total premium will be a sufficient margin for a Public Sector Insurance Company to run a group health insurance scheme on minimum returns. The discount ratio proposed by NIAC and the Commission are as below-

Proposed by NIAC

Incurring Claim ratio under the Group Policy	Discount (%)
Not Exceeding 60%	5%
Not Exceeding 50%	15%
Not Exceeding 40%	25%
Not Exceeding 30%	35%
Not Exceeding 25%	40%

Proposed by the Commission

Incurring Claim ratio under the Group Policy	Discount (%)
Not Exceeding 80%	5%
Not Exceeding 70%	15%
Not Exceeding 60%	25%
Not Exceeding 50%	35%
Not Exceeding 40%	45%

- 1.38 **High claim loading ratio:** On the other hand, if the claim is higher the insurer will load a higher premium next time. The loading ratio proposed by NIAC and the Commission are as below-

Proposed by NIAC

Incurred Claim Ratio under the Group Policy	Loading (%)
Between 70% and 100%	25%
Between 101% and 125%	55%
Between 126% and 150%	90%
Between 151% and 175%	120%
Between 176% and 200%	150%
Over 200%	Cover to be reviewed

Proposed by the Commission

Incurred Claim Ratio under the Group Policy	Loading (%)
Between 85% and 100%	10%
Between 101% and 125%	25%
Between 126% and 150%	50%
Between 151% and 175%	75%
Between 176% and 200%	100%
Over 200%	Cover to be reviewed

- 1.39 **Insurance Company:** Only the public sector insurance companies shall be allowed to run the scheme, preferably through the State Insurance Department.
- 1.40 **Government's role:** Insurance premium is payable upfront but it will be helpful for the employees/pensioners if the Government makes the payment upfront and deduct the same through salary/pension on monthly basis. Government will have to bear the cost of funding the upfront payment.
- 1.41 **Department's role:** Employees shall be admitted to the scheme through the head of department. The respective head of offices, shall forward the applications to the HOD, who will consolidate it and forward it to the Insurance Company, TPA and Government.
- 1.42 **Treasury's role:** Director of Treasuries shall oversee the scheme for pensioners. The respective Treasury Officers, from where the pension is distributed shall obtain the applications from the pensioners and forward it to the Director. He shall consolidate it and forward it to the Insurance Company, TPA and Government.
- 1.43 **Third Party Administrator:** TPAs from the list approved by IRDA may be selected.
- 1.44 **Redressal forum:** The Insurance Company shall provide necessary grievance redressal forums for the insured to prefer complaints, if any. In cases where the insured is not satisfied by the action of the above forums, the insured may find recourse as per Redress of Public Grievances Rules, 1998 under the Insurance Act, 1938 and contact the Insurance Ombudsman.

- 1.45 **Common software:** Development of common software across the different stakeholders is very essential for the success of the scheme. The NIC/State IT Mission shall take the lead in this regard. The scheme shall be linked to SPARK.
- 1.46 The concept of group insurance is to share the risk as a group and reap the benefit of sharing in the form of low premium. The proposed scheme gives coverage from day one and includes pre-existing diseases, which is not available if one takes insurance policy individually. Also, the question of age limit does not arise. It is a very big opportunity for the employees as well as the pensioners and the Commission is confident that the scheme will be welcomed by all the stakeholders.

## CHAPTER 2

### EFFICIENCY, TRANSPARENCY AND ACCOUNTABILITY IN ADMINISTRATION

- 2.1 The Terms of Reference of the Commission include an item as “ to examine the present Civil Service as a whole and make suggestions to increase efficiency, social accountability and making Civil service more people friendly in the light of the newly enacted Right to Service Act, 2012”
- 2.2 This Act has been notified as Act XVIII of 2012. It provides that a citizen is eligible for getting a notified service rendered within a stipulated time. If there is a default in rendering a service within the prescribed time, the designated officer is liable for being fined by the second Appellate Authority which shall be a minimum of Rs.500/- or maximum of Rs.5000/-. The fine will be at the rate of Rs.250/- per day of delay. It may thus be seen that Right to Service Act only provides for ensuring service within a stipulated period or penalizing the designated Officer for the period of delay. The intention of the Government in bring out this legislation is actually to ensure quality service delivery and not to penalize the designated Officers. Hence, it is necessary that the officers in charge of service delivery are given proper training and orientation and encapacitated to discharge the duties attached to the post in a satisfactory manner. For this purpose, a responsible Government has to aim at recruiting the right person, training such persons and orienting them for the purpose for which they are employed. There is no thrust to this aspect in the said Act. It can be argued that such provisions are not necessary in this Act. But for a Government it is not possible to be unconcerned about such a need. The Commission is, therefore, of the view that for proper and effective implementation of the Right to Service Act, it is necessary that Officers are encapacitated and oriented in the right direction before trying to use the whip of penalty against them.
- 2.3 **Recruitment:** Recruitment to Kerala State/Subordinate Service is through the Public Service Commission, which is a well accepted process. But we cannot be unmindful of the deficiencies in the process of recruitment. The main deficiency in the recruitment process of the Public Service Commission is that there is considerable delay in notifying vacancies, conducting examinations and in publishing the rank list. Sometimes, there is a gap of several years between two lists for the same post. The main reason is said to be the increase in the number of examinations to be conducted every year, the large number of applicants for the posts, difficulty in valuation of the answer sheets etc. Computerization and the use of modern technology, like the Multiple Choice Questions (MCQ)/Optical Mark Recognition (OMR) system has come into existence and this should have helped publication of rank list within a reasonable time. There may be occasions like court cases as in the case of the recent selection to the post of Sub Inspector of Police which may hamper speedy publication of results. The MCQ system of examination and OMR

valuation has definitely helped speedy publication of result ; but it could not be considered as the most suitable method for selection of the right persons to senior posts or posts which are expected to include people to be put in charge of higher responsibilities either from the beginning or in due course. There are instances of validity of rank lists being extended for a very long time, which also causes difficulty in going for notification for recruitment within a reasonable period. The extension of validity of rank list for long periods have resulted in endless waiting for those who are in the queue for an opportunity to apply for the next batch of selection. In view of the above, the following recommendations are made to better the recruitment process through the Public Service Commission.

#### 2.4 **Recommendations:**

1. Recruitment to the several posts may be done once in two years. The Kerala Public Service Commission may be requested to fix a schedule for notification of all posts and publish it in advance so that the prospective applicants can prepare for such examinations as in the case of Union Public Service Commission /Staff Selection Commission.
2. Common Examination must be conducted for all similar posts with similar qualification and the applicants may be given opportunity to indicate the option/priority for consideration to different posts in different Departments/Organizations. This will substantially reduce the number of examinations to be conducted every year and also help the applicants from applying for umpteen number of examinations one after another.
3. MCQ type of examination is not sufficient for all posts. This type of examination is sufficient for Class III and IV posts. But for selection to Class II posts and the post of Assistants of Secretariat/ Public Service Commission/ State Audit Department etc (which is a Class III post) MCQ type of examination is not at all sufficient. The class II officers and Assistants mentioned above are expected to discharge much higher responsibilities in course of their service. Even though Assistant is a Class III post, the purpose for which he is recruited and trained, is that in future he should be capable of discharging functions which are equal to or even more than that of a Head of the Department when he is called upon to work as Joint Secretary /Additional Secretary/Special Secretary. For such posts MCQ type of examination may be used as an initial screening test and a descriptive type of examination may be held for those who come out successful in the screening process. Such an examination only can assess their capacity for comprehension and expression of ideas. Without a sufficient level of comprehension and capacity for expression, these persons will not be able to discharge the duties attached to Class II and the posts of Assistants recruited to Secretariat, Public Service Commission etc services. Therefore , it is recommended that Selection process to such posts may be :

A screening test of MCQ type and final test of descriptive nature , may be conducted. For the screening test, a cut off mark may be fixed and notified in the beginning itself, so that, prospective applicants are well aware of the minimum mark notified for the preliminary screening process and it shall not be relaxed or brought down ; but the Commission may be at liberty to raise cut off mark depending upon the number of vacancies , available during the period.

4. In such examinations, the applicant may be required to indicate their Option/priority for the service of his choice. For example, whether one is to be considered only to the Secretariat service or may be considered for one or more of the other services also may be required to be indicated.
5. Validity of Rank list shall not, on any account, be extended beyond two years. Endless extension now allowed causes two problems - (1) Opportunities are denied to prospective applicants to apply for a post even after two years of a previous notification. (2) A person included in a rank list may be technically eligible for a post; but due to endless extensions persons at the fag-end of the list happen to get selected and this is adversely affecting quality in service.
6. Descriptive test when conducted, the questions shall be such that it will bring out the qualities of the applicant and help assess if the person is suitable to discharge the responsibilities attached to the relevant post.

2.5 **Training of Officers:** The Commission has noticed that there is no system for any kind of training to most of the new recruits before they are posted to a particular seat. For example; for the persons appointed as Clerk (formerly Lower Division Clerk) there is no system in the Government to orient him to do his job. He is simply posted to a seat and he slowly picks up work, with the help of others in the office. Such orientation received in different circumstances may widely vary and may even adversely influence the attitude of a person. In some of the Public Sector Undertaking like KSEB, there is a system by which a new recruit is oriented to familiarize himself with the work he is expected to do. The objective of the Right to Service Act will be adversely affected by posting of un-trained persons to a seat. Therefore, it is recommended that a new recruit as clerk may be sent to the Directorate/Head Office of the Department for a week to orient him about the matters going on in that office and then for another week to the District Office of the District to which he is allotted . There also, he should be oriented about the system and the functioning the District Office. This will enable him to know about the Department and also what is a file or what are the duties and responsibilities attached to different officers. Thereafter, he/she may be posted to the seat to which he/she is allotted. He may begin to work there under the guidance of the Superintendent / other Senior Officers. Such new recruits may be given a reasonably detailed training along with a group of persons who have joined the department in the recent past or after him/her. This training may be for a

period of one month based on a syllabus prepared for the purpose. The syllabus of training shall include assignments in writing files as also scrutiny of a case based on a proposal given to them and such other assignment as may be necessary or such other issues which may confront him during his service. This training may be held either in the training facility of the department itself or where such training facility is not available in a Department, such persons may be sent for training in the IMG, Trivandrum where also the training shall be based on a prescribed syllabus. The Department / IMG may conduct an examination at the end of the training and trainees may be awarded grades based on his performance. Different grades such as A for 70% above, B Grade for 60% and above, C Grade for 50% and above, D Grade for below 50% . A certificate may be issued by the training Authority for recording the grade in his Service Book along with attaching the certificate also to the Service Book. This training shall be completed within the first two years of service ie, the probation period. The probation of an officer who has scored only 'D' grade, ie below 50% may be extended for one more year or still thereafter and he may be asked to appear for the examination again in the next batch of training , passing of which shall be mandatory for declaration of probation. If one is not able to get 'C' grade in 4 chances, he may face termination, as per rules.

- 2.6 Training shall be a regular feature in all departments and it shall be mandatory that all officers undergo regular in-service training ( at least once in 4 or 5 years) to enable them for promotion to higher posts. Head of the Department shall ensure that such training is imparted to all officers on a regular basis. The No. 2 officer in the Department ; ie Additional Director/joint Director shall be put in charge of training and made personally responsible for the proper conduct of the programme. If the training programme is not going on properly in any Department it shall be considered as laxity on the part of an Officer in charge of Training and the Head of the Department and adverse remarks in the matter may be recorded in the Annual Confidential Report of both the Officers.
- 2.7 The programme of Training shall be implemented in the case of Technical Officers recruited to other Departments also; for example Agriculture, Animal Husbandry, PWD etc.
- 2.8 **Training for Assistants of the Secretariat** : A Common selection is now conducted for appointment of Assistants in the Secretariat, Public Service Commission/ Advocate's General Office / Enquiry Commissioner and Special Judge and as Auditor in the State Audit Department ., Out of this, State Audit Department has a separate training centre for training fresh recruits to that department . This training is for three months which covers almost all matters relating to the nature of work in the Department. But there is no system for imparting training to Assistants recruited to the other three departments mentioned above. A three months' training may not be necessary for those appointed to the Advocate's General Office. This Commission has already recommended that the posts of Assistants in Enquiry

Commissioner and Special Judge , Vigilance Tribunal may be delinked and declared addition to the cadre of relevant posts in the Subordinate Judiciary.

- 2.9 There was a system of a residential training for three months for fresh recruits to the Secretariat in 1995. But that was stopped later. But this Commission do not agree with the decision, to do away with the programme. Now there is absolutely no system of initial training for those new recruits to Secretariat or Public Service Commission. Secretariat is the Apex Organisation in Government where policy matters and important project proposals are considered and decided. For effective participation in such activities, proper initial training and further periodical orientation is absolutely necessary to enable them to discharge their duties properly. In such a situation, initial training for two months is absolutely necessary, for fresh recruits to Secretariat Service for which a training curriculum module which will meet the needs of today may be prepared. Of course, we can take the 1995 system as a model for the purpose to be improved upon to meet current needs. This will definitely improve the quality for fresh recruits and will enable them to work far better than those without initial training or orientation. The Public Service Commission may also be requested to consider imparting at least one month training for those fresh recruits to the Public Service Commission Office.
- 2.10 **Existing Training System in Government:** State Government is providing various training programmes for Government employees in order to acquaint them with relevant rules and make them competent to perform their duties. In our State, IMG is the Apex training institute intended to cater to the training needs of State Government employees. The institute covers most of the departments and provides both induction and orientation training in an intensive manner to various categories of employees considering the importance of each post and need of the Departments.
- 2.11 The Institute of Management in Government, Thiruvananthapuram is the apex training institute of the Government of Kerala ,established as an autonomous body under the auspices of the Government of Kerala in 1981 with the objective of developing managerial skills, organizational abilities, leadership qualities and decision making skills among different categories of employees of Government, Private and Public sector. It operates from two administrative/training complexes. It has two Regional Centers, one at Kozhikode and the second at Kochi, which cater to the regional training requirements of the northern and central zones of Kerala. The Regional Centers are also well equipped with modern computer lab and hostel facilities. Intensive Training and Induction training are being imparted to the officials in various departments. IMG also conducts GOI sponsored training programmes.

2.12 **Intensive Training Programmes:** Intensive Training Programmes are given to 6 identified departments in the Phase I of ITP as part of Government of India Sponsored Programme.

1. Police
2. Food and civil supplies & Legal metrology
3. Registration
4. Municipal Corporation
5. Schedule Castes and Schedule Tribes, and
6. Social Welfare

2.13 **Induction Training:** Induction training is also provided for new recruits which help them to improve morale, productivity, and skills which the employees would require in fulfilling their responsibilities in the Government. ***There is a suggestion on the part of IMG, to upload the details of employees who attend the induction training in Spark and this may be considered as a criterion for Promotion/Probation which would come thereafter.***

2.14 Institute of Management in Government, (IMG) has revamped the existing course curriculum based on current focus and thrust in governance. The revised course content 'The ***New Induction Training Programme***' spans 3 weeks, (now 12-18 days) with the following six areas of governance.

- i. Individual Perspective
- ii. Rules & Procedures
- iii. Financial Management
- iv. Service Delivery
- v. e-Governance
- vi. Accountability

2.15 ***The New Induction Training Programme is a certification programme. A certificate will be awarded to successful participants after an evaluation.***

2.16 IMG is initially proposing to conduct forty New Induction Training Programmes every year in its main campus at Thiruvananthapuram and two Regional Centers in Kochi and Kozhikode focusing on new recruits in Government Secretariat and selected Departments with maximum Government-Citizen interface. This programme marks the launch of this major initiative to provide professional Induction Training to new recruits of all Departments within the Government.

- There are also departmental institutions under various departments to provide training to their employees. They are;
- Centre for Training in Financial Management, which is the training centre of Finance Department, Government of Kerala,

established in 2010, imparting training for the staff of Finance Secretariat which includes mandatory training courses to all cadres of employees up to Special Secretary, staff of line departments under Finance department such as Treasury, Local Fund Audit (State Audit Department), State Insurance and National Savings Department. It also provides training to employees of all other departments who are attending to Planning, Budgeting, Accounts and Audit related matters in their Department.

- Kerala Institute of Local Administration (KILA) provides training to employees and people representatives in Local Self Government institutions (Panchayats and other local bodies) with the objective of strengthening decentralization and local governance. That organization also provides training to the employees in IMG.
- State Institute of Rural Development (SIRD) is the training institute in the field of Rural Development, imparting training for members of Block Panchayats and officials at the level of BDO and above. The course duration is one week with a prescribed curriculum. It is seen that certain training programmes have provisions for assessment of the participants. In addition to this there exists three Extension Training Centers at Kottarakara, Taliparambu and Mannuthy imparting training to Village Extension Officers.
- The Kerala State Institute of Health and Family Welfare is the apex training institute under Health Services imparting training to various categories of staff under different schemes namely Pre-placement trainings, Induction trainings, In-service trainings, skill development, supervisory, Administrative Management, Computer trainings, infection control, non-communicable diseases and training to trainers. At present there are accommodation facilities to about 30 participants.
- The Institute of Land and Disaster Management is the apex training institute under Revenue department imparting training to all categories of employees under the Revenue and Survey departments in various fields. In addition to the induction, orientation and In-service trainings it also provides courses on Survey and Higher Survey for the employees getting promotion. The institute provides residential accommodation to the participants in a very good manner especially to women employees with children.
- The Kerala Highway Research Institute is the apex training institute under Public Works Department providing initial preparatory course, induction and orientation for the new recruits in the technical cadre like Assistant Engineers, Overseers

etc. there is no provision for residential facilities to the participants at present.

- The Department of Agriculture possesses a well established net work of training system with 8 Agricultural Training Centers. Regional Agricultural Technology Training centers (RATTC)(5 Numbers) , Farmers' Training Centers (FTC)(2) and Research Testing and Training Centre (RTTC) .Apart from these, a State Agriculture Management and Extension Training Institute (SAMETI), a state level training institute under the Central sector extension reforms scheme to impart training to extension functionaries in agriculture and allied sectors located at Anayara, Thiruvananthapuram. Extension personnel, other department officers, farmers, skilled laborers etc are given training on a regular and recurring basis.
- The department of Animal Husbandry has a well established training system consisting of 7 Live Stock Management Training Centers at various parts of the state. Both in service and Refresher training are given to Live Stock Inspectors. Other officers are also imparted training here.
- In the Commercial Taxes Department, Induction level training is being imparted to the officials through the IMG. There is no departmental mechanism for capacity building of the staff. No refresher courses are being conducted to the existing staff. The directly recruited Commercial Tax Officers are imparted 1 year training before posting. All other officers up to the cadre of Assistant Commissioners are being imparted training at the induction level immediately after getting appointment/Promotion as the case may be.
- In the Dairy Development Department, Dairy farm Instructors are imparted with pre-service training in Dairy training centers extending to 8 months duration. The training centers are at Thiruvananthapuram (5 in No's), Kollam (Ochira), Kottayam, Kozhikode and Palakkad (Alathur). Further Dairy Extension Officers are imparted with 3 months duration training at Institute of Co-Operative Management at Poojappura and Parassinikadavu.
- In Social Justice Department two types of training are imparted to all categories of employees, namely (1) State Training Programme conducted at IMG with the Department fund in accordance with the Schedule prepared by IMG Calendar, (2) In-service Training to all categories extending to a maximum period of 5 days will be conducted at Kovalam Animation Center, KWA Hall at Vellayambalam, and the department training hall at Poojappura, using their own fund.

2.17 In total though there were training programmes for various departments, it is seen that they were not made compulsory and was not at all assessed either by the training institute or by the department. An assessment system may be made compulsory such that the trainees as well as the department may look

into the programme in a serious manner than the present system of attending for showing expenditure.

- 2.18 Another point that has come to the notice to the Commission is that there is a general complaint from those working in Secretariat/Public Service Commission/Advocate General's Office/Enquiry Commission Special Judge/State Audit Department that there is wide disparity in the chances of promotion among those allotted to the Departments mentioned above. Even though, selection is based on the same test and rank list prepared thereon, it is complained that it has so happened that seniors get allotted to Departments with lesser chances of promotion, whereas juniors may get allotted to the Departments with better chances of promotion. This causes great heart burn and amounts to injustice. The only way to come out of a situation is like this is to introduce a system of option by the applicants indicating their priority to join one or more departments for which selection is made. It may so happen that a native of Ernakulam may or may not like to come over to Trivandrum to work in Secretariat due to various reasons. If he has an option to seek appointment in the office of the Advocate General by indicating it as first priority, that may be better for a particular person. If a system of option is introduced and allowed to work in the office of one's choice, that will help improve the system as a whole and avoid distress and discontentment. **It is therefore, advisable to have a system of option, which can be indicated at the time of application itself as in the case of Civil Services Examination by the UPSC. Interdepartmental transfer between these Departments shall not be allowed thereafter.**
- 2.19 Commission has noticed that there are some employees whether in Secretariat/Public Service Commission/in line departments who go on deputation to Foreign Service or personal staff of Ministers immediately after getting appointment, based on the advice of the Public Service Commission. It may so happen that they may continue on such deputation or other duty for 5 years or even more. In such cases, when they come back to the parent department they may be due for a senior level position. But, is it evident that they will not be able to discharge their duties equivalent to another person with the same or still lesser period of service, as they had no occasion to acquaint themselves with the work of the Department, since they were outside the parent Department from the beginning. This is quite an unacceptable situation. **Therefore, it is necessary that no officer is sent on deputation without completing the mandatory period of probation.**

## 2.20 **Recommendations:**

1. A system of initial training for two months may be introduced for fresh recruits to the Secretariat service. This may preferably be a residential training based on a prescribed curriculum. The curriculum may include regular assignment and case study based on the nature of work in the Secretariat. IMG will be the right organization for the purpose. An examination may be conducted at the end of the training and grades may be awarded i.e., A grade for 70% and above, Grade B – 60% and above, grade C -50% and above, Grade D -below 50%. Certificates may be issued by the training authority and the same may be pasted in the Service Book of the Officer and the fact recorded therein. Probation of those getting D Grade may be extended for a further period of one year or more during which period he may appear for the examination with the next batch of officers. If one is not able to get at least 'C' grade in 4 chances, he may face termination as per rules.

There shall be further in service training for those in the Secretariat service at the rate of one training each, every 3 years. This shall be mandatory to make him/her eligible for next promotion. In such training/orientation also there shall be an appraisal at the end of the training or orientation. This will also be considered while writing Annual Confidential Reports. Failure to attend training should be treated as lapse on the part of the officer which should find a place in the Annual Confidential Report of the Officer. Secretary to Government in Charge of the department will generally be in charge of initial training/further orientation. However, he may specifically designate a senior officer to be in charge of the initial training/orientation. A specific schedule will be prepared for such training/orientation and any lapse in conducting such trainings regularly may be treated as lapse on the part of the designated officer/ Secretary to Government.

2. Public Service Commission may be requested to consider introducing an initial training for their fresh recruits.
- 3 No officer may be sent on deputation/ Other duty before completion of probation in the parent Department.
- 4 Since State Audit Department is already having a system of Training, there is no need for introducing another training for them. But there may be a re-look at the curriculum for the training and an examination may be conducted at the end and a certificate with grading and conditions as above introduced in that department also.

## 2.21 **Training for direct recruits to Gazetted or just below cadre in other Departments:** There is a definite system of training for direct recruits as Sub Inspector of Police, Excise Inspectors/Assistant Superintendent Grade II (Jail), Station Officer (Fire Force)/Block Development Officer/Deputy Collector/Commercial Tax Officer etc. For such officers also periodic

orientation is necessary for which the department concerned will make its own arrangements or make arrangements in association with IMG as the case may be. There also, the Head of the Department will be generally in charge of the training and No.2 in the department will be the designated officer for the purpose. It will be his responsibility to ensure that programmes are conducted strictly in accordance with the schedule. Any lapse in conducting such training will be treated as lapse on the part of the designated officer/Head of Department and may find a place in their Annual Confidential Report.

- 2.22 **Promotions in Government Departments:** Promotions in government departments are generally based on seniority. Even though the rule says that in lower posts the criterion is seniority cum merit, there is no relevance for merit unless an officer has suffered a major penalty during the period. In higher level posts criterion is generally merit cum seniority. Here also merit is the casualty and has relevance only if the officer was inflicted a major penalty. In short, whether the promotion is to a lower or higher post, it is 99.9% based on seniority alone. This is one of the major reasons for inefficiency in service. Whether you work hard or not is immaterial in Government service. A cure for the situation is by trying to put in place right type of leadership at the level of District Officer/Regional Level Officers/Joint Director/Additional Director/Head of the Department. In all cases, where an IAS Officer is not the Head of the Department, the post is filled up by promotion from the feeder category. Since merit has little relevance in such promotion as explained earlier, officers with very poor quality happens to occupy the Office of the Head of Department. Same is the case with appointment of Additional Directors/Joint Directors/Regional Officers/District Officers. It is this situation which needs correction to improve efficiency and accountability in Government Service. The Commission is, therefore, of the view that State Administrative Service may be constituted which will enable efficient officers to come to the top and occupy senior position as listed above. About constitution of State Administrative Service, Commission's recommendations will be furnished separately.
- 2.23 As regards , promotion of Clerical cadre staff to the level of Senior Superintendent/Administrative Assistant, the Commission would like to say that the efficiency and accountability of such staff will definitely improve if we ensure that the Officer of the District level to Head of Department level posts are manned by officers of proven efficiency.
- 2.24 **Kerala Administrative Service:** Presently there is no system of State Administrative Service or State Civil Service in Kerala. Here, the services of Deputy Collectors in the Revenue Department are declared as State Civil Service simply for the purpose of promotion to the Indian Administrative service under the IAS promotion rules. This Scheme was stated in 1960s, when a major part of the Administration in Government was handled by the Revenue Department., whereas in the later years, many more departments

have come into existence and almost all functions except Land Revenue Administration and magisterial duties are looked after by the newly formed Departments. As such, there is no justification in continuing the category of Deputy Collectors alone as State Civil Service. Moreover, the Government has been experiencing acute shortage of suitable hands for promotion to the IAS, since only the officers of the Revenue Department are under the zone of consideration. In addition, Public Administration is fast becoming a complicated task and new technology and new issues are confronting the Civil Services. Therefore, the Officers attending to developmental administration and technical administration necessarily need to be considered eligible to be included in the State Civil Services. It is in this context, the State Government appointed a Committee under the Chairmanship of the Chief Secretary to report on the formation of the State Civil Service/Kerala Administrative Services. Based on the report, orders have been issued in G.O.(Ms)228/2014/GAD dated 16/8/2014 accepting the report to form Kerala Administrative Service and to include second Gazetted post of 18 Departments in the State Civil Services category. The 18 departments are listed below:

1. Agriculture Department
2. Sales Tax
3. Civil Supplies
4. Co-operation
5. Industries
6. Labour
7. Land Revenue
8. Municipal Administration
9. Panchayat
10. Registration
11. Rural Development
12. Scheduled Class Development
13. Schedules Tribe Development
14. Social Justice
15. Survey & Land Records
16. Tourism
17. Treasuries
18. General Education (DPI)

2.25 Objections were raised by certain Service organizations about the proposed Kerala Administrative Service and a discussion was held with them. On that basis, orders have been issued in G.O(Ms) 1/2015/GAD dated 5/1/2015 making certain amendments to G.O(Ms) 228/2014/GAD dated 16/8/2014. After the amendments, the proposal is mainly as follows:

2.26 Instead of including all the Second Gazetted posts in the above 18 departments 10% of the total second Gazetted posts in those Departments will be included in the Kerala Administrative Service. The selection to the Kerala Administrative Service will be made as follows:

- a) By direct recruitment from among graduates in the age group of 21 to 28 years plus three years more for SC/ST categories
- b) By transfer promotion from among first Gazetted posts of the Department included in the Kerala Administrative Service on the basis of a test conducted by the Public Service Commission, from those who have not crossed 52 years on the first day of January from the year in which the selection for appointment is made.

Ratio between above two methods will be 1:1. Out of item

(a) ie, direct recruitment, there will be two types of eligibles

- 1) From the open quota
- 2) From among qualified Government employees serving in the Departments included in the State Administrative Service irrespective of the category in which they are working. But GO.(Ms)1/15/GAD dated 5/1/2015 has not specified the ratio between Open quota candidates and service candidates. For serving Government employees under this category, the age limit is prescribed as 35 years. Secretariat service is not seen included in the Kerala Administrative Service.

2.27 The Commission considered the whole issues and is of the view that

- 1. Formation of a Kerala Administrative Service is absolutely essential to improve efficiency and quality administration in the State. The Commission is of the view that the Kerala Administrative Service may be formed and rules framed most urgently.
- 2. Efficiency and Quality of Administration need improvement in the Secretariat level also. Therefore, 10% of the relevant post in the Secretariat service may also be included in the Kerala Administrative Service.
- 3. Commission agrees to the Government decision to set apart 50% of the post in the Kerala Administrative Service for by transfer promotion from among first gazetted posts based on a test conducted by the Public Service Commission. But the age limit is prescribed as 52 years. Commission finds that there is no real use in promoting somebody to the Kerala Administrative Service at the age of 51 or 52. Hence it is recommended that the maximum age limit for by transfer promotion may be brought down to 48 years leaving at least 10 more years for such a person to work in the Kerala Administrative Service.
- 4. As for direct recruitment (which is for 50% of the total posts in the Kerala Administrative Service) there are two types of eligible ie, one more open quota and the other from those

serving in the department. The ratio between the two, within the 50% for direct recruitment, is recommended to be 1:1.

5. A minimum qualifying percentage of marks may be prescribed for the Departmental candidates in the written examination. If sufficient number of such suitable candidates is not available, the balance available posts may be filled up by direct recruits.

2.28 **Appointment of Head of the Department:** The whole activities of the Government can be seen in the Budget cycle as detailed in the Kerala Budget Manual. The most important of the four stage is third one ie, Execution of the Budget. It is here, the Government and the Departments are faltering on the account of inefficiency of Officers from the top to the bottom. In this context, we do not forget a few of the very efficient Officers and Staff ; but it is a fact that we have a lot of Officers and Staff who need to be properly trained and guided to make them capable of executing the budget to the best advantage of the State. When the execution of the budget falters the expenditure on schemes go waste, resulting in lesser development and slower growth of State Domestic Product. Moreover, the Commission is of the view that inefficiency and erosion in quality of the Departments is not primarily on account of lower level of Staff; but mostly on account of Head of Department and senior level functionaries including the District Level Officers. As such, we have to ensure that the higher leadership in the Department, especially the Head of Department, has to be of a proven standard. For this purpose the following recommendations are made:

1. Head of Department post may be filled up either from All India Service Officers or the proposed Kerala Administrative Officers only.
2. In Technical Department like PWD , Health Services etc, the Head of Department and the Head of Department level post like Chief Engineers may be filled up only by means of Selection from among the Senior most of the suitable officers out of a list prepared by a the Service Selection Board . The Service Selection Board may assess the suitability of all the Officers in the feeder category subject to a maximum of 10 Officers per vacancy and out of the short list prepared by them the senior most may be appointed as Head of Department
3. Till the Kerala Administrative Service is formed either IAS Officers or Officers cleared by the Service Selection Board alone may be appointed as Head of the Department.
4. The Service Selection Board may consist of one of the Additional Chief Secretaries nominated by the Chief Secretary, the Secretary to Government in charge of the Department and at least one expert in management/Public Administration.

5. On no account the post of Head of Department may be filled up simply based on seniority.

2.29 **Monthly Work Report:** The next question is how to ensure efficiency and quality in respect of District Officers and above. Even after the said State Administrative Services is constituted, the officers in such services can hold only a limited percentage of such posts. In order to ensure quality by officers in such posts, Commission is of the view that the officers of the level of Superintendent (Formerly Junior Superintendent) and above should have a system of writing a one page (¼ demi) report, regarding important items of work turned out by them in a particular month including their special contribution in such matters. This means that during an year there will be 12 such monthly reports and every month this report shall be submitted to the immediate superior officer for perusal and comments and then to the next higher officer for countersignature. The annual confidential report of the officer shall mainly be based on this monthly report and comments of next higher/ Countersigning Officers. The monthly report written by an officer after countersigning may be uploaded in the website of the Department, so that this will be available for verification of higher authorities at any time and also open to the Public. It will also ensure that such monthly reports will have to be written in time and not in lump for all the months together at a later date. The annual confidential report of every officer shall be written based on the monthly reports for that year. This procedure shall apply in the case of Secretariat Officers and Officers in the line Departments including State Administrative Service Officers, when it is constituted.

2.30 **Monthly Work Report – Points to be included:**

- 1) Number of files handled during the month.
- 2) Number of files disposed off during the month.
- 3) Number of files sent up.
- 4) Number of files within delegation but sent up and if so why?
- 5) Average time taken up for disposing/sending up a file i.e., same day or more days.
- 6) If it is more than 2 days what is the justification.
- 7) Number of meetings convened/attended during the month.
- 8) What important matters have you handled during the month (like cabinet files/rule amendments/issue of circulars/budget work/resources work/fund mobilisation-allocations/project analysis/Audit/PAC/PUC papers etc.)
- 9) Handling/disposal of files by officers/sections under your control-Comments
- 10) No. of leave availed.
- 11) Late attendance/early leaving from office etc.
- 12) Discipline in respect of officers/sections under your control.
- 13) Any other important matter/contribution worth mentioning.
- 14) No. of complaints received against the officer including disciplinary action under process or finalised during the month.

### **Additional points for Field Departments**

- ❖ No. of field visits made.
- ❖ No. of Petitions disposed off.
- ❖ Other important work attended – Specify.

- 2.31 **Promotions in Secretariat Departments:** In Secretariat Services also, promotions to Junior level Gazetted post is based on seniority cum merit and promotion to higher level post is based on merit cum seniority as per rules. But the element of merit in both the cases is a casualty unless an officer has undergone a major penalty during the relevant period. This has resulted in inefficient officers getting promoted even to very high posts as Additional Secretary/Special Secretary to Government. A correction to this state of affairs is absolutely necessary. The Commission had considered the matter in detail and is of the view that for promotion from the Section officer to Under Secretary, 50% posts shall be reserved for officers who qualify in a written test to be conducted by the Kerala Public Service Commission. Once an officer has got promoted as Section Officer and completed one year of probation, he can apply for writing the qualifying test for promotion as Under Secretary. That an officer has passed the examination earlier alone will not bestow any right on him for promotion superseding his senior who has qualified in a later examination. A senior will lose his chance of promotion only if he has not passed the qualifying examination on the date on which he is due for promotion. This kind of test qualification for promotion shall apply only to 50% of the post of Under Secretary; whereas balance 50% will be filled up by promotion of Section Officers on the same lines as is now being done under relevant rules.
- 2.32 An examination for this purpose may comprise of two papers. (1) General paper; (2) a special paper with reference to department in which the officer is working ie Finance, Law or Administrative Secretariat. This examination shall be without books and the qualifying limit shall be 50% marks. For promotion to the posts of the Under Secretary and above, the Commission has suggested a revised scheme for evaluation of merit based on grading awarded, to be used as a tool for assessing suitability for promotion.
- 2.33 Another point that has come to the notice of the Commission is that there is a tendency to send officers of any level (ie, even the highest level) on deputation or other duty and effect promotion to such vacancies without regard to the cadre strength of the category. This has resulted in more than two times of officers enjoying the benefit of a post without regard to the cadre strength. What is actually to be done is that cadre strength is to be fixed or controlled in senior categories. Moreover, Commission is of the view that Officers of the category of Joint Secretary and Additional Secretaries (which are considered as equivalent to Heads of Department) shall not be posted outside the secretariat (other than to posts ordered as addition to cadre) on

deputation or other duty to any post lower than that of a Head of the Department or Member or Secretary of a Commission. Practice of sending officers on deputation to a lower level post for eg: an Under Secretary to an equivalent post and permitting that officer to continue in the same post by upgrading it to the level of Deputy Secretary / Joint Secretary/ Additional Secretary as the case may be, is a totally unwelcome situation. Commission is strictly against such steps and recommends that lower level posts shall not be upgraded simply to accommodate an officer in a higher post for his convenience or other reasons simply saying that this is ordered in public interest.

2.34 ***If the Deputy/Joint/Additional Secretary is placed on deputation, the person junior to him shall not be given promotion, but will be given charge on officiating basis and will be reverted on the return of the person from deputation.***

2.35 Special secretary post being a very Senior post enjoying highest scale in the state, promotion to such post shall be made strictly based on merit from among officers in the feeder category. The assessment of merit and promotion shall be based on score gained in the Annual Confidential Report and further assessment based on an interview conducted by a Service Selection Board comprising of Additional Chief Secretary/GAD Secretary and Finance Secretary or Law Secretary a member of the Public Service Commission and a subject expert working in a reputed institute like the Indian Institute of Management or similar organization as the case may be. As regards Legislature Secretariat Hon'ble Speaker may decide on the pattern to be followed in that department.

2.36 **Revised Scheme for evaluation of merit (ACR) :**

1. Despite several attempts made by Central pay Revision Commission as well as Administrative Reforms Commissions in India and the various States of the country, recommendations to link an element of pay to performance have never been fruitful in the past. Government have always chosen to do cherry-picking and adopt the pay scales that are recommended while ignoring the recommendations that come along with it.
2. There is enough empirical evidence from the management literature that supports the hypothesis that there is a strong correlation between rewards (both monetary and nonmonetary) and performance and efficiency of service delivery by employees-be it in the public sector or the private sector. One reason often cited for the inability to implement a well designed reward system is the absence of a flawless performance appraisal system. The history of human resource management in organisations both small and big is replete with attempts to design the perfect appraisal system. Every design in this

direction is tried out for a few years and rejected on the grounds that it does not capture all dimensions of performance and evaluation of an employee.

3. The Sixth Pay Commission constituted by the Government of India also made an attempt to introduce a Performance Related Incentive Scheme (PRIS) through its recommendations in the following words.

***“A system that primarily lays emphasis on delivery and end results and which continuously rewards performance has been put in place by incorporating features like Performance Related Incentive (PRI) and variable increments in the basic scheme of pay scales”***

But for reasons not apparent, this too was not adopted while implementing the recommendations of the Sixth Central Pay Commission.

4. From an understanding of past efforts in introducing improvements to enhance efficiency through the pay structure itself, the Commission is of the view that it is better to start and build on the existing structures available in Government for performance appraisal. Therefore, instead of tinkering and trying to modify the formats of existing performance appraisal report or reinvent a format in a quest for the ideal format that is flawless, it would be prudent to use what is readily available with Government.
5. The Commission proposes two performance related incentive schemes linked to pay revision
  - i. The first is in the nature of a minimum eligibility criterion for promotions for all levels equivalent to posts at or above the scale of pay of a Deputy Director.
  - ii. The second is a performance incentive for employees with an exceptional track record of performance.

## 2.37 EFFICIENCY CRITERION FOR PROMOTION TO SENIOR POSTS

1. The Commission proposes that promotions to all posts at and above the rank of Deputy Directors and posts equivalent thereto shall be given only to employees who secure a minimum score of 70% in the Annual Performance appraisal Reports reckoned over a period of the past five years prior to the promotion.
2. Currently, the State Government adopts broadly a variety of formats (PAF) for performance appraisals. This includes one format with 14 factors for senior officers and one with 13 factors for others in the Secretariat. The performance scores range from 'A' (the highest score) to 'D' the lowest score. There is a second part in these formats which

contain a secret section to record personal qualities e.g. Integrity, sensitivity, loyalty of the officer. There is yet another format for non-secretariat officers at the senior level with 15 factors for evaluation and another with 10 factors for others.

3. The Commission does not recommend any immediate change in these formats (PAFs). The Commission recommends that the scores obtained in the PARs be converted into a numerical score with the following correspondence relations for the purpose of implementing this recommendation

GRADE	NUMERICAL SCORE
A	10
B	8
C	6
D	4

4. Adopting the score (e.g. in the 14 factor PAF viz., format for senior officers in the Secretariat), it may be seen that the numerical sum of the scores an employee may obtain is a maximum of 140 and a minimum of 56. This PAF is used for illustrating the idea of how the evaluation should be made for the purpose of promotions to senior posts.
5. For the above posts, it is recommended that promotions will be given to employees only if they satisfy the following criteria.
  - i. The employee should have obtained an average of 70% on the total score over the preceding completed five years for being eligible for a promotion.
  - ii. The employee should not have obtained any 'D' Grade confirmed by the appellate authority on any factor in the last 5 years.
6. For instance the eligibility of an employee with the following scores in the PAR (based on the 14 factor PAF) over the period 2010-2015 will be reckoned as follows.

#### EXAMPLE 1

GRADE	2010-11	2011-12	2012-13	2013-14	2014-15	TOTAL
A	3	5	3	4	2	17

B	9	6	8	9	9	41
C	2	3	3	1	3	12
D	-	-	-	-	-	-
TOTAL	14	14	14	14	14	70

Average Score of the above employee is  $(17 \times 10 + 41 \times 8 + 12 \times 6) \div 70 \times 100 = 81.43\%$

**As this is above the eligibility criteria of 70%, the employee will be eligible for promotion.**

#### EXAMPLE 2

GRADE	2010-11	2011-12	2012-13	2013-14	2014-15	TOTAL
A	3	2	2	3	2	12
B	8	5	10	10	11	44
C	3	6	2	1	1	13
D	-	1	-	-	-	1 (DISQUALIFIED FOR PROMOTION)
TOTAL	14	14	14	14	14	70

Average Score of the above employee is  $(12 \times 10 + 44 \times 8 + 13 \times 6 + 1 \times 4) / 70 \times 100 = 79.14\%$

Though the score is above the eligibility criteria of 70%, but the employee will not be eligible for promotion as the employee has obtained a D in one of the years in the preceding five years.

7. Where there are more than one PARs written for an year for administrative reasons, (transfer of employee or reporting officer etc.) there will be a weighted average of the scores on the basis of the months covered by each PAR. For instance if there are two PARs for an employee in any one year for (say) 4 months and 8 months respectively, the weight attached to the individual scores will be (Score for PAR No.1)  $\times 4/12$  + (Score for PAR No. 2)  $\times 8/12$ .

2.38 **Transfers and Posting of Officers:** This is an area where there is scope for large number of complaints, as also possibility for corruption. Even though, there are transfer norms issued by the Government from time to time, this is not being followed or practiced to suit the intention with which rules are formulated. In Maharashtra, there is an Act by name Maharashtra **Government Servants Regulation of Transfers and Prevention of Delay in Discharge of Official Duties Act 2005** which regulates transfers and postings in the State. We also need an Act and statutory Rules prescribing norms for transfers

and posting which are strictly enforceable. Posting should be for a tenure and a shift should be made only on substantial grounds. Until Act and Rules are made, norms should be framed through executive orders and should be enforced.

- 2.39 **Improving the system of file movement in the Government Secretariat:** It is complained that Secretariat is a major source of delay in Government Administration. This allegation is mainly because there are many levels in the hierarchy through which a file passes. The Secretariat is a place where major/policy decisions are taken. It is therefore, argued that scrutiny of file has to be in a thorough manner to obviate possible flaws in taking decisions. There is some element of force in both the arguments. But it is vividly clear that there is a scope for reduction of levels through which a file is destined to pass.
- 2.40 The above type of delay is also on account of the number of file handled in the Secretariat. It is seen that delegation of powers is not being exercised in full by the Officers concerned and even ordinary files go up to the top. For example: a file to be disposed of by the Deputy Secretary or Joint Secretary shall not be sent upto a higher officer unless specifically called for; but must be disposed of by the Officer concerned. If this is not done, an adverse entry may be made in the Annual Confidential Report of the Officer. When this is correctly observed, the number of files going up that level will be considerably reduced and further delay will be avoided. Likewise, if Under Secretary finds a file which is to be disposed of at the level of Additional Secretary, there is no need to send the file through Deputy Secretary or Joint Secretary. He must mark such files direct to the Additional Secretary which will ensure speedy circulation of files. Where a file is to be seen by the Secretary to Government or Minister concerned such files may be sent up direct to the Secretary/ Minister from the level of Joint Secretary/Deputy Secretary. If a clarification is sought or details called for in a file from the higher level, the file should not pass through the entire downward hierarchy but should be retained by the person concerned to be disposed of after collecting the information or details called for. Such an arrangement will ensure speedy disposal of files.
- 2.41 Another issue that hampers speedy disposal of file in Secretariat is the increase in number of files/papers handled by them. A Minister being a representative of the people cannot refuse to accept petitions submitted to him by a citizen, irrespective of whether it is a matter to be considered at the level of Government or at a lower level, like the Village Office or Panchayath Office. Now what happens is that the Minister sends the petition to the Secretary to the Government concerned and in the normal course it goes to the Head of Department and then through different level to the Officer concerned. This causes increase in number of files in the Minister's office, Secretariat, in the office of the Head of Department and lower levels. We have to evolve a system by which the unnecessary routing of a petition is avoided. Speedy disposal of grievance, if it is genuine, can be ensured by Ministers' Office by sending the petition direct to the officer who is responsible to decide on the matter pointed out in the petition. In the earlier

case, even if the grievance is redressed, it will take a very long time for a decision. If the petition is passed on directly to the Officer responsible, then it can ensure speedy disposal of the file. Moreover, Ministers' office can follow up such cases directly also. With the improvements in technology and with the help of computer/ internet facility, a petition received can be scanned and sent to the Officer concerned within no time. Follow up action, can also be pursued through internet as well as telephone, if necessary. One of the Private Secretaries may be put in charge of this review and further action.

2.42 Even now, there is some arrangement in the office of the Minister to attend to petitions received by the Minister. A small in-house arrangement in the Ministers' office involving two people who will specifically attend to such matters will serve for the purpose. This can be done by rearrangement of existing staff attached to the Ministers' Office and there is no need for any additional creation of posts.

2.43 **Annual Confidential Report:** The grading A, B, C, D for the different items detailed in the Annual Confidential Report may be based on Monthly Work Report as the report for the 12 months is the best proof of work turned out by an officer, the quality of the work done and punctuality in attending office and discharging the duties. Even the general remarks recorded by the reporting officer should be supported by what is mentioned in the Monthly Work Report. A system of awarding marks in the different grades for regulating promotions of officers based on a 5 yearly average of such marks will be appended to this chapter. The Annual Confidential Report of the officers shall have a proforma to record the marks due to the officer based on the different grading in the 13/14 items as applicable to Secretariat /line departments.

2.44 **PUNCHING:**

- 1) Punching may be made compulsory for all officers and staff and the same linked to SPARK by which deductions can be ensured for late attendance and early leaving beyond permitted levels.
- 2) There is a tendency not to record the casual leave or even eligible leave taken. This can also be tracked by punching and linkage to SPARK.
- 3) Government may urgently implement a mobile application to facilitate the attendance punching by field staff. The application should capture the remote location where the employee is engaged in the field. To this end, the personal mobile phones of the employee may be used.

2.45 **Working days in Government Service:** Out of 365 days in a year, there are 52 Sundays and 12 Second Saturdays which are closed holidays for all offices. In addition, we have 25 holidays in a year which include Republic day, Independence Day, Gandhi Jayanthi etc. The number of holidays may vary depending upon a holiday falling on a Sunday or a Second Saturday. In any case, the total number of working days in a year is 276 days. Out of this, an

employee is permitted to avail 20 days casual leave. In addition, there are Restricted holidays also. The Commission is of the view that in addition to Sundays and Second Saturdays there is no need for 25 days as declared holidays and 20 days of casual leave. It is necessary that the number of holidays is restricted to 15 + 10 restricted holidays, out of which an officer may avail all the holidays and any five out of the 10 Restricted Holidays.

2.46 Similarly the number of casual leave is too much compared to Central Government. This may, therefore be, brought down from the existing 20 days to 15 days. We should bear in mind in this connection that the pay package now available in the State plus the revision now recommended, demands better service to the people and hence increase in working days/working hours is justified. At present, the total number of working days is 276 out of which one can avail 20 days of casual leave, effectively bringing down, the days of work to 256. The local holidays are in addition to this. If casual leave is brought down to 15 days and the number of holidays is regulated as 15 + 10 restricted holidays, then the total number of working days will be 286 days. When 15 days are availed as Casual leave the effective number of working days will be 271 days.

2.47 **Recommendations:** Number of causal leave may be reduced to 15 days. The total number of 25 holidays may be revised as holiday for 15 days and 10 days restricted holidays out of which only 5 can be availed. In case of additional holidays being declared preceding or succeeding a regular holiday such days may be allowed only as a restricted holiday as there is no real ground for declaring it as a public holiday. As a result it should be possible to ensure at least 285 Working days in a year.

2.48 **Punctuality in Attendance:** There is a general complaint that a large number of Government employees do not attend office in time or remain in office till the end of office time. It is true that there are a good number of officers / employees who come to office early as well as leave office much later as required by exigencies of office work. It is with the help rendered by such officers, the important Government programmes go forward undisturbed. This does not in any way justify the late coming and early going of another set of people who are not responsible towards their duties. This actually, dampens the spirit of those who are earnest in their work and make them also lazy to some extent. The system of punching introduced in some offices is a partial remedy to this problem. But punching is not seen linked to spark system which regulates the payment of remuneration to the employees. It is, therefore, necessary that punching system is linked to the spark system by which those who do not attend office in time or leave office early may be subjected to reduction in remuneration according to the existing rules or by making suitable amendments in rules. There is another tendency in some offices not to put on record number of casual leave availed or even details of eligible leave availed. This can also be put an end to by linking punching system to the spark system. It can be argued that punching is not practical in the case of those who attend field duty. But technology has improved to such an extent, that punching can be effected by means of mobile phone

applications, so that their location can be verified and recorded online. For such officers the department may provide mobile phone sets /Sim cards with facility to contact the officers concerned. The Commission also feels that organization leaders of Government employees should not engage in organization work during working hours. They should serve as role models for the employees by confining themselves to office work during working hours. The Commission therefore recommends withdrawal of all relaxations to office –bearers of employee's organization from regular duty.

2.49 **Infrastructure Development:** There are a large number of Government Offices which are in very bad shape. Either building is old or it is not kept neat and tidy. The premises of offices are also mostly unclean Even where buildings are new, in a very short while the whole thing becomes unclean due to bad maintenance. This is mostly on account of bad supervision by the Head of Office or Head of the Department, in enforcing proper work culture by the lower level functionaries. No Government can expect a quality turn out of work from an employee who is compelled to work in a bad atmosphere. It is necessary that the Head of Office is made responsible for the proper maintenance of the building and its premises. If this is not done, an adverse entry in the matter will have to be recorded in his Annual Confidential Report. If the laxity in keeping the office clean is on account of non-availability of reasonable funds, he will have to satisfy his superior that he has taken earnest effort to obtain funds by moving the higher authorities in right earnest. In such cases, the higher officer should be held responsible for the lapse.

2.50 **Acquisition and maintenance of vehicles by the Government:** Government incurs massive expenditure on acquisition and maintenance of vehicles for various departments. While Government vehicles are absolutely required for the top level functionaries and establishments like hospitals, police, fire force etc., Commission feels that a policy change has to be introduced in regards to acquisition of vehicles for all and sundry Departments. In addition, massive expenditure is being incurred for repair and reconditioning of Government vehicles. Also large misuse of vehicles is also reported. In the circumstances, the following recommendations are made.

- (i) Drivers on exclusive basis need not be appointed and on the other hand, a system of appointment of driver-cum-peon to be introduced.
- (ii) Only Secretaries to Government and Heads of Departments need be provided with exclusive vehicles for their office use.
- (iii) The Departments, which need vehicles on regular basis for office use may be permitted to follow the system of hiring of vehicles, subject to rules.

- (iv) Government can also consider for payment/reimbursement of fuel charges to those using their vehicles for official purposes.
- (v) Excess vehicles may be identified and phased out within a prescribed period of time, without incurring heavy expenditure on repairs.

2.51 **Service Selection Board:** There are crucial posts in several Departments which need to be manned by officers of quality and integrity for the proper discharge of functions. It is true that we have a system of promotion as per the special rules or executive orders. As already mentioned earlier this system though followed in letter, does not ensure promotion of officers of good quality or denial promotion to those officers who are unsuitable for promotion due to poor performance on several counts. In the circumstances, it is necessary that certain crucial posts to be mentioned below are held:

2.52 Only by officers who are selected based on quality and integrity alone, seniority coming only among the selected eligible. For this purpose, a system of selection by a Service Selection Board has to be introduced. In the Revenue department the Commission has identified two posts which are very crucial (1) the newly recommended post of Principal Tahsildar (2) Additional District Magistrate. In the case of Principal Tahsildar the Service Selection Board may comprise of (1) of Land Revenue Commissioner (2) one out of 14 District Collectors (3) one out of 14 Additional District Magistrates and (4) a Government nominee in the rank of Joint Secretary/Additional Secretary to Government. One of the Assistant Commissioner in the Land Revenue Commissionerate may be designated as Member- Convener of this Service Selection Board. The service Selection Board for the post of Additional District Magistrate may consists of (1) Secretary (Revenue Department) (2) Land Revenue Commissioner (3) One of the 14 District Collectors. Additional Secretary/Joint Secretary in the Revenue Department may designated as Member - Convener of the Service Selection Board.

2.53 In the Police Department the two posts that require proper selection is the Station House Officer and the Deputy Superintendent of Police / Assistant Commissioner (Law and Order). For Station House Officer, Service Selection Board may consist of

1. IG (Administration)
2. DIG (intelligence)
3. District Police Chief in charge of the District
4. One AIG / Superintendent of Police nominated by the DGP (State Police Chief) – Convener .

2.54 The same Service Selection Board may be in charge of Selection of suitable officers to work DySP/Assistant Commissioner (law and order).

2.55 In respect of the post of Special Secretary to Government (Secretariat) Service selection board is necessary and the same may consist of

- (1) an Additional Chief Secretary nominated by Chief Secretary Chairman
- (2) Secretary, General Administration Department Convener

And

(3) Finance Secretary/Law Secretary as the case may be

(4) A subject expert preferably from the Indian Institute of Management, Kozhikode.

2.56 In the case of Selection of Special Secretaries, Service Selection Board may consider the details of all officers in the feeder category and prepare a short list of 10 persons for every one vacancy and then interview may be conducted based on which the final selection may be made. This interview may be videographed and preserved for future use in case of dispute or appeal.

2.57 Wherever, Service Selection Board procedure is in operation the board will have to obtain and consider report from the Intelligence Department about the officer for the last three years.

2.58 **Recognition of meritorious service in Government and honorary promotion:** There is provision for sanction of good service entry, advance increment and letter of appreciation in recognition of good work done by the employees. This was considered necessary to encourage those employees who put in meritorious and committed work. But in course of time, there were allegations that good service entry or advance increment has been allowed, at least in some cases, to ineligible hands due to nepotism and partiality. As a result, this is now practically not being given but there has been a rare occasion when such commendations were awarded. It has also come to the notice of the commission that though issue of letter of appreciation is much less cumbersome, Senior officers do not come forward to award such commendations. This may be to avoid allegations or they are unmindful of the need to encourage their junior officers. Having considered the whole matter in detail, Commission is of the view that there is need for award of such commendations; but that has to be regulated by a proper frame work. Commission has already recommended that a system of Monthly Work Report may be introduced. We are of the view that the award of good service entry or advance increment needs to be fully supported by the Monthly Work Report of the officer as approved by the reporting officer or countersigning officer. Issue of letter of appreciation has also to have support of the monthly work report or a particular file in which such good work has been turned out. This may also find a place in the Monthly Work Report of the Officer, even though in some cases, it may be after issue of letter of appreciation.

2.59 Commission has recommended in Part I of this report that a system of honorary promotion in the place of 4<sup>th</sup> Time Bound Higher Grade may be

introduced based on performance and integrity of an officer and also that of teachers as Deputy Headmaster on completion of 28 years of service. Honorary promotion will have to be considered in the case of Civil Excise Officers also as stated in Part I of the report. The demand of the Association has been to grant 4<sup>th</sup> Time Bound Higher Grade to all employees even above the scale of pay Rs. 9940-16580. The Commission is of the view that this cannot be allowed in toto ; but may be restricted to those who have put in meritorious service may be given honorary promotion. This has again been considered. Presently there is no definite system for assessment of performance or quality of such officers. The only reliable record is the Service Book of the Officer. In the circumstances, the Commission is of the view that 4<sup>th</sup> Time Bound Grade may be extended to those officers whose entry cadre is 10480-18300 (pre revision) also, subject to the condition that they have not undergone any major or minor punishment during the entire period of their service. They should also be qualified for promotion to the next higher post ie, there will be no 4<sup>th</sup> grade for unqualified persons. The same procedure may be followed in the case of Civil Excise Officers also. As regards, promotion as Deputy Headmaster in the case of Teachers who have completed 28 years of service, performance appraisal system namely 'Pindics' evolved by the Education Department may be followed. Though PINDICS is primarily designed to assess elementary school teachers, the same could be adopted with modifications in the case of High School Teachers also. Those who score more than 75% of rating points as envisaged in PINDICS shall only be eligible for honorary promotion as Deputy Head Master.

- 2.60 **System of Front Office:** In all offices where public interaction is substantial, a Front office system may be introduced as in Local Self Government offices/Taluk Offices which are functioning well. There is no need for creation of additional post for the purpose; but employees may be posted on rotation basis.
- 2.61 **Existing Scheme for Compassionate Employment:** As per G.O.(P) No.12/99/P&ARD dtd 24/05/1999 Government have issued orders, in supersession of all the existing orders, to regulate appointment under the compassionate employment scheme. It has prescribed the date of effect, eligibility, family income, dependents, minimum service, category of appointment, qualification for the post, age limit, time for preferring application and procedure for appointment.
- 2.62 The maximum income of the family of the deceased Government servant shall not exceed Rs.6,00,000 (Rupees six lakh) per annum to make a dependent eligible for Compassionate employment and this limit will be revised from time to time.(The limit revised as 6 lakh vide G.O.(P).No.23/2015/P&ARD dtd 25/07/2015). Family income to be reckoned is the actual income available to all members of the family from all sources other than family pension. Income from properties of the members of the family shall also be reckoned. Income of the married sons and daughters and other members of the family living separately are not reckoned for calculating the family income.

- 2.63 Only one dependent will be given employment assistance under the scheme in the event of death of a Government servant. Employment assistance shall be given to the widow/ widower, son, daughter in the said order of priority. Son and daughter shall include adopted son and adopted daughter respectively and will rank after son/daughter. However, in the case of unmarried Government Employee dying in harness, Father/Mother, Unmarried Sister/Unmarried Brother shall also be eligible for employment assistance. (Vide G.O.(P) No. 24/99/P&ARD dtd 18/11/1999.)
- 2.64 Appointment under the scheme will be limited to class III and class IV posts in the Subordinate Service, Last Grade service and Part Time Contingent Service to which direct recruitment is one of the method of appointment. In the case of posts for which different methods of appointment are prescribed, the appointment under the scheme shall be set off against the quota earmarked for direct recruitment.
- 2.65 Appointment of dependents in general category posts such as Clerk, LD typist, Peon etc., will be made in the concerned department itself against an existing or arising vacancy. If vacancies of Clerks are not available and the applicant is qualified for appointment as Computer Assistant, he will be appointed as Computer Assistant against the existing vacancy of LD Typist and given category change as clerk without loss of seniority, based on his option, adopting the general pattern regarding category change in the case of appointments under the Compassionate Employment Scheme also, ie, the Typist – Clerk appointed under the Compassionate Employment Scheme will remain as Typist – Clerk for a period of five years before a category change is allowed. If a vacancy of Peon is not available in the department to accommodate a dependent and if there is a vacancy and the applicant is willing, he will be appointed in part time contingent post. Such persons will be allowed change of appointment as Peon prospectively at the earliest opportunity. If none of the above alternatives are possible for want of vacancies, such cases shall be referred to General Administration (C.E.Cell) Department for allotment of vacancies.
- 2.66 For allotment of vacancies, 5% vacancies in the categories of Clerks, LD Typists and Peon arising every year will be reported by all Heads of Departments/ Appointing Authorities to the General Administration(C.E. Cell) Department.
- 2.67 5% vacancies of Village Extension Officer and Lady Village Extension Officer in the Rural Development Department and 5% vacancies of Lower Division Compiler in Bureau of Economics and Statistics Department will be reserved and reported to the General Administration (C.E. Cell) Department for allotment under the scheme, to qualified dependents.
- 2.68 10% vacancies of Police Constable, Excise Guard, Forest Guard and Jail Warder will be reserved and reported to the General Administration (C.E. Cell) Department for allotment under the scheme, to qualified dependents.

- 2.69 The dependents of Government servants in any of the departments of Rural Development Department, Bureau of Economics and Statistics, Police, Excise, Forest and Jail applying for the posts of Village Extension Officer and Lady Village Extension Officer, Lower Division Compiler, Police Constable, Excise Guard, Forest Guard and Jail Warder respectively will be appointed in the concerned department in existing or arising vacancies, provided they possess the requisite qualifications, without consulting the General Administration (C.E. Cell) Department . Such appointment shall not be set off against the vacancies reserved and reported to the General Administration (C.E. Cell) Department.
- 2.70 It has come to the notice of the Commission that there are certain serious problems arising out of the implementation of the scheme. It has also been noticed that some of the conditions for appointment under the scheme are so lax that the real intention of the scheme is bypassed and it has come out to be a scheme for unduly earning seniority in service, ahead of those who have come through the process of due selection by the Public Service Commission.
- 2.71 Our scheme is that for a married employee, wife/husband or children are the direct beneficiaries. Even married sons and daughters are also eligible provided they were dependants of the deceased. If the son or daughter is not old enough for appointment or not acquired the necessary qualification, they can wait for acquiring 18 years of age and three more years even thereafter. While a child is in the womb is also eligible for this claim, the waiting period is more than 21 years. According to the Commission, this is a very bad situation. The real intention of the scheme is to provide immediate solace and support to the family of the deceased. If they are waiting for more than 21 years for the benefit, it means either there is no immediate solace to the family or they do not deserve any solace or support on account of the demise of the employee. In Government of India, the claim for compassionate employment will expire in three years time from the date of demise of the employee. If there is no vacancy within three years then also the claim will lapse. On the other hand, in our state the claim is allowed even after the lapse more than 21 years and still again the applicant can wait for vacancies to arise, which is not in consonance with the intent and purport of the scheme. In Government of India the claim is for appointment to that department where the deceased was working. In our State the applicant can claim for appointment in any department of his choice. In some of the States like Haryana, there is no scheme of compassionate employment. Instead, they are either paid lump sum compensation or can get the last salary drawn by the deceased for a period not exceeding the date of superannuation had he been alive or 15 years whichever is earlier. After 15 years they will get family pension.
- 2.72 Even though, solace and support is definitely deserved by the family of the deceased, our scheme as it stands now is no kind of immediate relief or support. The benefit is misutilised in Kerala. Moreover, under our scheme a young person who has just completed his 10<sup>th</sup> standard can get appointment in Government service before 19/20 years of age. Such a person can have

more than 37 years of service in State Government under the present dispensation. Normally, a person who has acquired 10<sup>th</sup> standard or higher qualification has to wait for the next notification of the Public Service Commission after attaining 18 years . Such notifications are far and few and occur once in 5 years or even more. Examination will be still later and rank list still afterwards. That means, even if, one applies for the post of clerk against the 1<sup>st</sup> notification after 18 years of age and even if he is one of the best of candidates , he can get appointment only by 26 or 27 years of age or still more. It so happens he becomes junior to the earlier person who joined service, under the compassionate scheme without writing any examination, just after completion of 18 years of age. It is evident that an appointee under compassionate employment scheme becomes far more senior to all those who have come through the due process of selection and they get promoted to higher post much earlier and occupy senior positions for far long years blocking the chances of promotion of those who underwent the due process of selection. It also happens that a compassionate scheme appointee who joins service at 18 or 19 or 20 or even 25 years of age would not have acquired the required qualification for a post at the time when last notification for appointment for a particular post was called for by the Public Service Commission. This is a thoroughly unsatisfactory situation, causing distress and discontentment among normal recruits. Also there is no logic or reasoning in assigning a compassionate scheme appointee much higher seniority, above those who acquired necessary qualification and who applied for a selection as per notification published before the compassionate appointee qualifies for a post. In short, compassionate appointees' 'eligibility for seniority can only be lower than all those who have applied before he got qualified and selected on that basis. In effect, our scheme of compassionate employment has come out to be a scheme for awarding undue seniority over normal recruits and not a scheme for solace and support immediately after the demise of the employee. It is because of this that there is heavy rush for appointment under compassionate scheme, to better services like Secretariat service. This situation needs thorough change. The Commission is of the firm view that this system needs restriction and correction.

2.73 It is also seen that there are cases where the 5 % quota prescribed by the Government is also exceeded and there has been court cases filed by those appointed as supernumerary hands claiming seniority over normal recruits. That means, there is an attempt to manage undue advantage based on compassionate employment even though the aim of the scheme is immediate relief and support and not undeserved seniority.

2.74 **Recommendations:** The scheme for compassionate employment may be restructured, ensuring that this is a scheme for immediate relief and support to the dependants of a deceased employee and not a scheme for getting undue advantage by way of seniority (by persons who got employment under the scheme) over normal recruits who are better qualified and underwent the

due process of selection. The Commission's recommendations in the matter are as follows:

1. The indiscriminate waiting period of more than 21 years as explained above may be dispensed with and the waiting period for getting employment may be reduced to 3 years as in Government of India.
2. If the spouse of the employee is qualified he or she is bound to accept the appointment as the scheme is for immediate relief and support to the family.
3. He /she can renounce the claim for appointment in favour of son or daughter only if he / she will get only less than 10 years of service, if appointed.
4. The system of giving employment to brother or sister whether married or unmarried may be dispensed with as that will not afford real solace and support of the family of the deceased.
5. If the claimants as above are not accepting or not getting employment within three years, they can opt for a system of the spouse getting the last salary drawn by the deceased. The spouse or in his/her absence, unmarried son or daughter can opt for payment of last salary drawn by the deceased till the normal date of retirement of the deceased or 15 years whichever is earlier. However, in case of sons it will be 25 years of age or their getting employed, whichever is earlier. In case of daughters it will be till marriage or employment or 15 years, whichever is earlier. Income restrictions as in the case of family pension will be applicable here also. This will be instead of family pension for such period the last salary is being drawn. They will be eligible for normal rate of family pension after expiry of the limit for getting last drawn salary. If the spouse is employed, the son or daughter may claim employment within a period of three years. If not claimed, they may opt for getting last drawn salary for the prescribed period. It may be also open to them to opt the last salary immediately after the demise of the employee.
6. The appointment under Compassionate scheme shall strictly be only to Class III or IV irrespective of qualification of the applicant. Under no circumstances, appointment shall exceed 5% of the posts in the particular Department. The vacancies in a particular department may be set apart for those who worked in the same department and died in harness. Dependents of others will be considered only if there are no claimants of former employees of the same department. Once the system of payment of salary for dependents for 15 years or less is accepted, there will be no need for appointment in excess of 5% of vacancies. In that event, appointment in vacancies in excess of 5% shall not be resorted to. Such appointments shall be provisional and they can be assigned seniority in service only after they

complete initial training for normal recruits and complete the period of probation including passing of department test.

7. Their seniority shall be fixed below the last person appointed based on a Public Service Commission notification for recruitment to the same post after the applicant has acquired the required qualification for the post.

2.75 **Appointment under Sports Quota:** There is a scheme for giving appointment in Government Service for meritorious performance in Sports and Games. Here also, what is happening is that there is no process of selection except performance in sports. But it is true that they are doing service to State or Nation and deserves to be recognized properly. The present system is that they can attend ½ day in office and the rest of the day for Sports practice. Here, there is no real gain for Government in making them work for ½ day in the office. They can be permitted to undergo sports practice for all the day and better their performance. Once they retire from active sports, they can join the department and work on a full time basis. But they will have to undergo the required training cum orientation as in the case of other employees. While in service there may be occasions when such persons make further achievements in the sports field. There were occasions when they were given promotions to higher post based on such achievements. Commission does not consider this as a good practice as such promotions will dampen the spirit of the other officers in the Department and may cause distress among them. For such achievement, it is recommended that they may be given either lump sum cash award or additional increment(s) that may be sufficient recognition for the achievement.

## **CHAPTER 3**

### **IT ENABLED SERVICES**

- 3.1 One of the subjects referred by the Government to the Commission is "to consider feasibility of deployment of IT Enabled Services (ITES) with a view to reduction of cost of public services and to make suitable recommendations there on".
- 3.2 The Commission is of the view that the deployment of ITES and effective utilization of ITES based on the following fundamental objectives of e-Governance can reduce the cost of public services.
- 1) Better service delivery to citizens
  - 2) Ushering in transparency and accountability
  - 3) Empowering people through information
  - 4) Improved efficiency within the Government
  - 5) Improved interface between business and industry
- 3.3 The Commission therefore conducted its studies and observations based on the present status of National e-Governance programme, which is the basis of all the e-Governance programmes followed in Government of India as well as State Governments. The Commission has also tried to evaluate the current position of the State with that of other States in India. The Kerala State IT Mission, which spearheads the IT programmes of the State Government, was approached by the Commission for guidance and inputs. The whole hearted support of the Mission has helped the Commission enormously to form its views. The Commission also visited few states and learned about their strategies and achievements and made a comparative analysis with that of Kerala.

#### **National e-Governance Plan**

- 3.4 Government of India has approved National e-Governance Plan (NeGP) comprising of 27 Mission Mode Projects (MMPs) on May 18, 2006. Later on, the number of MMPs increased to 31 by adding four new MMPs in Education, Health, PDS and Post. Apart from these MMPs, NeGP has also approved common and support infrastructure projects ie., State Wide Area Network (SWAN) and State Data Centre (SDC) that can allow information to be shared electronically between different agencies of the Government and with Citizens. These both projects are considered as the converged backbone network for data, voice and video throughout state and the Data Centres which can provide common secure infrastructure to host state level e-Government applications and data.
- 3.5 However, the approval of NeGP does not constitute financial approvals for all the Mission Mode Projects and components under it. The existing or on-going projects in the MMP category are implemented by various Central Ministries, States and State Departments, which are suitably augmented and enhanced to align with the objectives of NeGP.

3.6 The State Mission Mode Projects (MMPs) are the following.

- i. e-District
- ii. Agriculture
- iii. Commercial Taxes
- iv. CCTNS-Police
- v. Land Records
- vi. Road Transport
- vii. Treasuries
- viii. Panchayat Raj
- ix. Employment Exchange
- x. Municipal Corporation
- xi. Education
- xii. Health
- xiii. PDS

3.7 The vision of NeGP is to "make all government services accessible to the common man in his locality, through common service delivery outlets, and ensure efficiency, transparency and reliability of such services at affordable cost to realise the basic need of the common man". The ultimate objective is to bring public services closer home to citizens.

3.8 The Commission found that the present e-Governance programmes in the State, which is also NeGP centric, is in the right path. The Commission felt that even though the State was a front runner in the field of IT, the pace of implementation of the e-Governance programme is not on par with many of the other states in the country. The Commission made an effort to identify some of the challenges and bottlenecks facing the e-Governance programme of our state.

## **I. E-GOVERNANCE IN KERALA – CURRENT STATUS**

### **The main Mission Mode Projects**

3.9 The following are the main MMPs and ITES initiatives of State's e-Governance Programme

- 1) Transport
- 2) Commercial Taxes
- 3) e-District
- 4) e-Procurement
- 5) e-Office
- 6) Employment Exchange
- 7) Health
- 8) Education
- 9) PDS
- 10) Agriculture
- 11) Grama Panchayat
- 12) Land Records
- 13) Municipalities
- 14) CCTNS-Police

- 15) Service Plus
- 16) State Service Delivery Gateway (SSDG)
- 17) Integrated Finance Management System Project (IFMS)
- 3.10 Out of the above 17 MMPs only 5 viz Transport, Commercial Taxes, e-district, e-Procurement and e-Office have gone live till now.

### **Transport**

- 3.11 Present status
  - a) Presently, SMART - Move, a de-centralised application developed by NIC is implemented across all the 18 regional transport offices, 55 sub regional transport offices and 19 motor vehicle departments check post.
  - b) Offices have been fully computerised
  - c) Government process re-engineering study has been conducted

### **Commercial Taxes**

- 3.12 The Kerala Value Added Taxes Information System (KVATIS) is introduced and the core functions of the KVATIS are
  - a) e-Filing of returns
  - b) e-consignment declaration
  - c) Tax accounting
  - d) Enforcement and Raid module

### **e-District**

- 3.13 Present status
  - a) Currently the e-district application has been rolled out in all the districts. So far a total of around 1.23 crore applications have been received online of which 1.09 crore certificates have been approved

### **e-Procurement**

- 3.14 The e-procurement is initiated by Ministry of Commerce, Government of India. Government of Kerala has implemented the e-Government procurement system to enhance the transparency and the efficiency in Public procurement activities and monitoring the same on real-time basis. Kerala State IT Mission is the implementing agency and it has been directed to implement the e-procurement project in all government departments, PSUs/ Boards for all tenders above Rs.15 lakh.
- 3.15 The present status
  - a) Fully operational help desk cum training centre for department users and bidders has been established
  - b) Around 45 departments and more than 86 PSUs have been floating tenders through e-procurement.
  - c) 13584 tenders were processed with a value of around Rs.12708 crore till the beginning of the current financial year.
  - d) Regular training to department users and bidders are scheduled as and when requested.

### **e-Office**

- 3.16 Present status
  - a) Government of Kerala had decided to implement e-office at Secretariat departments in the first phase with the field departments to follow.

- b) e-Office training centre has been setup at Secretariat Annex.
- c) Hand holding support is being provided to departments.
- d) Programme completed in Finance Department, implementation in 15 other departments are in progress.
- e) Data digitization is going on.

### **Employment Exchange**

3.17 Employment exchange has been identified as one of the MMPs for upgrading and organising in order to make them more responsive to demands. The project aims to develop and integrate National Web Portal for providing effective, speeding and transparent employment related services to the citizens.

The project is yet to be implemented.

### **Health**

3.18 The new health MMP under the Ministry of Health and Family Welfare, Government of India is in progress. Kerala has started with the e-Health project through the World Bank supported 'India e-Delivery of Public Services-DPL Project'. The objectives of the project is to bring paradigm shift in public Health care system in Kerala with an Integrated Health Care cloud containing complete Health Care Data of Citizens sharable by private health care institutions too, to create citizen database for Kerala with their demographic and Health Care information, to automate the health care system delivery across the institutions and to create a central database of EMR (Electronic Medical Records) of all citizens.

3.19 Present Status

- a) Software application developer has been selected and development is in progress
- b) Hardware sizing completed

### **Education**

3.20 The core focus areas of the education MMP are School Administration Services, Learning support Services, Governance of School Education. The stakeholders include children, parents, community, teachers, school managements, department functionaries etc. The objectives of MMP include improvement in quality of learning, efficiency of school administration, improve service delivery and provide access to near real-time and better quality data for decision support.

3.21 As part of the MMP the IT @School Project in Kerala was initiated and funds were received from Ministry of Human Resources Development for 3 years from 2010 amounting to Rs. 300 crore per year. The project aims at

- a) Deployment of FOSS ( Free and Open Source Software) based ICT education
- b) Capacity building of the teaching and learning community
- c) Infrastructure up-gradation of schools under ICT scheme
- d) Broadband Internet connectivity to all schools in the State
- e) Hardware Clinics to repair damaged computers at Schools
- f) ICT based Content Development for teachers and students
- g) e-Governance initiatives in General Education Department
- h) School Wiki- to promote collaborative content development

- i) EDUSAT initiatives

## **PDS**

### 3.22 Present Status of MMP

- a) Collection data basis is fully online
- b) Sanction for end to end computerisation has been received
- c) MOU signed by Government of Kerala with World Food Programme for getting their domain expertise in the project implementation

## **Agriculture**

3.23 The objectives are to setup the Comprehensive Agricultural Portal and State Agricultural Portal as part of the MMP. The intention is to standardise and facilitate data flow within and outside state and also capture best features of various applications already implemented in various parts of the Country, common application with respect to 12 cluster services of Agriculture, Animal husbandry, Fisheries departments are to be developed and implemented down to the block level. Services are proposed to be taken to the farmers through multiple modes such as internet, Government Offices, Touch screen, Krishi Vinjan Kendras, electronic media, Kissan call centres, Agri-clinics, Common service centres and Mobile phones.

## **Grama Panchayat**

3.24 The e-Panchayat is intended to provide a whole range of IT related services such as De-centralised Data base and Planning, budgeting and accounting, implementation and monitoring of Central State sectoral scheme, unique code Panchayat essential GIS based application, online self learning medium for elected representatives and official functionaries etc.

### 3.25 Present Status

- a) IKM has developed different software for various functions in local bodies
- b) Account head mapping for data sharing between Sankhya and PRIASoft in progress
- c) Asset mapping and plan data sharing between Sulekha and Plan Plus in preparation
- d) Local Government directory requirement almost complete.
- e) National Panchayat Portal updation in progress
- f) Fund for the formation of PMU at State and district levels for management, technical and hand holding support has been received in the State.
- g) IKM personnel appointed as PMU for e-Panchayat

## **Land Records**

3.26 This MMP is part of National Land Records Modernisation Programme (NLRMP). The aim is to modernise management of land records, minimise scope of land/property disputes, enhance transparency in the land records maintaining system and eventually moving towards guaranteed conclusive titles to immovable properties in the country. The major components in the projects are computerisation of all land records including mutations, digitisation of maps and integration of textual and spatial data, survey/re-survey of all survey and settlement records including creation of original cadastral records wherever necessary, computerisation of registration and its integration with the land records maintenance system, development of core

Geospatial Information System (GIS) and capacity building. The departments involved for implementation are Survey and Land Records, Registration and Revenue.

3.27 Present Status

- a) Under Modern Survey methodologies, re-survey of 28 villages carried out by Survey department.
- b) Software for integration of Survey, Revenue and Registration departments has been developed and it is under field tests
- c) The construction of Central digitisation centre and district digitisation centres is going on.
- d) The Bhoomikeralam project under KLIM is taking steps for publishing of textual and spatial records in website.
- e) The GIS data is planned to be published in association with Kerala spatial infrastructure mission
- f) ReLIS software which integrate registration and revenue records has already been piloted and it is ready for deployment

**Municipalities**

- 3.28 Corporation of Cochin e-Governance applications named Cochin Municipal Administration System (CMAS) covering a wide array of services with primary focus on Basic Services to the Urban Poor (BSUP) scheme. The system comprises of 8 applications that span across the 8 sections of the Corporation vide Health, Revenue, Town planning, Engineering, Council, General Administration, Accounts and Urban Poverty Alleviation.

3.29 Present Status

- a) A single e-Governance Software solution to cater to the requirements of ULBs of the State is being developed.

**CCTNS- Police**

- 3.30 Crime and Criminal Tracking Network and System is a Mission Mode Project under the NeGP. The CCTNS aims at creating a comprehensive and integrated system for enhancing the efficiency and effectiveness of policing through adoption of principles of e-Governance and creation of Nation wide Networking Infrastructure and IT-enabled -state- of -the -art tracking system. Services to be made available are citizen portal service, petition management service, unclaimed/Abandoned Property Register Service, Compliant and FIR Management Services, PCR Call Interface and Management Service, Investigation Management Service.

3.31 Present Status

- a) The project was piloted in 107 locations under the Thiruvananthapuram City and Thiruvananthapuram Rural jurisdiction as a proof - of - concept. Since then, the project has been rolled out in 4 districts of the State
- b) In all the Police Stations where CCTNS has been rolled out, the General Diary as well as FIR Generation is being done through the core application software of CCTNS. The FIRs so generated are produced in the respective codes. BSNL leased line connectivity is provided to a majority of these police stations

### **Service Plus**

3.32 As per Kerala State Right to Service Act 2012, it has become mandatory for all departments to notify and to deliver all Government Services to the citizens within the stipulated time limit. Service Plus software developed by NIC, Delhi as part of ePRI Suite is a configurable generic application framework, meta data- based, single, unified service delivery & grievance redressal framework which facilitates rapid rollout of any service by any level of Government.

3.33 Present Status

a) List of services in live mode of Service Plus are

- 1) Forest Department - Agasthyakoodam Trekking Service
- 2) Excise Department - Renewal of licenses

### **State Service Delivery Gateway (SSDG)**

3.34 SSDG Kerala intends to provide 57 services across 13 departments to citizens. Presently, 6 service under 3 departments are online.

VHSC - Migration Certificate, Duplicate Certificate,  
Equivalency Certificate

Rural Development :- NREGA Application for Registration,  
IAY Application

Kerala Water Authority:- New Water Connection

### **Integrated Finance Management System Project (IFMS)**

3.35 The department of Treasuries is one of the departments where computerisation activities were initiated first in the State. The department has completed branch level automation as early as in the year 2004 with co-activities and moving towards for a complete integration of all the functionalities through the IFMS Project. The main objectives of IFMS Project is to build a Centralised Core Financial Management System with all information being stored, processed, managed and controlled at one centralised point and to have a cross functional and seamless integration of the treasury operations irrespective of variations in hardware structures and software functionalities. The project aims to introduce value added services such as the anywhere anytime e-Treasury service, core-banking and integration with internal and external stake holders of Finance and Treasury departments. The ultimate objective of IFMS Project is to implement a comprehensive integrated Financial Management System to facilitate electronic flow of Financial Information between stake holders and to ensure real time availability of information for pro active decision making. The project envisages

- a. Integration of Budget and Budget execution data thereby allowing greater financial control
- b. improvement of data quality for the preparation and execution of the budget
- c. Facilitation of the preparation of financial statements and other financial reports for analysis and financial control
- d. Effective and efficient monitoring and control of State Finances so that funds can be optimally utilised for various citizen centric projects.

- i. By efficient management of funds and monitoring and controlling of Government liabilities
- ii. By monitoring real time financial position of state finances through online updation and consolidation of receipts (Revenue) and payments (Expenditure)
- iii. Managing the budget process and timely release of grants /funds to Government departments/organisations/local self government bodies
- iv. Facilitate departmental officers (CCOs, COs and DDOs) to track the budget allotment, payments and expenses
- v. Online remittance facilities with respect to all taxes and dues to the state government
- vi. Close and timely monitoring of the government's tax position
- vii. effective online integration and co-ordination with all stake holders, such as revenue collecting departments, AG, Agency Banks, RBI, LIC, CPSMS, State Planning Board, NITI Ayog etc
- viii. Automated accounting, consolidation, eliminating need for re-conciliation
- ix. Dash Board and MIS for effective decision making

3.36 A holistic approach which focuses on process re-engineering, work load optimisation and robust management of State Finances with the help of technology is adopted for implementation of this project.

3.37 The IFMS shall provide the stake holders with real time information regarding receipts, expenditure, debts and investments and ways and means position to facilitate government-wide and agencies specific policy decision. IFMS shall facilitate capturing of the data at the source of origin and eliminate data redundancy and duplication of efforts in entry of same data multiple times in different forms. IFMS shall enhance convenience of stake holders especially employees and pensioners by providing them better facilities and online data/information sharing. The facility includes electronic payment of various taxes/fees etc. It shall also facilitate automated reconciliation of daily scrolls, date wise monthly scrolls and RBD statements. IFMS shall facilitate effective financial discipline in terms of more accurate budget preparation and effective expenditure control it shall also facilitate fast and transparent delivery of services such as faster payment of invoices/claims of vendors/employees, speedy refund, computerised acknowledgement etc.

### 3.38 Present Status

The present status of IFMS Project is as under

- a) *NIC had prepared detailed project report*
- b) *To - Be and FRS prepared by KSITM and SeMT*
- c) *Wide Area Networking of Treasury Offices in progress*
- d) *e-Treasury (Online chalan receipt) & BMS (Budget Monitoring System) implemented*
- e) *Software development relates to other modules by NIC in progress*
- f) *GPR-Simplification of Bill forms - Number of Bill forms reduced to six*
- g) *Utilisation of Akshaya Centres - e-Treasury Receipts through Akshaya Centres started*
- h) *TSB module development completed*

- i) *Web enablement of Treasury Information System (TIS) in progress*
- j) *Integration with TIS and EMILI completed for LoC transfer*
- k) *Module development completed for Digital Life Certificate to Pensioners*
- l) *Development of Online Pension Management System (PRISM) in progress*

### **Kerala State Wide Area Network (KSWAN)**

3.39 Present status

- a. 3378 remote offices connected through KSWAN

### **State Data Centre**

3.40 The current status of the State Data Centre is as described below.

- a. Data Centres SDC-1 and SDC-2 currently host about 350 government applications including Websites and Data Centres.
- b. NKN connectivity is established between SDC-1 and SDC-2
- c. There are 2 internet connection in addition to KSWAN

## **II. Challenges faced by the e-Governance Programme of the State**

### **Transport**

3.41 Web based centralised architecture and software changes incorporating GPR may be adopted. Presence of middlemen and agents are still felt in RTO. Electronic vehicle test and electronic driver testing are implemented as pilot by the department and to be rolled out.

### **Commercial Taxes**

3.42 No disaster recovery site is present for the project. The back end computerisation of departments is not yet completed. Still there are check posts without network connectivity and infrastructure. Proper data warehousing technique needs to be implemented. Extensive information exchanges with other department and agencies are yet to be established.

### **e-District**

3.43 Manual service delivery (Application submission and processing) in conjunction with electronic service delivery. Out of the core categories of services identified, only certificate based services and RTI services have been implemented under e-District Project. Village offices have only one computer system and hence services to citizens go awry when hardware breaks down. Network connectivity issues and low performance of application is affecting quality of service delivery. The direct cost that a citizen incurs for getting a certificate through e-District is sometimes more than the manual system.

### **e-Procurement**

3.44 Integration of online payment system - NDML Payment Gateway/ Bank site to site integration with e-Procurement. e-Procurement MMP has envisaged different components such as vendor/supplier management indent management e-tendering contract management catalogue management e-payment, management information system in the e-procurement system. But only vendor management, e-Tendering, MIS reports and e-Payment functionalities have been implemented. Critical reports are not available for analysis purpose.

### **e-Office**

3.45 Data digitizations of live files are on a slow pace. NIC's response to issues are taking time. Secretariat LAN revamping and enhancement of WAN band are pending. DSC issuance from NIC is stopped by NICCA. Integration/Migration of department application with e-Office ( EMLI, BOUGETE, DDFS, LIMS) is to be completed. Development of e-Office citizen interface for file tracking and GOs and Circulars is not completed.

### **Employment Exchange**

3.46 The project implementation has not yet started.

### **Health**

3.47 The project implementation is in a slow pace.

### **Education**

3.48 The project is not yet completed even after it received abundant funds from MHRD.

### **PDS**

3.49 Application for Ration Card issue of various certificates, modification of ration cards, permits and licenses are still processed and issued manually.

### **Agriculture**

3.50 Most of the activities are extension of different e-initiatives of the Central Government. Services are yet to be customised.

### **Grama Panchayat**

3.51 Data digitization of old data not completed integration/usage of IKM applications in ULBs is to be done. Training module is to be modified.

### **Land Records**

3.52 For completion of re-survey in all districts, 'Puramboke' in all villages are to be re-fixed. This task requires huge man power, modern technology, ample resource personnel etc. The other hurdles are in accessibility and non availability of revenue records on demand , non availability of trained technical man power and lack of equipments. Scope for outsourcing of survey work was never explored by the department.

### **Municipalities**

3.53 Each Corporation adopts different e-Governance solutions instead of customising one software to cater to the needs of each Corporation, so that expenditure can be minimised.

### **CCTNS-Police**

3.54 FIRs are submitted to the respective Courts in a manual format.

### **Service Plus**

3.55 Only 4 services are now under this module.

### **State Service Delivery Gateway (SSDG)**

3.56 Lack of readiness of departmental application for integration.

### **Integrated Finance Management System Project (IFMS)**

3.57 Presently, there is no single source of truth available in the state that could facilitate collation, presentation and utilisation of key financial information on a real time basis for pro-active decision making. Integration of stake holders system running under different platforms and varying levels of maturity in a time bound manner is a challenging task. Complexity of business

requirements and procedures. Migration from Client-Server based system (obsolete technology) to web enabled system addressing all data security and inconsistency issues. Implementation of DR and business continuity plan for a highly critical financial system with zero recovery points objective and with minimum recovery time. Lack of skilled and experienced human resource for project management.

### **Kerala State Wide Area Network**

3.58 KSWAN Connection process, Horizontal Connectivity, procurement of adequate band width and internet usage policy.

### **RECOMMENDATIONS**

#### **3.59 General Recommendation**

1. e-governance will be more effective if the public is generally e-literate. Free basic e-literacy training is to be imparted to the public through 'Akshaya' centres.
2. The number of citizen service centres (Akshaya Kendram) has to be proportionate to the population of an area and if needed government should provide infrastructure for setting up citizens service centres. The centres should provide help to the needy citizens in order to bridge the gap between e-literate and non-e-literate.
3. Citizen Contact Centres (CCC) for providing timely access to information regarding G2C services will be helpful to the public. It can serve as a single point access/call centre to citizens for government services. This function may also be carried through Akshaya centres.
4. E-Governance Day:- Government may consider observing State e-Governance Day for propagating the e-Governance initiatives.
5. System of digital life certificate is to be introduced for claiming pension etc by adopting Aadhar based service delivery.
6. All government offices are to be converted into e-Office. Each department has to work out a roadmap for this in consultation with Kerala State IT Mission. Scope of Government Process re-engineering shall be explored to the maximum possible extent in the designing phase of e-government project.
7. Needless to say, internet connectivity is to be provided to all government offices and all correspondences within the department and across the government is to be made only through email. This will save considerable time as well as stationery.
8. Video conferencing facility is to be extended to more areas. Performance assessment shall be made in all departments.
9. All departments should have an IT Cell. A virtual IT cadre is to be set up in all departments for this purpose. The virtual IT cadre is to be created with employees of the departments who have IT qualification and adequate domain knowledge. The team shall manage the implementation of e-Governance with the support of Kerala State IT Mission.
10. All employee/pensioner databases shall be integrated with Aadhar number.

11. Some of the departments like Police, Excise, Civil Supplies are accessible through Facebook, Twitter, Whatsapp etc. All departments, which are directly interacting with public, should be made accessible through such social media and also through which citizens can file petitions using it.
12. For the services notified under Right to Service Act, electronic service delivery is to be started as far as possible.
13. Direct Benefit Transfer (DBT) is to be made mandatory in all cases where Government provides subsidy/grants.
14. Beneficiaries of National Employment Guarantee Scheme and other service schemes under LSG institutions should receive SMS alert on their wages/financial aid, from the LSGD.
15. Format and rate standardisation of services is to be done for all services.
16. Computer awareness is to be made mandatory for all employees other than last grade employees. A qualification examination is to be introduced and for the declaration of probation a pass in this examination is to be made mandatory.
17. Walk-in-training facility of e-office is to be set up in Secretariat, Directorates and district collectorates. Mass awareness campaign, workshops and services need to be conducted at Panchayath level, in schools & Colleges etc.
18. The staff attendance in all government institutions is to be governed through biometric punching by linking to Aadhar.
19. A centralised salary and pension processing system is to be introduced. The present system of preparation of salary bills in each office is to be dispensed with.
20. Regular reviews and monitoring of e-governance projects should be done by IT Department, Co-ordinated by Kerala State IT Mission and State e-governance Mission Team.

### **Specific Recommendations**

#### **3.60 KSWAN**

1. A streamline process could be established to allow the departments to get the KSWAN connectivity.
2. The government may take horizontal connectivity as a new project for enabling all offices to connect to KSWAN.
3. Adequate bandwidth is to be ensured.
4. Internet usage policy for safe and cost effective usage in Government offices is to be formulated.

#### **3.61 Transport**

1. Web based centralised architecture and software changes are to be adopted.
2. Electronic vehicle testing yard and electronic driver testing yard are to be established under all RTOs.

#### **3.62 Commercial Taxes**

1. A Disaster Recovery site is to be hosted urgently.

2. Backend computerisation of the department is to be completed immediately.
3. Proper data warehousing techniques to be implemented.
4. System for information exchange with other departments is to be established.

#### 3.63 **e-District**

1. All manual service delivery is to be converted to electronic service delivery.
2. All village offices are to be fully computerised
3. Network connectivity issues have to be sorted out.

#### 3.64 **e-Procurement**

1. More components are to be brought under e-Procurement.
2. Online payment system for all e-Procurements is to be made mandatory.

#### 3.65 **e-Office**

1. Data digitisations of live files are to be made faster.
2. Customisation of e-office is to be made effective.
3. Re-vamping of LAN and enhancement of WAN bandwidth of Secretariat is to be immediately done.
4. Integration/migration of department applications with e-office is to be carried out without delay.

#### 3.66 **Employment Exchange**

1. The Mission Mode Project is to be implemented without delay.

#### 3.67 **Health**

1. Urgent steps are to be taken for creating electronic medical records in all institutions right from the level of PHC
2. A data base of medicines and equipments in all public health institutions is to be created. Details of stock of medicines in each hospital is to be published in Health Service Web Site.
3. Inventory management of Health Services is to be made electronic and e-procurement made mandatory.

#### 3.68 **Education**

1. It is seen that even after receiving adequate funds from Government of India, the IT@ School project has not yet achieved its objectives. Steps have to be taken for the speedy implementation.

#### 3.69 **PDS**

1. End to end computerisation of Civil Supplies department is to be completed without delay.
2. All Ration shops are to be computerised.
3. Application for Ration Cards is to be received electronically.
4. Manual issue of various certificates, modification of Ration Cards permits and license are to be dispensed with.
5. Details of stock and sale of commodities are to be exhibited Ration shop wise, on the website of Civil Supplies department.

6. Each time, food grains distributed to a card holder should receive SMS alert.

### **3.70 Agriculture**

1. The MMP under agriculture is to be implemented urgently.

### **3.71 Grama Panchayat**

1. New modules of ePRI suit are to be implemented.
2. Training module is to be modified in consultation with KILA.
3. Data digitisation of old data is to be completed.
4. Details on National Rural Employment Guarantee Scheme, Social services and financial aids provided by the LSG bodies are to be published on websites for verification.

### **3.72 Land Records**

1. Revenue records are to be made accessible for re-survey
2. More trained technical man power is to be deployed
3. Government may deplore the feasibility of outsourcing of survey work
4. Sufficient equipments are to be provided

### **3.73 Municipalities/Corporation**

1. A single e-governance of software to cater to the requirement of all urban local bodies to be developed.
2. Thiruvananthapuram Corporation may adopt the e-governance solution, currently implemented by Corporation of Cochin with suitable customisations.

### **3.74 CCTNS-Police**

1. Suitable action is to be taken for the e-submission of FIRs to Courts.

### **3.75 Service Plus**

1. Even though the Right to Service Act covers around 700 services across 45 Government Departments (including Institutions under Government) only 1 service each under 4 departments are covered under Service Plus. Steps to cover the remaining services may be taken urgently.

### **3.76 State Service Delivery Gateway (SSDG)**

1. All departmental applications are to be integrated to the State Gateway at the earliest.

### **3.77 Integrated Finance Management System Project (IFMS)**

1. Systems running under different platforms are to be integrated at the earliest.
2. All Client-Server based system are to be changed to web enabled system.
3. Steps are to be taken for providing data recovery and business continuity.
4. Online pension management system is to be made operative at the earliest.
5. A centralised salary and pension processing system is to be implemented. The present system of preparation of salary bills in each office is to be dispensed

with. This is to be followed with online passing of bills and 100% Electronic Payment in to payee accounts. In order to make the system hassle free, it is to be integrated with banks since they have a wide network of ATMs. The practice of disbursement of cash through offices is to be stopped. Disbursing salary by treasury account is not a viable option since it is not advisable to ask each employee to visit a far away treasury to get their salary. The amount being kept in TSB on account of salary is negligible and the government also do not get any benefit. Therefore the involvement of banks in the system is unavoidable since the treasuries cannot handle this operation. Salary disbursement is to be made through bank accounts through electronic transfer as in other states and Government of India. As a result, not only the employees would get the benefit of withdrawing salary through ATMs but they can also avail of various e-banking services. In future, e-submission and process of other instruments such as contingent bills etc is to be adopted which will enable online accounting thereby eliminate the cumbersome process of reconciliation of accounts.

6. System of Online Budget preparation/Allocation/Revision Budget/issue of LOCs , Re-appropriation of Budget, Ways and Means Control and passing of bills, implementation of economy instructions shall be adopted. Finance Dash Board for expenditure and Receipt Monitoring, Debt management system, Court case Monitoring system and Guaranty Management System shall also be established.

### 3.78 **PWD**

1. Pre-Qualification evaluation of the Technical Bids is to be made available online.
2. Tender Approval Process- Computerisation of tender approval with suitable process re-engineering is unavoidable for ensuring the success of e-tendering initiative of the Government.
3. Issue of Selection Notice-This need to be brought online. For this the selection notice stage should be added in the e-Procurement process flow.
4. Firm period extension-Notification to the bidders on expiry of firm period and provision for online extension should be incorporated.
5. Bidder History- Bidder History can be viewed online during the tender evaluation.
6. The progress of ongoing work is to be exhibited in the PWD Eb site or in a separate portal managed by the Public Works Department. The progress of work is also updated on day to day basis.

## CHAPTER 4 LATERAL ENTRY

- 4.1 **Terms of reference:** "To review the existing systems of lateral entries to different categories of posts in State Government Service and to make recommendations for streamlining selection procedure for such lateral entries".
- 4.2 **Concept:** Lateral entry system in service is generally an option provided to a lower level employee to move out of the incumbent stream to another stream, more often to a higher level of post. The intention is to give an opportunity to such employees to go higher up and thereby boosting the morale of such employees. Practically, it is a sort of promotion for the employee but factually it is a new appointment to another post, which is called 'by transfer appointment'. Literally 'lateral' means 'sideways' and lateral entry indeed is a sideways upward movement.
- 4.3 **Method:** The respective Special Rules provide for lateral entry in Government Service. The criteria adopted vary from department to department and post to post. Educational qualification, experience, seniority in service, written tests etc in different combinations form the basis for lateral entry appointments and certain percentage/number of posts is earmarked for it. The question is whether a proper selection process is followed to identify employees suitable for such postings. A few examples of lateral entry appointments are given below for analyzing the system further.

Sl No	Post	Mode of recruitment		
		Direct recruitment	By transfer appointment	
			Post	Remarks
1	Joint RTO, Motor Vehicles Dept	By promotion from MVI(2/3 <sup>rd</sup> posts) (qualification-SSLC, Diploma in Automobile/Mechanical Engineering(3 year course))	Senior Superintendent (1/3 <sup>rd</sup> posts)	Qualification as required for Sr.Supt. No written test or any technical qualification.
2	Sub Inspector, Fisheries Dept	All India Fisheries Training Course or B.A/B.Sc Degree in Zoology of a recognised University. Direct recruitment (75%) Promotion from the	Clerk (12.5%)	Qualification as for Clerk. No written test.

		categories of petty yard officers, fieldman, Boat Overseers or Nursery Keepers (12.5%).		
3	Assistant Labour Officer Grade II	LLB with Labour Laws/Degree in Industrial Law etc.(1/4 <sup>th</sup> posts)	Senior Clerk(3/4 <sup>th</sup> posts)	Qualification as required for Clerk and passing of Labour Test(dept test)
4	Assistant , Secretariat	Degree in any subject (76%)	Computer Assistant (2/3 <sup>rd</sup> of 20%), Confidential Assistant (1/3 <sup>rd</sup> of 20%), Office Attendant (4%)	Qualification as required for direct recruitment. No written test or any other procedure for selection.
5	Range Forest Officer, Forest Dept.	Degree in Forestry (25%); Degree in Science or in Engineering(25%)	Deputy Rangers from Forest Subordinate Service(25%), Recruitment by transfer from Wildlife Assistant/ Deputy Ranger/ Forester/Forest Guard(20%), approved probationers in the Kerala Ministerial Subordinate Service and the Kerala Ministerial Services(5%) in Forest Department only.	Qualification as required for the feeder category (ranging from SSLC to Degree). Must possess the prescribed Medical standards and qualify physical tests. No written test.
6	Excise Guard, Excise Dept.	12 <sup>th</sup> standard (90%)	Last Grade employees (10%)	Qualification, medical standards and physical

				test as required for direct recruitment. Appointment through written test by KPSC.
7	Lecturer (Training Colleges), Collegiate Education Dept.	Master's Degree in the subject concerned, M.Ed, three years experience.( if only qualified HSTs are not available )	High School Teachers	Qualification and experience as required for direct recruitment. Appointment through written test by KPSC.
8	Sub Inspector, Police Dept	Degree in any subject.(50%)	Out of the 50% for direct recruitment, 10% for Ministerial Staff and 10% for CPOs/Sr.CPOs 50% by promotion from Asst Sub Inspectors	Qualification for direct recruitment from the quota of Police Dept is same as for others. For promotion, qualification for the feeder category is only required.
9	Secretary, Block Panchayat (BDO), Rural Development Dept.	Degree in any subject (33 1/3%)	By transfer from Joint BDO (33 1/3%) By transfer from Jr.Supt/Head Clerk (8%) By transfer from ASO/Senior Grade Assistants from Secretariat, PSC, Adv General's Office (25%)	By transfer appointments for Assistants by KPSC through tests and interview.

- 4.4 Lateral entry appointments for the above nine posts are further examined below.
- 4.5 The post of Joint RTO primarily requires technical know-how, especially the mechanical side of vehicles. It is for such a post, 1/3<sup>rd</sup> of the posts are reserved for Senior Superintendents who do not have any technical knowledge. The by transfer appointment is ostensibly to open up promotion avenues to the Senior Superintendents. But is it proper? Will he be suitable for the post? Probably not. The basic qualification and experience of Senior Superintendents are not sufficient to perform the duties of a Joint RTO. Also, there is no test or method to ascertain the suitability of the employee to the post. The case of Sub Inspector of Fisheries and Assistant Labour Officer is also same.
- 4.6 In the case of Assistant, the by transfer appointees require the prescribed educational qualification. But, only the qualification is relied upon here. His/her suitability to perform the duties of Assistant is not being tested. No test to ascertain suitability is conducted. Basic qualification is undoubtedly a requirement for any post but that itself does not mean one is suitable for a particular post. Attitude, capability etc required for a post can only be ascertained by proper tests according to a prescribed procedure.
- 4.7 For the post of Range Forest Officer, 25% of the posts are earmarked for 'by transfer appointment' of Deputy Rangers, which is actually a promotion from Subordinate Service to State Service and is not a lateral entry appointment. Another 25% are earmarked for 'recruitment by transfer' for Forest Officers and approved probationers from Ministerial staff. The qualifications prescribed for 'by transfer appointees' and 'recruitment by transfer appointees' are lesser. However, the work being done in the feeder categories do stand as a background for performing higher responsibilities of the posts. The suitability of an employee is ascertained through a test conducted by KPSC in the case of 'recruitment by transfer' appointment. Also, the medical and physical requirements have to be satisfied. It can be said that there is a due process in the case of 'recruitment by transfer'.
- 4.8 Lateral entry appointments for the post of Excise Guard are being made from the last grade employees of the Excise Department. The qualification prescribed for lateral entry is the same as for direct recruitment. Moreover, the KPSC conducts a written test to ascertain their suitability. This is also a case where a due selection process is in place.
- 4.9 In the case of Lecturer (Training College), the by transfer appointees are also required to have the same educational qualifications as for direct recruits. Moreover, the suitability is ascertained through a test conducted by the KPSC. In this case also there is a due selection process.
- 4.10 The post of Sub Inspector of Police is currently being filled by direct recruitment (50%) and by promotion (50%). Out of the 50% reserved for direct recruitment, 20% are reserved for employees of Police Department. It is also a case of lateral entry though named as direct recruitment. The

recruitment methods are same for those in service as well as others. This is a well conceived method for lateral entry appointment.

- 4.11 Appointments to the post of Secretary, Block Panchayat (other than direct recruitment) are done through by transfer appointments from Joint BDO(33 1/3%) and Jr.Supt/HC (8%) of the Rural Development Department. While for Joint BDO, it is appointment by promotion for Jr.Supt/HC, it is a lateral entry appointment. Though the experience in the Department will hold good for those coming from ministerial cadre, the lateral entry appointment does not ensure suitability by conducting any test or any selection process. However, the lateral entry appointment in the case of Assistants (25%) is done through a written examination by KPSC, which is under a proper procedure.

### Observations and Recommendations

- 4.12 The Commission went through similar issues concerning the various departments and makes the following observations and recommendations.
- 4.13 **Definition:** The term 'lateral entry' in service has not evolved in a meaningful way so far and it is in this context the Commission is attempting a definition for it. As said earlier, generally it is a sideways upward movement to a higher level of post, i.e., not through the main route. The nature of work and job responsibilities of the feeder post and the lateral entry post differ to the extent that the entry is not a natural progression to the post from the feeder post. It is a gateway to lower level employees to branch out and go up in the hierarchy. Though all lateral entry appointments are 'by transfer appointments', not all 'by transfer' appointments can be said as lateral entry appointments. Promotion from Subordinate Service to State Service is termed as 'by transfer' appointments and the same cannot be considered as a lateral entry appointment. To sum up, 'by transfer appointments' which satisfy the above conditions may be called lateral entry appointments. Direct recruitments, where a percentage of posts are reserved for government employees are also a form of lateral entry appointment.
- 4.14 The important point which distinguishes promotion from lateral entry appointment is that it is a natural progression from the feeder post to the promotion post. The nature of work will be of similar stream though the job requirements and responsibilities will be higher. The work done in the feeder post forms the base for the promotion post. The experience gained in the feeder post may compensate for lack of qualification and in such cases there is no necessity for insisting on same qualification as in the case of direct recruitment. For instance, 50% of the posts of Sub Inspectors are filled up through promotion from ASIs. The qualification for direct recruitment is graduation where as for promotion it is 12<sup>th</sup> standard. The experience gained as a CPO/Sr.CPO will stand good even when he is promoted as SI and it will suffice the cause. In the case of lateral entry appointments, the work done in the feeder post is not of much help. In such cases, qualification required for

the lateral entry post is to be insisted as the qualification for the feeder post will not suffice. To sum up, an appointment may be categorized as a lateral entry appointment if the following conditions are satisfied-

- i. The appointment shall be through 'by transfer appointment' or 'direct recruitment' or 'recruitment by transfer' and reserved for existing Government employees.
- ii. Nature of work and job responsibilities of the feeder post is not similar to that of the post to which lateral entry is made.
- iii. The movement to the lateral entry post is not a natural progression from the feeder post.
- iv. By transfer appointments which are promotion from Subordinate Service to State Service cannot be considered as lateral entry appointment .

4.15 **Selection process:** While going through the Special Rules of various departments, one thing which caught the attention of the Commission is the lack of due selection process for lateral entry appointments, in most cases. There is no attempt to ensure that the employee is competent to hold the post to which he goes up through the lateral entry scheme. Each and every post requires a certain level of competency, which depends upon many factors like education, experience, attitude, capability, adaptability, skills etc. The Kerala Public Service Commission, which is the authority to select candidates for government jobs, conducts examinations and interviews which are appropriate to identify candidates suitable for a particular post. However, in the case of all lateral entry appointments such a step is not mandatorily followed. As detailed in the examples above, in a few cases the KPSC does conduct such examinations/interviews in the case of lateral entry appointments also but such selection by KPSC is only for a very limited number of posts.

4.16 The Commission appreciates the necessity of providing career progression to lower level employees but only the competent among them shall go up. The Commission is of the view that efficiency of government service does suffer from the present system of giving appointments to incompetent employees through lateral entry appointments. In the circumstances, the Commission recommends the following measures to streamline the lateral entry appointments in government service-

- i. All lateral entry appointments shall be through a selection process conducted by KPSC. The KPSC shall conduct examinations/interviews or both, which are commensurate with the requirements of the post for identifying competent employees.
- ii. The educational qualification and experience shall be the same for both direct recruitment and lateral entry appointments. This need not be

insisted where it is natural progression from subordinate service to State service.

- iii. The lateral entry shall be to a post which is having a scale of pay equal to or higher than the feeder post.
- iv. There is no case for increasing the ratio as that will adversely affect efficiency in service. However, existing percentage of posts earmarked for lateral entry appointments may continue as such.
- v. Necessary changes in Rules shall be incorporated.

## CHAPTER 5

### OTHER RECOMMENDATIONS

- 5.1 The Commission has gone through some issues that were not discussed in Part I or in preceding chapters. The functioning of a few departments were also analysed with reference to human resources and its outcome, both as utility to public and expenditure on public exchequer. Though, the Commission has addressed only a few departments, it doesn't mean the suggestions are restricted to those departments only. The general spirit of the recommendations made hereunder shall be adopted in other departments too, if the situation is similar and it is relevant to departments concerned. The above and other issues are discussed below.
- 5.2 **Advocate's General Office:** Advocate General's Office in the State, employs about 500 people. Some of them hold very high positions. However, the Commission is of the view that having regard to the nature of the work, there is no need to have an office with such a large number of staff with the Advocate General. Advocate General is assisted by Government Pleaders, each one maintaining their own personal staff. Essentially only Secretarial Service is required to be rendered to Advocate General and to the Government Pleaders because no one can substitute their personal service, which is essentially preparation of petitions, counter affidavits etc., get ready with the cases and argue the same before the High Court. On the other hand, Law Department in the Secretariat is essentially manned by law graduates, and their professional abilities are not fully utilized. It is the view of Commission that the Law Department staff in the Secretariat should be given training for preparation of counter affidavits and brief to assist the Government Pleaders and the Advocate General, in the conduct of cases in the High Court. Therefore, the Commission feels that the number of Assistants in the Advocate General's Office shall be cut down by stopping further recruitment and permit migration of the law graduates from Secretariat to Advocate General's Office to assist them in the preparation of counter affidavits etc. for better conduct of Government cases in the High Court. In other words, unprofessional staff in the Advocate General's Office should be substituted with law graduates, which could be done by promoting migration of personnel from Law Secretariat of the State. As on now, hardly any intellectual work is done by the staff in the Advocate's General's Office, where there is tremendous demand for support from professionally qualified persons to assist Government Pleaders and Advocate General. Therefore, recruitment to the Advocate General's office should be limited to Computer Assistants, Librarians etc. Advocate General's office could be supplied with legal Assistants from Law Secretariat of the Government and if Assistants are recruited to the Advocate General's Office, they should be professionally qualified and they should be given training before induction and should also be given pay and allowances equal to their counter parts in the Law Secretariat.

5.3 **Agriculture Department:** As of now, the Commission understands that an agricultural officer is appointed in every panchayat or local body and Agriculture Department is one of the largest Departments employing around 400 and odd higher level officers from Assistant Director to Additional Director with one Director for the whole State. Besides this, there are more than 1000 agricultural officers and thousands of technical and ministerial staff under them. The landscape of Kerala is fast changing with high rate of urbanization and abandonment of agricultural lands. The expansion of Agriculture Department and massive investment in irrigation were done by the government primarily to ensure production of food crops, particularly paddy. However, at present paddy cultivation is done only in areas with the facility of farm equipments like tractors and harvesting machines. Now paddy cultivation is done in a sizable manner only in Palakkad district and Kuttanad in Allappuzha district. The cultivation in Kuttanad is a highly subsidized one with free electricity where the government suffers the loss. Extensive areas of paddy fields across Kerala remain abandoned and are now either marshy lands with some areas converted for other crops like banana and vegetable cultivation. Massive mining of clay from paddy fields for brick and tile manufacturing led to total destruction of certain areas. Paddy fields are even converted for construction of houses and even for setting up of industries, hospitals, hotels etc. In the course of the last two decades the lion share of the lands which were cultivated with seasonal crops like tapioca, ginger, turmeric, banana etc. have been converted to rubber plantations with central financial assistance from the Rubber Board in the form of subsidies. Even though rubber cultivation is becoming increasingly unviable for the farmers on account of steady fall in prices and the medium and small scale cultivators are in miserable financial plight, still rubber cultivators are reluctant to cut down their rubber trees and take up traditional cultivation of seasonal crops like banana, tubers, spices, vegetables etc. because of dearth of labour and the prohibitive labour cost for engaging even the migrant workers. Agriculturists are generally unwilling to take up the risk of re-entering the farm by replacing plantations with seasonal crops. The entire hierarchy and number of officers in the Agriculture Department were established when agriculture was a profitable and attractive profession. Now, if the statistics is truly ascertained, revelations will be startling, in as much as our people cannot survive without steady supply of rice, vegetables, meat, poultry etc. from neighboring states. Self-reliance is very important and in order to achieve the same Agriculture Department has to intensely promote cultivation of vegetables, tubers and other food crops, spices etc. especially when the efforts to drag people into paddy cultivation is not turning fruitful. Probably revival of agricultural activities will be possible through radical law reforms providing for taking over possession and leasing of uncultivated lands to Agriculture labour co-operatives and sharing of returns between them and the owners, government simultaneously guaranteeing ownership rights.

5.4 The Commission is of the view that under the current dispensation, the establishment and allotment of Agricultural officers and staff and the facilities with reference to territories whether it be in relation to the local bodies or district or otherwise, have no relevance. In the first place the increased urbanization has led to complete conversion of arable land into residential and commercial areas. Most of the paddy lands remain marshy lands with very little portion of it being used for cultivation of vegetables, tubers and other food crops. The Commission therefore is of the view that in order to utilize the services of the officers, staff and facilities of the Agriculture Department, what has to be first ascertained is the cultivated area correctly and precisely in relation to the owners and the farmers and the viable type of cultivation and the services they need. After ascertaining the need of the area under cultivation and the nature of services and the provisions required for the farmers, required numbers of officers and facilities have to be provided to such ascertained areas. If this is done as against the present system of allocation of officers and facilities to defined areas irrespective of availability of work to them, needy farmers will get desired service which will ensure better productivity from agriculture. It is the view of the Commission that instead of the Department expecting farmers to reach them for services, it is for the Department to identify the needs and services required for the farmers and to reach the farmers with the professional service and facilities required by them. The details of every farm and farmer should be made available with the department and department should be accessible through telephones so that on a telephone call, service should reach the farmers in their farms. The Commission, therefore, recommends to the Government to arrange for immediate collection of statistics and data of cultivated land with farmers and allot sufficient number of officers, staff and facilities, keeping in view, the needs of the group of farmers and farm lands coming under them. Needless to mention that extensive areas under cultivation both in the fallows and in the high ranges, whether it be rubber, coffee or cardamom, are assisted by Central Government or their bodies like Rubber Board and Spices Board. Therefore, the State Government through their officers should concentrate, advise and assist the traditional farmers in taking up cultivation of food crops and other spices like pepper, ginger, turmeric etc., which are of high value items. The Commission is of the view that once rearrangement and redeployment are made as stated above, there will be huge surplus staff so that there is no scope for any filling up of arising vacancies which should be considered only after re-fixation of staff strength after identification of work as stated above. In view of the fragmentation of farm lands, urbanization and housing, vegetable cultivation on roof tops and in house compounds in urban areas should be encouraged and this could be done only through active assistance from the Agricultural Department. More officers, staff and inputs should be supplied in that sector.

5.5 **Animal Husbandry and Dairy Development Departments:** As stated above in the case of Agriculture Department, the Commission feels that the Departments of Animal Husbandry and Dairy Development also have to be

reoriented to improve their services to the beneficiaries. With the change in the Kerala landscape on account of abandoning paddy cultivation across Kerala, there is shortage of fodder leading to discontinuance of cattle rearing, particularly of cow for milk production in the rural areas. There are various other factors contributing to the rural folks giving up cow rearing namely increased employment of rural women; huge cost of investment in infrastructure and for purchase of high yielding animals; cost of labour most of whom are migrants from other States etc. Milk production in the State may be on the rise; but it is mainly attributable to organized dairy farmers where the contribution by the Department is not very significant as they are self reliant. There is hardly any cow rearing for milk production by ordinary people in municipalities and corporations in the State. Widespread cow rearing by the rural folk is also getting reduced on account of adverse conditions. Therefore, there is a need to identify the beneficiaries with the number of their animals and their locations for restructuring the Department for rendering better assistance to those who rear cattle for milk production, poultry for meat and egg production and in a small way, piggery and the like for production of meat and other purposes. Pets are maintained by the rich and the well to do and there is not much need for the government to provide free service to them. In order to render better service and to restructure the department in a scientific and rational manner, the Commission feels that list of beneficiaries with the correct statistics of cow, poultry or duck farms or whatever animal that require service should be taken with the details of owners and thereafter allotment of officers staff and facilities should be made to cover such number of animals and areas which they can serve. The Commission feels that the entire service should be delivered at the farm by the doctors and technical staff compulsorily and delivering service on telephone calls from the farmers. If service is rendered at the farm just on a phone call, certainly more and more people will be encouraged to take up rearing of cattle or poultry or whatever animal it be, and the same will lead to improved productivity. Similarly, if the Department arranges processing, storing and distribution of fodder and feed, in areas suffering shortage, certainly, the farming class can be encouraged to take up cow and poultry rearing which will certainly improve rural economy of the State and in turn, the general welfare of the people. The Commission, therefore, feels as in the case of Agriculture Department, the Animal Husbandry Department and Dairy Development Department should also be restructured with a direct linking to identified beneficiaries instead of allotting them to areas falling under different local bodies or revenue divisions.

- 5.6 **Co-operative Department:** Co-operative movement is probably the backbone of the rural economy in Kerala because most people, particularly rural folk borrow funds from societies for their entire needs. Similarly, most of the rural people deposit their small savings with the co-operative banks which fetch them a higher rate of interest over the nationalized banks. Co-operative societies are managed by elected bodies which have a tenure of five years. The delay in auditing led to highly belated detection of fraud in many

cases after the perpetrators, mostly the members of the board of directors cease to be members of the Board. This has led to difficulty to effectively proceed against many perpetrators of fraud leading to collapse of at least a few societies/ Banks. The Co-operative Societies Act provide for periodic inspection, audit and continuous monitoring of the financial activities of the societies/Banks to prevent fraud on public. However, in spite of the checks and balances provided in the Act, large number of people has lost their life-savings made in the form of deposits on account of mismanagement of Societies/ Banks. It is the view of the Commission that the Co-operation Department should be further strengthened so that continuous monitoring is done on the financial transactions of the societies to ensure that public funds are not misappropriated by those in control of the societies/ Banks.

The Commission is of the view that through suitable amendment to the Co-operative Societies Act, the societies should be compelled to disclose their financial position fully and truly on half yearly basis, which should be uploaded in the website of the Department for the public to access it. Further amendment should provide for inspection of co-operative societies/ Banks by the High Power Secretariat Inspection team to be constituted based on recommendation of this Commission separately given.

- 5.7 **Health Services:** Next to Education, Health is the biggest financial burden on the State and is probably the 2<sup>nd</sup> largest Department in terms of employee strength and financial commitments. Kerala has been probably first in regard to quality as well as coverage of education and health among all the States in India. Along with the fairly large and widespread network maintained by the State, the hospital industry in the private sector in the State is developing at a fast pace. Though at present doctors with specialty and super specialty available in the State are very limited, their number is increasing at a steady rate with increased number of post graduate and specialty courses available in medical colleges. Even with all the facilities provided by the Government and those available in the private sector, most people are still not contented or happy with the medical care they get. While the poor and middle class have to necessarily depend on the State medical services, only the real rich class can afford and avail medical services from private hospitals because of the heavy cost of treatment. Even though people are prepared to compromise in regard to other matters, so far as medical care is concerned, their demand is to get best services though most of them cannot afford it in private hospitals. As of now, large numbers of people who cannot afford services from private hospitals also go for it for better medical care, which lead to their financial ruin. The Commission has separately recommended for medical insurance for Government employees and pensioners. Having regard to the high premium that is required for insuring old people, it is to be seen whether practically the retired people can afford medical insurance from insurance companies. Ultimately, the poor and the ordinary people, the government employees, the pensioners and their dependents have to rely on medical care free or at reasonable cost only from Government hospitals which are currently

ill-equipped to meet the demands. Improvement certainly involves massive capital investment for construction of buildings, purchase of medical equipments and for modernization and expansion of existing government hospitals, including medical colleges. The State Government's proposal to have medical college in every district is certainly a redeeming factor because the same will help large number of people to seek quality medical aid from medical college hospitals all over the state. Under the present set up, Government hospitals provide completely free medical aid to all reaching there irrespective of their financial resources. The Commission is of the view that if Government Hospitals charge affordable rates, from patients reaching there, certainly, the same will supplement the Government funds which will enable the Government to provide better facilities in the hospitals and serve the people better. The charges levied need not have any comparison with the tariffs in private hospitals, but even the minimum charges levied would certainly bring in large funds for the State to improve the medical services. As of now, fairly well to do people who can afford to pay reasonable bills are also taking free services from the medical college hospitals, where there are large number of competent doctors, nurses and other technical staff in whom the public have tremendous faith. Therefore, the collection of affordable charges will help the Government to improve services in medical college hospitals and in government hospitals. The Commission is also of the view that want of medical equipments, labs and other testing facilities is one shortcoming for rendering effective medical care in Government Hospitals. The Government can probably negotiate with employees' organizations for funding construction of pay wards, buildings or rooms exclusively for Government employees, pensioners and their dependents in the selected medical college/district hospitals for inpatient treatments at low cost. Small contributions from each and every employee and pensioner will lead to huge collection of funds for massive infrastructure development of the Government hospitals. In fact, it is the view of the Commission that if the State Insurance Department is strengthened and are engaged to take up medical insurance of Government employees and pensioners, probably they can proceed with capital investment in the form of building and other facilities attached to medical college and government hospitals for rendering quality medical services to employees pensioners and their dependents at moderate cost. In the course of time State Insurance Department can be made capable of handling health insurance cover for the entire employees and pensioners in the State on the lines of the Arogyasree Trust in Andhrapradesh.

- 5.8 **Health Inspectors:** Large number of Health Inspectors were engaged by the Government in the State, when there was acute shortage of dispensaries, health centers and medical officers. The essential work of Health Inspectors is to prevent epidemic through giving vaccination and other modes. However, in the course of time people in the State have become health conscious and all the newly born children are immunized for protection leading to reduction of work load for Health Inspectors and most of them are now thoroughly under employed. In addition to that in Kerala, the municipalities and municipal

corporations are maintaining separate health services with Doctors and Health Inspectors, as a separate class called Municipal Health Services. So also, Panchayat Common Service is having Health Inspectors of their own, though few in numbers. Thus there are three wings of Health Inspectors, working in the State practically without any serious work. In fact, in the State Health Services alone, there are more than 5000 persons engaged in different cadres such as Junior Health Inspector Grade-II and Grade I, Health Inspector, Health Supervisor etc. The net outcome from all these persons to the State or the common man is nothing, in spite of the fact that huge amounts of money are expended to maintain all these posts and persons from the State exchequer. Hence the Commission is of the strong view that no fresh recruitment shall be made in any of the cadres of Health Inspectors either in State Health Service or in Municipal Health Service and in Panchayat Common Service, till work load is identified, assessed and corresponding cadre strength fixed. As such, the Health Inspectors maintained in State Health Services have to be brought under the control of Grama panchayats and Block Panchayats and sufficient work has to be entrusted to them. Sufficient number of Health Inspectors from State Health Services may be deployed for each and every Primary Health Centre and Community Health Centre in the State and they may be brought directly under the control of the respective Grama Panchayats and Block Panchayats. In the same way, for the smooth and proper implementation of the provisions of the Food Safety Act, the services of Health Inspectors in the State Health Service can be utilized after giving them proper training which will ensure better implementation of the Food Safety Act. The preliminary inspection of food items and vegetables can be carried out through the said Health Inspectors, as the number of employees in the Food Safety Department is few and limited and no proper examination of food items are carried out, presently. On the basis of the reports presented by the Health Inspectors, after preliminary inspection of food items and vegetables as stated above, the Food Safety Officer concerned can, in turn initiate appropriate legal and remedial actions under the Food Safety Act, against the erring dealers. Commission is also of the view that the services of Health Inspectors in the State Health Services can also be utilised to the State Pollution Control Board. Inspections relating to pollution control in panchayat level and Block level areas also can be entrusted with the Health Inspectors in State Health Services, in co-ordination with the officers of the State Pollution control Board. Those Health Inspectors can also be engaged in taking measures to protect and maintain hygiene in everyday life of the people including prevention of water and air pollution to a great extent.

- 5.9 **Irrigation Department:** Major irrigation projects like Periyar Valley, Muvattupuzha Valley, Kallada Valley etc. were conceived with massive investment in dams and canals for development of Agriculture, primarily aiming at food production mainly to promote paddy cultivation. Extensive irrigation canals were constructed to deliver water at all seasons mainly for double crop and triple crop cultivation of paddy. Unfortunately, in course of time, paddy cultivation has become unviable in most of the areas except the

extensive area cultivated in Palakkad and in some areas of Kuttanad. Many of the irrigation projects even though started around twenty years back, are not yet completed and therefore even maintenance is not properly done leaving large number of engineers and technical and other staff without any work in their field. As of now, the irrigation canals mainly serve recharging of nearby wells which are the main sources of drinking water for people in the nearby areas. Of course, there is very limited utility of water for cultivation of banana, vegetables and other crops near to canals. The irrigation net work essentially remains unutilized or underutilized. The Irrigation Department, KSEB and the Kerala Water Authority control all dams and sources of fresh water in the State. In spite of the same, only 18 lakhs households, which account less than 20% of the total households in Kerala are provided with drinking water connections. There is very great demand for drinking water, all over the State and it is the view of the Commission that the Government should focus on massive storage, processing and distribution of drinking water. In the separate report submitted with regard to the Revision of pay and pension of employees of Kerala Water Authority, this Commission has recommended the need to strengthen the Kerala Water Authority by redeploying engineers, technical and other staff of Irrigation Department for utilizing the water resources in the State for water supply in the whole of the State. It is the view of the Commission that the Irrigation Department should clear and extend the canals, or otherwise lay pipelines to reach fresh water for storage, treatment and distribution, in various centers for supply to the entire public in the State. The Commission is also of the view that by suitable amendment, partial conversion of paddy and wet land now remaining marshy and uncultivated should be permitted so that people can take up cultivation of other food crops like banana, tapioca, vegetables and the like with the irrigation facility, currently remain unutilized.

- 5.10 **Local Self Government Institutions - Recommendations on re-deployment of Government Staff:** Decentralization and implementation of Panchayat Raj and Nagarapalika has led to transfer of development and social welfare schemes to panchayats, municipalities and municipal corporations. Most of the Central and State Government funds allotted for various social welfare schemes and development works are utilized/ distributed through local self government institutions. Even though works hitherto undertaken by various government departments have been transferred to the panchayats and other local bodies, technical and other staff in the parent departments are retained there with hardly any work. In order to get over this and to ensure that local bodies carry out their responsibilities to the maximum benefit of the public, there is an urgent need to strengthen panchayats and other local bodies with such number of technical and other staff required for carrying out the developmental and social welfare schemes of the government. There is a misapprehension among various senior level engineers, doctors, agricultural/veterinary officers etc. that on transfer to local bodies they will be subordinated to the executive officer like panchayat secretary, who in relation to them is a lower level functionary. For neutralizing the said

situation, Government has already brought necessary amendments in the Kerala Panchayat Raj Act, on the basis of the power given under Article 243G and Articles 243W of the Constitution of India. Section 179 of the Kerala Panchayat Raj Act (Chapter XVI) deals with appointment of Secretaries in Panchayats.

5.11 Going by Section 179 (11) of Kerala Panchayat Raj Act, the Government by a general or special order can appoint any officer transferred to panchayat as ex-officio Secretary of the Panchayat and the person so appointed shall have all the powers and functions of the Secretary on the subject dealt with by them. Section 179(11) of Kerala Panchayat Raj Act is extracted herewith;

5.12 "179(11) The Government may, by a general or special order appoint any officer of the Government transferred to the service of the panchayat as ex-officio secretary of the Panchayat and the persons so appointed shall have all the powers and functions of the secretary on the subjects dealt with by them."

5.13 Thus the senior level officers who are transferred to panchayats from various Departments can be appointed as ex-officio Secretaries, in their respective departments, invoking the power u/s. 179(11) of Kerala Panchayat Raj Act. The sole difficulty is that even though specific provision is made in the Kerala Panchayat Raj Act to appoint ex-officio Secretaries in Panchayats, no such appointments are made by the Government till this time. Hence the Commission is of the firm opinion that if appointment of ex-officio Secretaries are made by the Government urgently by a general or special order, invoking the power conferred u/s. 179(11) of Kerala Panchayat Raj Act, the intent and purport of the legislation will be achieved to an extent and all the hurdles that may be met with in future can also be averted. At the same time, the officers and employees of the local bodies implementing the projects and serving the people are under direct control of the Panchayat Committee led by the elected president with the secretary as executive officer. The entire officers carrying out the projects of the local bodies are accountable to the Committee. The Commission is of the view that though the district or regional level officers of every department will have administrative control of their subordinate staff, for the works and projects carried out in the local bodies, every departmental officer is accountable to such local bodies. In other words, it shall be the responsibility of the panchayats and the local bodies to exercise their powers of supervision in regard to implementation of every development and social welfare scheme, for which they are accountable to the public. The Commission, therefore, recommends transfer of required number of technical and other staff from all relevant departments like Health, Agriculture, PWD, Animal Husbandry etc. to local authority/ group of such local bodies, depending on the need of services. The Commission suggests that every Panchayat and local body should establish a Citizen Service Counter, which could be accessed through e-mail, mobile or local phones. It should serve as a single window to cater to the needs of the general public within the area of the Panchayat or local authority. It should be the responsibility of the officer manning it, to co-ordinate with all the service providers in the panchayat and to make available the services needed by the persons approaching it. As

already suggested by the Commission, provision should be made to deliver service at the door of the person concerned. An officer can be specifically nominated or otherwise employees of the panchayat or local body could be assigned work on rotation basis to man the Citizen Service Counter and he be made responsible for coordinating with other departments and addressing the problems of the persons approaching it.

- 5.14 **Registration Department:** Registration is one department which brings lot of revenue to the State by way of stamp duty and registration charges. The current slowdown in the real estate market probably would have brought down the revenue earnings. It is pertinent to note that large number of disputes arising in the courts in Kerala pertain to land disputes including disputes on puramboku and forest lands. The Commission is of the view that if the present practice of registering sale deeds, mortgage deeds, lease deeds etc. without verifying title, possession and boundaries of the property and genuineness of the transaction is changed and property transactions are registered only with the sketch identifying the property with ownership and possession and simultaneously marking the boundaries with measurements with reference to owners certified to be correct by the village officer concerned, certainly large number of disputes could be avoided and encroachment over government properties also could be prevented to a large extent. The Commission is therefore, of the view that suitable amendment should be made in the Registration Law providing for registration of document pertaining to land only when the document to be registered is attached with a sketch of the property with measurements, earmarked and identified with boundaries and owners of the properties and certified to be true by the village officer. This will bring down the scope of corruption and manipulation in regard to property transactions.

## **Schools**

- 5.15 **Multiple power centres:** The schools under the State Government are categorized as Lower Primary (1 to 4), Upper Primary (5 to 7), Secondary (8 to 10) and Higher Secondary (11 and 12). The Primary and Secondary Schools are administered by the Director of Public Instructions while Higher Secondary is managed by the Director of Higher Secondary Education. Also, there is another stream which comes under the Vocational Higher Secondary Education. The multiplicity of directorates are resulting in duplicity of functions and this Commission has already recommended the integration of the Higher Secondary department and Vocational Higher Secondary department for administrative and academic convenience and control and for improving Higher Secondary Education under one Directorate (para 5.36(i) of Part I).
- 5.16 **Common facilities:** The compartmentalization of schools in to primary, secondary and higher secondary has adversely affected the functioning of schools in a big way. Practically, a number of schools are having all the three

branches under one compound. But issues like lack of adequate clerical staff, lab attendants, office attendants, infrastructure, play grounds etc in higher secondary schools are common. Though Government has issued orders to utilize the services of clerical staff etc of high schools for higher secondary also, it has not been a success. One of the reasons is that the staff is under the control of the Headmaster and they are not inclined to work under the Principal of higher secondary school. These issues could be solved to an extent if there is a single authority in a school, who will control the whole infrastructure and non-teaching staff of the primary, secondary and higher secondary schools. If such a system is to materialize, the restructuring should start from the top ie., the three directorates shall be merged in to one directorate. It may be called the Directorate of Schools with a senior IAS official as the Director. The Primary and Secondary Schools may be headed by an Additional and the Higher Secondary (including Vocational) by another Additional Director. This may be carried out by utilizing the existing infrastructure and staff.

DETAILS OF SCHOOLS, STUDENTS AND TEACHERS IN KERALA - 2014-15.						
		Government	Aided	Total	Unaided	Grand Total
1	Schools	4,619	7,145	11,764	851	12,615
2	Students	11,54,687	22,13,045	33,67,732	4,04,989	37,72,721
3	Teachers	53,993	98,144	1,52,137	12,455	1,64,592
4	Uneconomic	2591	2997	5588		
5	Uneconomic %	56	42	48		
6	Student/Teacher	21.39	22.55	22.14	32.52	22.92
Note: Number of students is as per provisional figures for 2015-16.						

- 5.17 **Uneconomic schools:** The Commission obtained data from the Director of Public Instructions regarding number of students, teachers, schools etc. Please see an abstract of the statement below. According to statistics furnished, 5588 schools are uneconomic of which 2591 are government schools and 2997 aided schools. Under the Government norms a school is

considered 'uneconomic' if the total number of students in a class is less than 15, which itself is too magnanimous. The situation is alarming and a practical solution has to be found. The issue is further addressed in the following paragraphs.

- 5.18 The Commission visited some schools (11) in the vicinity of Chala, Thiruvananthapuram to see what is happening around. There are more than a dozen Government Schools at different levels within a radius of two or three kilometers in the locality. A brief may be seen below-

School	Area	No of Teachers	Number of students										Total
			I	II	III	IV	V	VI	VII	VIII	IX	X	
Govt Girls School Chala (Std V to X)	5 acres	10	Nil	Nil	Nil	Nil	10	Nil	Nil	20	Nil	12	42
Valiyasala LPS (Std I to IV)	Not known	4	5	2	5	8	Nil	Nil	Nil	Nil	Nil	Nil	20
Model HSS for Boys Chala (Std V to X)	4 acres	9	Nil	Nil	Nil	Nil	3	7	12	23	30	45	120
Kuriathi LPS (Std I to V)	40 cents	5	6	4	7	2	4	Nil	Nil	Nil	Nil	Nil	23
Tamil School Chala (Std V to X)	About 2 acres	10	Nil	Nil	Nil	Nil	8	11	12	31	30	31	123
Tamil LPS (Std I to IV)	40 cents	5	13	13	11	14	Nil	Nil	Nil	Nil	Nil	Nil	51
Govt UPS Chala (Std I to VII)	50 cents	14	31	17	17	23	23	25	29	Nil	Nil	Nil	165
Sanskrit HS Fort (Std I to X)	2 acres	8	4	4	6	7	1	1	2	4	3	6	38
Fort LPS & UPS (Sathrom) (Std I to VII)	76 cents	13	27	20	11	16	15	11	15	Nil	Nil	Nil	115

Sreevaraham LPS&UPS (Std I to VII)	Not known	7	6	6	2	1	6	3	3	Nil	Nil	Nil	27
TTI School Manacaud (Std I to IV)	70 cents	16	262	259	282	288	Nil	Nil	Nil	Nil	Nil	Nil	1091

- 5.19 The TTI School at Manacaud has 1091 students on its roll, but has only a sanctioned strength of 16 teachers against the required 26. The school has appointed 10 teachers on temporary basis, with PTA providing fund for salary. It is an example of a well run school but inadequately supported by Government. In all other schools, the situation is precarious. There were three 'One student' classes, four 'two student classes' and so on. In a school having 5 acres of land, 3 classes are functioning and a total 68 students are studying. The above statistics shows steady decline in the number of students joining these schools. Shortly teachers will outnumber students in these and similar schools.

A one student class



- 5.20 It is startling to note that a large number of school buildings and other infrastructure facilities are lying idle for long and are crumbling. The

unoccupied compounds and buildings are even witnessing anti-social activities. In a State, where availability of land is one of the biggest challenges for developmental works, idling of large school premises is a criminal waste of public money and property. With a stagnating/decreasing student population in the State schools, the chances are that the number of unviable schools will only increase and sizable number will have no students. This fact cannot be ignored. The Commission is aware that local groups are vehemently opposing Government's initiatives to utilize such idling land and building on various grounds. A pragmatic approach rather than an emotional approach is the need of the hour. Public money cannot be allowed to be wasted like this.

5.21 While some well run Government and Aided schools are bursting on their seams, the poorly managed schools are finding it very hard to attract students. The question of the predatory nature of these well run schools needs introspection. Is it necessary to cap admissions in such schools? At the very outset, the Commission makes it amply clear about its wholehearted appreciation and support of the well run schools. But the issue is that a major part of school infrastructure across the State is currently lying idle where as the schools with thousands of students are in need of additional infrastructure. It is this mismatch which compels a second thought. The Government should fix the optimum number of students/classes which could be run in a school with available facilities. This will help in two ways- the well run schools will remain manageable and the not so good schools in the locality may get a chance to improve occupancy as well as to utilize the idling infrastructure. It is pertinent to note here that it shall not be a measure to discourage efficiency but the motto shall be to improve the efficiency of the inefficient. Immediate steps should be taken for mergers and splitting of schools and transfers of students and teachers to have only healthy schools; maintaining the student teacher ratio with required academic and recreational facilities. As far as possible Government schools with less than the minimum strength of students should be merged by transferring students and teachers to the neighbouring uneconomic aided schools and the reverse.

5.22 **Student Strength:** It was customary to take student strength on commencement of every academic year to fix staff strength. It is an area where manipulations are resorted to by some aided school managements. When Government brought in UID process to check irregularities, some schools have outsmarted the Government by providing UIDs of others who are not students. Even very old people found their way into school records!

5.23 When the Commission queried about the genuineness and possibility of exaggeration with regard to the students-strength furnished by aided school managements, the Directorate of Education furnished startling revelation from the random inspections carried out in two schools in Trivandrum

district. In the inspection conducted by the officers under the Super Check Cell and the Additional Director of Education (Academic) on 23/07/2014 in the Aided SNUP School, Kattachalkuzhi under the Balaramapuram Education Sub District, the student strength in the School record from standards 1 to 7 during the academic year 2014-15 was 827 as against the actual number of 138 found in the inspection. Even on several subsequent inspections, the actual number of students has not exceeded 150 as against 827 on record based on which the management appointed and maintained teaching and other staff in the school. Student UID on school record included that of a man born in 1946. If this is the magnitude of fraud practised by the aided school managements, it would be difficult even to guess how many would be the excess students on the rolls of the aided schools and the number of teachers exceeding all permissible limits. The findings in the inspection of another school referred to us namely the MCHSS, Kottukalkonam which comes within the District Education Office, Neyyattinkara, are equally disturbing. As against 868 students in the rolls of the school available on the 6<sup>th</sup> day after the commencement of the academic year taken for fixation of staff strength, 408 students were shown as left the school collecting their T.Cs. In other words, during the academic year 2014-15, the school showed in the register of students 408 excess number to justify staff strength. From the above two cases, it is seen that the magnitude of the inflation of the students strength is above 100% of the actual strength. In the case of the second school referred above, the Director found that the management has been following the same pattern of removing the students from the rolls immediately after inspection for fixation of staff strength. Even though disciplinary proceedings were initiated by the directorate, litigation in the High Court led to some kind of interim orders and follow up Government Orders based on which, all these teachers who have committed criminal offences U/s. 465, 468 and 471, r/w 120 B IPC have been reinstated in service though disciplinary action has not come to a complete end. We are of the view that the High Court was not probably appraised of the factual position disclosed by records or otherwise the court would not have granted interim relief and would have probably permitted prosecution besides disciplinary action against the manipulators. The Commission takes a serious view of the manipulation that is taking place with regard to the artificial strength of students maintained by several aided school managements, based on which appointment of teachers and staff are made by the management leading to heavy financial loss to the Government. Since the Government is paying salary and pension to teachers and staff in aided schools, Government is bound to take serious action for the fraud on the public finance of the state. **We therefore, suggest minimum of three periodical surprise inspection of aided schools without notice based on which staff strength has to be fixed and if any excess staff is found, those appointed in violation of the Rules have to be removed forthwith as nobody can take advantage of a fraud committed on Government.** Also penal proceedings should be initiated against such erring managements. **It is the Commission's suggestion to introduce a**

**moratorium against appointment of teachers in Government and aided schools for a minimum period of three years and thereafter to provide for appointment only after the Directorate of Education grants prior approval after verification of students actual numbers and after fixation of staff strength in the school concerned.** Necessary amendment has to be made in the K.E.R for identification and retrenchment of excess staff and for redeployment in schools across the State wherever there is vacancy. The Commission also feels that the protection for teachers against posting outside the Education Districts has to be removed through amendment of the rules or notifications and post the excess staff in any government or aided school anywhere in the State. No retrenched teacher or staff member of aided school should be paid salary for sitting idle. Excess staff in government schools should be transferred and deployed in suitable jobs in any Government department or local authority office.

- 5.24 Traditionally there were 200 working days in an academic year both in schools and colleges. On our query, the DPI told us that last year they could not even make up to 170 working days for the schools. Less than required number of working days is one major contributory factor for erosion in the standards of education in the State. The Commission feels that schools should insist on 200 working days, which could be achieved by re-arrangement of holidays and by conducting school youth festivals and sports competitions during vacations.
- 5.25 The Commission is also of the view that school teachers should not be diverted for any other work like election duty, census work etc., which could be got done by the Government with the help of voluntary retired employees and teachers and excess teachers. The Commission is also of the view that organizational work by teachers should not be permitted during working hours on school days. The Commission feels that the system of payment of salary to the surplus and excess teaches will only act as incentive for making more reckless appointments by aided school managements circumventing the Rules. **The Commission is of the view that, whoever appointed in violation of the Rules shall be removed without any benefit whatsoever as law does not provide for benefit to a man who has reached the position through fraud.** K.E.R. should be amended for providing retrenchment of excess staff and those who are appointed through manipulation of students' strength as stated above.
- 5.26 **Surplus Teachers:** It is seen that the Government tried to address the issue vide G.O.(P).No.199/2011/G.Edn dt 01.10.2011 by bringing a package for deploying excess teachers. 'Teachers Bank' and other practical solutions were envisaged but the orders did not materialize due to various reasons.

- 5.27 **Financial commitment on account of surplus teachers:** As per provisional figures, the student-teacher ratio in government schools is 21.4 : 1 and in aided schools 22.6 :1. The prevailing State rules provides for a ratio of 45:1 while the RTE Act provides for 30:1 for elementary schools and 35:1 for secondary schools. While the class based classification is prevailing in the State, the RTE Act is school based. If we go by the State ratio, for the total of 33.68 lakh children studying in our schools, which itself is exaggerated, a total of 74,844 would suffice. It means a surplus of 77,293 teachers. If we take the ratio of 30:1, the total teachers required would be 1,12,267, ie., 39870 teachers are in surplus. The above calculations are only indicative as some other criteria are also adopted while fixing teacher strength. It is no wonder when 48% of the schools are unviable, there will be a corresponding surplus of teachers. Say, if the average salary is taken at Rs.30,000 per month, then the total salary for the excess 39870 teachers for a year would come **to Rs.1435 crore!** This is catastrophic and beyond any comprehension. The system does require an emergency intervention from Government.
- 5.28 **Teachers' Assessment:** Currently, there is no system of assessing teachers' performances. The NCERT has brought out an assessment module known as PINDICS (Performance Indicators for Teachers for Assessment) for elementary schools. It is seen that some steps were taken in this regard but it failed to progress. The module prepared by NCERT is for elementary school teachers but it could be suitably modified and applied in the case of High School and Higher Secondary school teachers also. As the quality of education is as good or as bad as that of a teacher, assessment of teachers is of prime importance. A system for assessing performance of teachers has to be brought in immediately.
- 5.29 **Recommendations:** After going through the various issues, the Commission recommends the following.
- i. The directorates of Public Instructions, Higher Secondary and Vocational Higher Secondary may be merged together into a Directorate of Schools. It shall be headed by a senior IAS official. The Director shall be supported by two Additional Directors, one for Primary and Secondary Schools and the other for Higher Secondary and Vocational Higher Secondary schools. The existing staff and infrastructure shall be utilized for it and no new posts shall be created.
  - ii. Schools, which are under the same management (whether Government or aided) and have primary, secondary and higher secondary schools in the same premises shall be headed by the Principal of HSS. The post of Headmaster may be retained in the secondary and primary schools as existing. In cases, where there is no higher secondary school but have a primary school and High

School, the Headmaster of the High School shall head the institution. The post of Headmaster in Primary section will continue in such cases.

- iii. The head of institution as stated in pre-paragraph will be in over all control of the schools as far as infrastructure, non-teaching staff and other common facilities are concerned. As far as other areas are concerned, including academics, the existing system will continue.
- iv. Cap admissions in a school taking into account its intake capacity, including infrastructure and recreational facilities.
- v. The uneconomic schools in a locality (covering a radius of 3 to 5 kilometres) shall be merged with one of the uneconomic schools and the rest of the schools' land and facilities be used for other government/ developmental purposes. The school which is to be retained shall be identified on the basis of better infrastructure facilities and accessibility.
- vi. Government should provide free transportation either directly or through Local Bodies to primary school students who are displaced due to the merger. This will address the requirements of the RTE Act/Rules regarding neighborhood schools.
- vii. Student count shall be based on UID and measures to find out bogus strength shall also be worked out. Criminal prosecution should be launched against those who indulge in malpractices and fraud.
- viii. The student-teacher ratio may be fixed as 30, 35 and 40 for Standards I to V, VI to VIII and IX-X respectively. This restructuring shall be only for identifying the excess teachers and neither any fresh post shall be created nor any fresh appointment shall be made on this count.
- ix. Those teachers, who become surplus shall be retrenched from service and may be given an option to be included in Teachers' Bank or stand retrenched. A Teachers' Bank may be constituted of such teachers with complete data. The services of those who are willing to be part of the Bank shall be utilized for government purposes. They shall be paid salary as if they were in service as Teachers. They will have to work anywhere in Kerala but as far as possible, near to their place of residence. Their services may be utilized–
  - a. As substitute teachers when Teachers go on long leave or training.
  - b. As resource persons for education related purposes.
  - c. For awareness campaigns of government schemes.
  - d. For census and other data collections.
  - e. For assisting in implementation of schemes in Local Bodies.
  - f. Any other work government deems fit.
- x. As and when vacancies arise, the retrenched teachers (both in the Bank and otherwise) may be re-appointed as teachers in schools.

For this purpose, the aided school teachers shall be re-appointed only in schools run by the respective managements. In no case shall they be allowed to be absorbed in Government Schools as was done earlier. Only teachers retrenched from government schools shall be re-appointed in government schools.

- xi. Appointments to the posts of teachers may be frozen till the number of excess teachers is identified, retrenched and re-inducted against vacancies arising.
- xii. Teachers should not be permitted to engage in organizational work during school working hours.
- xiii. Teachers' performance shall be assessed yearly as in the case of other employees. PINDICS may be modified suitably, if necessary and implemented in Primary, Secondary and Higher Secondary schools. The Headmaster/Principal shall be the reporting officer and the AEO/DEO/Deputy Director shall be the reviewing officer. Those who perform below average (ie., not attaining the expected standards as envisaged in PINDICS) for three continuous years shall be taken off teaching duties and sent for correctional training courses, at their own cost and leave. Teachers, who persistently fail in this regard, may be subjected to disciplinary action as envisaged in Section 24(2) of the RTE Act and KER.
- xiv. Holidays and arts and sports festivals in schools should be re-scheduled and re-arranged in such a way, providing for minimum 200 class days for every school in a year.
- xv. The Commission feels that it is improper to allow teachers and other employees of aided schools and colleges to engage simultaneously in political activities and contest elections to the Parliament/ Legislative Assembly/Local Bodies as for all practical purposes they are in the same position as employees of Government schools and colleges who are barred from political activities. Since active participation in politics and membership in any representative body takes away much of their time, the Commission recommends barring of aided school and college teachers and employees from engaging in political activities and also contesting elections to the Parliament/Legislative Assembly/Local Bodies.
- xvi. Presently the MPs/MLAs/Chairpersons or Presidents of Municipalities and Panchayats are availing of leave without allowances for the tenure of their office. But Members of Panchayats or Councilors of Municipalities/Corporations are simultaneously continuing in aided school/college service. Since the functions of Members/Councilors have increased to a great extent over the years, their students are suffering heavily on account of their diversion to local body activities. Further the HMs/Principals cannot be expected to retain them in schools/colleges as is in the case of other teachers. If in any case, the

Government is not in favour of barring them from political activities and or contesting elections, alternatively the Commission recommends that those who get elected shall at least be compelled to proceed on leave without allowances for the period for which they serve as peoples' representative in Local Bodies also.

- 5.30 **Secretariat:** The Commission called for the data about the cadre strength and the actual number of persons occupying various levels in the Secretariat. It is seen that promotions have been given at higher levels from Under Secretary to Additional Secretary without any regard to the actual cadre strength. The actual number of Under Secretaries, Deputy Secretaries, Joint Secretaries and Additional Secretaries are nearly equal or even more than the actual cadre strength. This has been maintaining for a long time, which has led to lot of articles and publications in the print media adversely commenting on the set up in the Secretariat. Most of the posts are created through adhoc arrangements by sending several persons on deputation and by giving promotions to such posts left by the persons who have gone on short term deputation. The Commission had also occasion to see G.O(P) No. 513/13/Fin. dated 11/10/2013 and G.O(P) No. 580/13/Fin. dated 28/11/2013 modifying the former Government Order, wherein the Government discouraged deputation and prohibited filling up positions left by those went on deputation to other Government Departments, public sector undertakings, statutory bodies etc. Even though the above referred orders are issued as economy measures, which have only contemporary relevance, we feel the policies evolved by the Government in the above Government Orders should be made the Rule, because the State Economy is still in bad shape.
- 5.31 We have already dealt with the situation arising on account of transfer of powers to local bodies by which the entire development schemes and social welfare schemes are vested with local bodies. In fact, after implementation of decentralization, size of the Secretariat and number of staff and officers should come down. On the other hand, Secretariat is growing and the employee strength is nearing 5000. It is the view of the Commission that there is no case for increasing the cadre strength at all levels and if a restructuring and re-allocation of work is done to engage everyone in sufficient work; certainly there is a case for reduction of number in every cadre. The Commission therefore, recommends maintenance of cadre strength and to go for reduction wherever there is excess, in every Department on account of transfer of powers to local bodies. Deputation should be completely discouraged and should be given only when such officer can be spared from the Secretariat for a given time without need to substitute him. The posts falling vacant in public sector companies of the State and statutory bodies should normally be filled up with professional hands like Chartered Accountants, Cost Accountants etc. However, on re-fixation of cadre strength, if excess staff is found in the Secretariat, certainly they can be sent on deputation on condition that posts falling vacant on those sent on deputation

should not be filled up. The Commission recommends restoration of original cadre strength in the Secretariat through reversions, wherever promotions are given on adhoc basis and also to refix the cadre strength under the current dispensation with lesser work in the Secretariat. The Commission is of the view that the long term experience gained in the Secretariat by several senior level officers should be utilized for supervision and appraisal of performance of various Government Departments and local bodies. In fact, their selection should be made from among officers in the Secretariat from the cadre of Under Secretary to Additional Secretary in all Departments, particularly Finance Department and constitute a few High Power performance audit teams to be vested with powers to go and inspect any Government office at any time and make report to the Heads of Departments for taking action against the deficiencies noticed by the team. This should be done without adding to the cadre strength, but by retaining the cadre strength in the Secretariat. At least, one inspection should be arranged in every six months in the office of every Government Department and local body. Remedial action also should be ensured based on every report. The Commission is not unaware of the current set up with regard to performance audit and periodical inspections carried out in various departments including the local bodies. However, the inspection by the High Power Committee constituted from Secretariat will be in addition to whatever is the current system of inspection or performance audit and their report will have overriding effect over any other inspection or performance audit report. The Government will nominate one Additional Chief Secretary to oversee and control the inspection teams constituted in the Secretariat. All such inspection Reports should be made available in the Government website and accessible to the public.

- 5.32 **Survey and Land Records:** Survey Department is one engaged in periodical re-survey of the lands in Kerala, but with no sign of it being completed with precision to the satisfaction of the general public. Going by the number of cases arising from several resurveys, it is seen that each re-survey leads to new and new disputes pertaining to the land mainly because of the callous indifference in surveying the land without the presence of the owners in possession and enjoyment of the property. The Commission is of the view that suitable amendment should be made to the relevant statute or at least Government orders should be issued so that resurvey is conducted after notice to the owners in the area and after giving opportunity to identify their property with possession. Once a resurvey is properly done after notice to the owners, it is possible to prepare the survey sketch clearly earmarking the boundaries of the properties of all land owners in revenue records. After survey sketch is prepared, it could be uploaded in the website of the department and corrections/ modifications could be done based on transfer deeds registered by the Registration Department. Thus the sketch to be attached to sale deeds, as suggested by us in our report pertaining to the Registration Department, will certainly help the Survey and Land Records authorities to make suitable changes in the resurvey sketch that is in force at

the relevant time. It is the suggestion of the Commission to prepare the survey sketch of the whole State properly by specifically earmarking private properties, roads, rivers, beach, puramboku etc. so that much of the litigation between private parties and between private parties and Government, pertaining to encroachment in land could be avoided. If the survey sketch is uploaded in the website of the survey department and is accessible, anyone who is in need of the same or any part thereof can download it and take copy of that without asking for survey of property every time, when a sketch is required.

- 5.33 **Tourism Department:** Our State with greenery everywhere and lush rain-forest in the Western Ghats and 600 Kms. of beach have tremendous potential for developing tourism as a major industry. However, the present condition is thoroughly unsatisfactory. Even the beaches are not kept clean to attract tourists particularly the hygiene conscious foreign tourists. Forest and Wild life is another area with great potential for tourism development. The Commission is of the view that District Tourism Promotion Councils functioning now are not capable to coordinate and manage tourism as an industry properly. There is also lack of coordination between the tourism and forest departments, leaving lot of untapped resources for tourism promotion. The Commission is of the view that the Tourism Department could be a mixture of controlling officers of forest, rivers, dams, inland waters, minor ports etc., so that tourism centers can be identified developed and properly maintained with the coordination among all of them. Reasonable entry charges should be collected in all centres from both foreign and local tourists. Tourism in the State should be promoted as major source for non-tax revenue.
- 5.34 **Computer awareness to be mandatory:** The Government is moving on to e-governance and the employees will have to be e-literate to make it a success. Whether it be a clerk or a doctor, a general awareness in handling IT tools is necessary in times of e-governance. The young generation is computer savvy as the curriculum in schools itself provides for it and it will not be a problem for them to switchover to electronic platforms. Most of the existing employees have also been given training in computer applications and barring a minority, can handle the situation.
- 5.35 Considering the shift to e-governance, the Commission recommends to make Computer awareness mandatory for all future appointments to Group C and above categories. Those applying for the post shall ensure that they are having a general awareness in computer applications and will have to certify themselves as such. A qualification need not be prescribed for it unless advanced level of IT knowledge is required for the post. Once appointed, the KPSC shall conduct an examination to test the general awareness level of the employee which shall be made mandatory for declaring probation in the post. The test shall be conducted only to assess the capability of the employee to adapt to various computer applications and need not be a test on his/her expertise in the field. The KPSC may in consultation with State IT Mission formulate the mode of test. However, the above general test may not be

insisted in cases where higher level of IT knowledge and qualification are required for a post. For instance, for the post of Computer Programmer the qualification required may be B.Tech/MCA etc and it will be unnecessary in such cases to hold a general computer awareness test.

- 5.36 **Relevance of Computer Assistants (Typists):** One fall out of e-governance is that most of the officials will have to work on computers by themselves. When the clerk himself works on a e-file, there is no need for the assistance of a typist. As general awareness on computer applications are being made mandatory, the concept of typist is no longer relevant. The Commission recommends to stop further recruitment to the post of Computer Assistant (Typist) and the existing Computer Assistants (Typists) may be absorbed as Clerks/Assistants, provided they satisfy the requirements. Those who are not suitable for absorption to clerical posts shall remain as Computer Assistant (Typist) till their retirement. The post of Computer Assistant (Typist) will be a vanishing category and vacancies arising on retirement of existing Computer Assistants (Typists) need not be filled.
- 5.37 **Departmental test exemption for 50 years plus:** Those who are above 50 years of age are now exempted from qualifying obligatory departmental tests (rule 13 B, General Rules, KS&SSRs). It is an outdated concept and does not go well with the evolving situation, where efficiency is going to be the criteria for career growth. If an employee is not capable of passing even the obligatory tests, he is not fit for the job and the proper course is to dismiss him from service by following the service rules. With the average life expectancy in Kerala hovering around mid seventies and advancement in living standards, 50 years would mean rather young than senile. Keeping pace with the developments, the Commission recommends to withdraw exemptions provided to employees on attaining the age of 50 years and make qualifications mandatory for any promotion including the Education Department where a lot of teachers get promoted as Head Masters without test qualifications after 50 years of age.
- 5.38 **Performance Related Pay (PRP):** The Central Pay Commissions (IVth onwards) had articulated the necessity of performance based pay for rewarding better performances. But, so far a system has not been put in place. The 7<sup>th</sup> Central Pay Commission also dwelt on it and recommended the introduction of PRP for all categories of Central Government employees, based on quality Results-Framework Documents (RFD), reformed APARs (Annual Performance Appraisal Report) and broad guidelines. And also, it was recommended that the PRP should subsume the existing Bonus schemes.
- 5.39 The concept is to evaluate a Department as a unit and reward team work. Though PRP has not come into force in Government of India departments, a system for assessing the ministries/departments has already been taken place. RFDs have been developed and it is learnt that about 72 departments

have already implemented it. The intention is to move the focus from process orientation to result orientation. It also provides for an objective and fair basis to evaluate department's overall performance at the end of the year.

5.40 But for the Plan Monitoring system (which itself is sketchy), we find that there is no proper system in Kerala to evaluate the performance of the departments. The Central Government's evaluation system has evolved lately and could be adopted by the State with minor modifications. The Commission recommends the adoption of Results-Framework Document system with suitable modifications, across all departments. A system for performance related pay can be introduced only after the new evaluation system becomes operational and stable.

5.41 **Limitation on recovery:** The Commission feels that Service Rules (Note 3 below Rule 3, Part III, KSRs) should be amended to extend the limitation period of three years after retirement to five years, for proceeding against retired persons for recouping loss caused to Government.

5.42 **Corruption:** The Commission cannot overlook the issue of corruption as otherwise the report will not be complete. Corruption has become pervasive; even advanced countries succumbing to it. Unauthentic estimates show that the cost of corruption is more than 5% of the global GDP. An overview of the global and Indian situation may help in understanding the Kerala situation better. The report of 'Transparency International' on global corruption (Global Corruption Barometer 2013) is worth noting in this regard and their key findings, which are relevant here also, are given below-

- i. Bribery is widespread. Overall, more than one in four people (27 per cent) report having paid a bribe in the last 12 months when interacting with key public institutions and services.
- ii. Public institutions entrusted to protect people suffer the worst levels of bribery. Among the eight services evaluated, the police and the judiciary are seen as the two most bribery prone. An estimated 31 per cent of people who came into contact with the police report having paid a bribe. For those interacting with the judiciary, the share is 24 per cent.
- iii. Governments are not thought to be doing enough to hold the corrupt to account. The majority of people around the world believe that their government is ineffective at fighting corruption and corruption in their country is getting worse.
- iv. The democratic pillars of societies are viewed as the most corrupt. Around the world, political parties, the driving force of democracies, are perceived to be the most corrupt institution.
- v. Personal connections are seen as corrupting the public administration. People surveyed regard corruption in their country as more than just paying bribes: almost two out of three people believe that personal contacts and relationships help to get things done in the public sector in their country.

- vi. Powerful groups rather than the public good are judged to be driving government actions. More than one in two people (54 per cent) think their government is largely or entirely run by groups acting in their own interests rather than for the benefit of the citizens.
- vii. People state they are ready to change this status-quo. Nearly 9 in 10 surveyed say they would act against corruption. The majority of people said that they would be willing to speak up and report an incident of corruption. Two-thirds of those asked to pay a bribe say they refused.

5.43 The above global perceptions hold good in Indian and Kerala context also, though with minor variations. India is currently ranked 85th (cleanest) out of the 175 countries surveyed (2014 Index by Transparency International) with a score of 38 (higher score means cleaner administration). As per the 2013 survey report, perceptions of corruption by institutions in India is as follows-

Perceptions of corruption (score scale 1-5, where 1 means not at all corrupt, 5 means extremely corrupt)

SI no	Institutions	Global	India
1	Political parties	3.8	4.4
2	Police	3.7	4.1
3	Parliament/Legislature	3.6	3.8
4	Public officials/Civil servants	3.6	3.8
5	Education system	3.1	3.7
6	Medical and Health	3.2	3.6
7	Business/Private sector	3.3	3.4
8	Religious bodies	2.6	3.3
9	Judiciary	3.6	3.3
10	Media	3.1	3.2
11	NGOs	2.7	2.9
12	Military	2.8	2.5

5.44 It can be seen that political parties are perceived to be most corrupt both in global and Indian scenes. In India, only judiciary and military fare better than global averages. Even the least corrupt institution in India – military is having only a score of 2.5, which says it all.

- 5.45 **Kerala situation:** A survey conducted in 2008 by Transparency International-India and the Centre for Media Studies, New Delhi placed Kerala among the highly corrupt group and ranked it 12<sup>th</sup> among the States. There is an interesting website [www.ipaidabribe.com](http://www.ipaidabribe.com) which is sharing bribe giving experiences in India. The data shows that Police Department's share of the total corruption in Kerala at 15.8%, Registration Department's share at 6.3% etc. Though not authentic for official purposes, it does show the trend. There is not much other data to analyse the institutional corruption level in Kerala. Though the number of cases registered by the Vigilance and Anti-Corruption Bureau cannot be considered as a perfect indicator, it can certainly be a tool for analysis. The following table shows the number of vigilance cases registered department-wise during 2013-14 (Administration Report 2013-14 of VACB).

Sl no	Department	No of cases registered
1	Revenue	26
2	Local self Governments	15
3	Co-operation	10
4	Urban Affairs	8
5	Police	7
6	PWD	6
7	Taxes	5
8	Civil Supplies	4
9	Rural Development	4
10	Registration	4
11	Agriculture	4

Note: Only Departments, against which 4 or more cases registered are included.

- 5.46 Judiciary in Kerala has an exceptionally good record as there is hardly any allegation of corruption against Judicial Officers. Undoubtedly, departments which come into direct contact with public are more susceptible to corruption. The scope for corruption depends upon the functions of the departments, some of which are discussed below.
- For providing due and legitimate services:** Issue of certificates like income certificate, caste certificate, nativity certificate, birth certificate, marriage certificate, Licenses etc from Revenue Department, Local Self Governments and other departments was an area of petty corruption. With the advent of Right to Service Act

and implementation of IT enabled services, the scope for corruption in this regard has waned. A very good example is that of Motor Vehicles Department. But services like health care in Government hospitals is one of the areas where the Right to Service Act or ITeS may not have the required impact in curtailing corruption. So, different approaches are required for each sector. In such cases effective monitoring and adequate deterrent provisions are required.

- ii. **For providing undue and illegitimate services:** It is not uncommon to see that some people try to get government services which are not legitimately due to them. They try to obtain the services by bribing the vulnerable employees. This is also an area where close monitoring and deterrent provisions will be helpful.
- iii. **Public works:** It is an area where the public is not directly involved but causes a huge drain on State's exchequer. Construction and maintenance of buildings, roads, bridges etc come under it. Inflated estimates, improper scrutiny of works and bills, improper tender conditions, cartelization by contractors etc are some of the corrupt practices noticed. The Public Works Department has introduced ITeS for preparing estimates etc but its efficacy is yet to be determined. Also, the introduction of e-tendering has helped in bettering the situation. But the overall situation is still dismal and close monitoring and deterrent steps are required to curb corrupt practices.
- iv. **Procurement of stores and goods:** Purchase of goods and stores is another area where there is scope for corruption in the form of commission etc. Government's e-procurement initiatives will have a positive outcome in this regard.
- v. **Natural resources:** Illegal mining activities, land grab etc are areas where the scope for corruption is the greatest. Only strict adherence to law and exemplary punitive steps will help in this regard.
- vi. **Regulatory functions:** Regulatory functions are double-edged swords. Regulatory measures are required for proper administration but it gives ample scope for corruption. Inspections are part of regulations and this aspect is misused by a section of the employees. The regulations shall be in conformity with the ground realities and unnecessary regulations shall be weeded out. Close monitoring of officials and deterrent actions will help in bettering administration.

5.47 **Observations and Recommendations:** The common man feels the pinch. The Administration knows it. And everybody knows it. But, there is no concerted effort either from the public or from the Administrators to curb corruption. The Commission is not of the view that every official is corrupt or nothing is done the proper way. But it is a fact that a very sizable number of employees are following corrupt practices, which no one can deny. It is

denting the development of the State as well as adding to the cost of living of the public. The issue cannot be left unaddressed for long. We have Anti-corruption laws like the Indian Penal Code, the Prevention of Corruption Act, The Benami Transactions (Prohibition) Act, Prevention of Money Laundering Act, the Whistle Blowers Protection Act, The Lokpal and Lokayuktas Act, which cover most of the areas. But still, India stands at 85<sup>th</sup> among the nations and Kerala, 12<sup>th</sup> among the States in the corruption barometer, which means all is not fine. Flaws in the laws and or implementation may be the reasons. The Commission is not making any specific comments against any particular department but is making the following general recommendations.

- i. **Transparency:** Transparency in the functioning of the Government and departments is a positive tool for negating corrupt practices. The Right to Information Act has imbedded provisions for transparency and its proper application will improve the situation. Each department shall host a website, if not already, with updated information regarding all its activities and schemes. The public shall get information as to which facilities they are eligible and how to go for it. Files and other details, which were already decided, may be uploaded in to the archives of the website for enabling public to view and download details. E-tendering process shall be made mandatory for all purchases and works contract above one lakh rupees.
- ii. **Time bound service:** Adequate and time bound service shall be ensured. The Right to Service Act coupled with IT enabled Services can ensure the same to a great extent. Online services shall cover all issues except where personal appearance is necessary. Necessary manpower (not by creating new posts but by re-deployment of existing staff) and infrastructure shall be provided for empowering the Departments. The scheme shall be implemented by giving priority to departments which deals with public like Revenue, Survey, Registration, Police, Local Bodies etc. Penal provisions shall be invoked to work as deterrent for inadequate service.
- iii. **Empowering the public:** The public shall be made aware of his rights and duties through public campaigns in the visual and print media. There shall be a public platform for him to air his complaints on corruption. "Vigilant Kerala", a web portal hosted by the Vigilance and Anti-corruption Bureau provides for sharing allegations of corruption. But a look at the portal will disappoint most. The idea is good and the Department shall take pro-active steps to shore up the portal so that common man can get benefit out of it.
- iv. **Zero tolerance to corruption:** Deterrent punishments against acts of corruption are highly necessary in the present society. The corrupt employees are in fact only a cross section of the society and the society as well as the employees has to share the blame equally. The government employees now get decent pay vis-à-vis their

counterpart from the open market and can make a living out of it. The society's tolerance levels against corruption are bewildering to the extent that it is accepted more often than not. This mind set of the society has to change and Government also has to show a strong will to act against the corrupt. A government servant who has been held corrupt in a departmental or judicial process shall be dismissed from service and no tolerance shall be allowed. Let all government employees know that anyone who engages in corrupt practices will not be in service. Zero tolerance means no tolerance at all. Suitable amendments to law, if necessary, shall be made.

- v. **Strengthening Audit and Vigilance wings:** Most of the Departments have audit and vigilance wings. But the net result is disappointing. They work as a matter of routine and the higher ups do not give due importance to it. Posting officials with integrity and capability and support by the head of organization will go long way in tracking abnormalities and taking timely remedial measures.
- vi. **Pro-active role of VACB:** The VACB is doing its part, but it is nowhere near the desired levels. A conviction rate of 64% (reported for 2013-14) is not bad but the number of cases registered is far below the alleged rate of crime. Officials with integrity and commitment shall only be deployed for such duties. The department may be strengthened and the personnel given specialized training in their sphere of activity. An improvement in the efficiency of the department will result in an inversely and proportional reduction in corruption. Posting of Police officials as part of penal transfers in VACB shall be stopped. Police officials with good service record, integrity and willingness alone shall be posted in VACB. Presently, most of the police officials are interested in getting postings in law and order wing. VACB is not an attractive wing as of now. That situation has to be changed by filling the VACB with efficient, earnest and non-corrupt patriotic police officials, thereby corruption in State Departments can be minimized.

5.48 The Commission hopes the Political executive will lead the fight against corruption and show the way to its officials, from top to bottom. The public needs a clean administration.

Justice C.N.Ramachandran Nair  
Chairman

Adv.T.V.George  
Member

K.V.Thomas  
Member Secretary

Thiruvananthapuram

Date: 30.12.2015.

## **Appendix: I**

### **KERALA GOVERNMENT MEDICAL INSURANCE SCHEME FOR EMPLOYEES/PENSIONERS**

#### **MODEL PROSPECTUS**

- 1.0 COVERAGE:** The Policy covers reimbursement of hospitalisation Expenses for Illness/ Injury sustained.
- 2.0** In the event of any claim being admissible, following reasonable and customary expenses are reimbursable under the policy:
- 2.1** Room, Boarding Expenses as provided by the hospital including nursing charges, not exceeding 1% of Sum Insured per day.
- 2.2** Intensive Care Unit (ICU) / Intensive Cardiac Care Unit (ICCU) expenses, not exceeding 2% of the sum insured per day.
- 2.3** Surgeon, Anesthetist, Medical Practitioner, Consultants, Specialists Fees.
- 2.4** Anesthesia, Blood, Oxygen, Operation Theatre Charges, Surgical Appliances, Medicines & Drugs, Diagnostic Materials and X-ray, Dialysis, Chemotherapy, Radiotherapy, Cost of Pacemaker, Artificial Limbs & Cost of Organs and similar expenses.
- 2.5** Pre-hospitalization medical charges up to 30 days period.
- 2.6** Post-hospitalization medical charges up to 60 days period.

#### **NOTE: SUB-LIMIT CLAUSE**

- 1. The amounts payable under 2.3 and 2.4 shall be at the rate applicable to the entitled room category. In case of admission to a room/ICU/ICCU at rates exceeding the limits as mentioned under 2.1 and 2.2, the reimbursement/payment of all other expenses incurred at the Hospital, with the exception of cost of medicines, shall be affected in the same proportion as the admissible rate per day bears to the actual rate per day of room rent/ICU/ICCU charges.
- 2. No payment shall be made under 2.3 other than as part of the hospitalization bill.
- 3. However, the bills raised by Surgeon, Anesthetist directly and not included in the hospitalization bill may be reimbursed in the following manner:
  - a. The reasonable, customary and medically necessary Surgeon fee and Anesthetist fee would be reimbursed, limited to the maximum of 25% of Sum Insured. The payment shall be reimbursed provided the insured pays such fee(s) through cheque and the Surgeon / Anesthetist provides a numbered bill. Bills given on letter-head of the Surgeon, Anesthetist would not be entertained.

- b. Fees paid in cash will be reimbursed up to a limit of Rs. 10,000/- only, provided the Surgeon/Anesthetist provides a numbered bill.

(N.B: Company's Liability in respect of all claims admitted during the period of insurance shall not exceed the Sum Insured per person mentioned in the schedule.)

**2.7 LIMIT ON PAYMENT FOR CATARACT:** Company's liability for payment of any claim relating to Cataract shall be limited to Actual or maximum of Rs.24000 (inclusive of all charges, excluding service tax), for each eye, whichever is less.

**2.8 AYUSH:** Expenses incurred for Ayurvedic/Homeopathic/Unani Treatment are admissible up to 25% of the sum insured provided the treatment for Illness and accidental injuries, is taken in a Government hospital or in any institute recognized by Government and /or accredited by Quality Council Of India / National Accreditation Board on Health, excluding centers for spas, massage and health rejuvenation procedures.

**2.9** Ambulances services – 1.0 % of the sum insured or actual, whichever is less, subject to maximum of Rs. 2,500/- in case patient has to be shifted from residence to hospital for admission in Emergency Ward or ICU or from one Hospital to another Hospital by fully equipped ambulance for better medical facilities.

**2.10** Hospitalization expenses (excluding cost of organ) incurred on the donor during the course of organ transplant to the insured person. The Company's liability towards expenses incurred on the donor and the insured recipient shall not exceed the sum insured of the insured person receiving the organ.

### **3.0 DEFINITIONS:**

**3.1 ACCIDENT:** An accident is a sudden, unforeseen and involuntary event caused by external, visible and violent means.

**3.2 ANY ONE ILLNESS** means continuous Period of illness and it includes relapse within 45 days from the date of last consultation with the Hospital/Nursing Home where treatment may have been taken.

**3.3 CANCELLATION:** Cancellation defines the terms on which the policy contract can be terminated either by the insurer or the insured by giving sufficient notice to other which is not lower than a period of fifteen days.

**3.4 CASHLESS FACILITY:** means a facility extended by the insurer to the insured where the payments, of the costs of treatment undergone by the insured in accordance with the policy terms and conditions, are directly made to the network provider by the insurer to the extent pre-authorization approved.

**3.5 CONDITION PRECEDENT:** Condition Precedent shall mean a policy term or condition upon which the Insurer's liability under the policy is conditional upon.

**3.6 CONGENITAL ANOMALY:** refers to a condition(s) which is present since birth, and which is abnormal with reference to form, structure or position.

**3.6.1 CONGENITAL INTERNAL ANOMALY** means a Congenital Anomaly which is not in the visible and accessible parts of the body.

**3.6.2 CONGENITAL EXTERNAL ANOMALY** means a Congenital Anomaly which is in the visible and accessible parts of the body.

**3.7 CONTRIBUTION:** Contribution is essentially the right of an insurer to call upon other insurers, liable to the same insured, to share the cost of an indemnity claim on a ratable proportion.

**3.8 DAY CARE TREATMENT:** Day care treatment refers to medical treatment, and/or Surgical Operation which is:

- Undertaken under General or Local Anesthesia in a Hospital/Day Care Centre in less than 24 hours because of technological advancement, and
- Which would have otherwise required a hospitalization of more than 24 hours.

Treatment normally taken on an out-patient basis is not included in the scope of this definition.

**3.9 DEDUCTIBLE:** A deductible is a cost-sharing requirement under a health insurance policy that provides that the Insurer will not be liable for a specified rupee amount of the covered expenses, which will apply before any benefits are payable by the insurer. A deductible does not reduce the sum insured.

**3.10 DENTAL TREATMENT:** Dental treatment is treatment carried out by a dental practitioner including examinations, fillings (where appropriate), crowns, extractions and surgery excluding any form of cosmetic surgery/implants.

**3.11 DOMICILIARY HOSPITALISATION:** Domiciliary Hospitalization means medical treatment for an Illness/Injury which in the normal course would require care and treatment at a Hospital but is actually taken while confined at home under any of the following circumstances:

- The condition of the patient is such that he/she is not in a condition to be removed to a Hospital, or
- The patient takes treatment at home on account of non-availability of room in a Hospital.

**3.12 HOSPITAL:** A hospital means any institution established for Inpatient Care and Day Care treatment of Illness and / or Injuries and which has been registered as a Hospital with the local authorities under the Clinical Establishment (Registration and Regulation) Act, 2010 or under the

enactments specified under the schedule of Section 56(1) of the said act OR complies with all minimum criteria as under:

- has at least 10 inpatient beds, in those towns having a population of less than 10,00,000 and at least 15 inpatient beds in all other places;
- has qualified nursing staff under its employment round the clock;
- has qualified medical practitioner (s) in charge round the clock;
- has a fully equipped operation theatre of its own where surgical procedures are carried out
- maintains daily records of patients and will make these accessible to the Insurance company's authorized personnel.

The term 'Hospital' shall not include an establishment which is a place of rest, a place for the aged, a place for drug-addicts or place for alcoholics, a hotel or a similar place.

**3.13.1 HOSPITALISATION** means admission in a Hospital for a minimum period of 24 inpatient Care consecutive hours except for specified procedures/ treatments, where such admission could be for a period of less than 24 consecutive hours.

Anti-Rabies Vaccination	Hysterectomy
Appendectomy	Inguinal/Ventral/Umbilical/Femoral Hernia
Coronary Angiography	Lithotripsy (Kidney Stone Removal)
Coronary Angioplasty	Parenteral Chemotherapy
Dental surgery following an accident	Piles / Fistula
Dilatation & Curettage (D & C) of Cervix	Prostate
Eye surgery	Radiotherapy
Fracture / dislocation excluding hairline Fracture	Sinusitis
Gastrointestinal Tract system	Stone in Gall Bladder, Pancreas, and Bile Duct
Haemo-Dialysis	Tonsillectomy,
Hydrocele	Urinary Tract System

**OR** any other Surgeries / Procedures agreed by TPA/Company which require less than 24 hours hospitalization due to advancement in Medical Technology.

**Note:** Procedures/treatments usually done in outpatient department are not payable under the Policy even if converted as an In-patient in the Hospital for more than 24 hours.

**3.13.2 Day Care Centre:** A Day Care Centre means any institution established for Day Care treatment of Illness and or Injuries or a medical setup within a Hospital and which has been registered with the local authorities, wherever applicable, and is under supervision of a registered and qualified Medical Practitioner AND must comply with all minimum criteria as under:

- 1) has qualified nursing staff under its employment;
- 2) has qualified Medical Practitioner/s in charge;

- 3) Has a fully equipped operation theatre of its own where Surgical Operation are carried out;
- 4) Maintains daily records of patients and will make these accessible to the insurance company's authorized personnel.
- 3.14 ID CARD** means the identity card issued to the insured person by the TPA to avail cashless facility in network hospitals.
- 3.15 ILLNESS:** Illness means a sickness or a disease or pathological condition leading to the impairment of normal physiological function which manifests itself during the Policy Period and requires medical treatment.
- 3.16 INJURY:** Injury means accidental physical bodily harm excluding Illness or disease solely and directly caused by external, violent and visible and evident means which is verified and certified by a Medical Practitioner.
- 3.17 INPATIENT CARE:** Inpatient Care means treatment for which the insured person has to stay in a Hospital for more than 24 hours for a covered event.
- 3.18 INSURED PERSON** means You and each of the others who are covered under this Policy as shown in the Schedule.
- 3.19 INTENSIVE CARE UNIT (ICU):** means an identified section, ward or wing of a Hospital which is under the constant supervision of a dedicated Medical Practitioner, and which is specially equipped for the continuous monitoring and treatment of patients who are in a critical condition, or require life support facilities and where the level of care and supervision is considerably more sophisticated and intensive than in the ordinary and other wards.
- 3.20 MATERNITY EXPENSES:** Maternity expense shall include:
- Medical Treatment Expenses traceable to childbirth (including complicated deliveries and caesarean sections incurred during hospitalisation),
  - Expenses towards lawful medical termination of pregnancy during the Policy Period.
- 3.21 MEDICAL ADVICE:** Any consultation or advice from a Medical Practitioner including the issue of any prescription or repeat prescription.
- 3.22 MEDICAL EXPENSES:** Medical Expenses means those expenses that an Insured Person has necessarily and actually incurred for medical treatment on account of Illness or Injury on the advice of a Medical Practitioner, as long as these are no more than would have been payable if the Insured Person had not been insured and no more than other Hospitals or doctors in the same locality would have charged for the same medical treatment.
- 3.23 MEDICALLY NECESSARY** treatment is defined as any treatment, tests, medication, or stay in Hospital or part of a stay in Hospital which
- is required for the medical management of the Illness or Injury suffered by the insured;
  - must not exceed the level of care necessary to provide safe, adequate and appropriate medical care in scope, duration, or intensity;
  - must have been prescribed by a Medical Practitioner;
  - must conform to the professional standards widely accepted in international medical practice or by the medical community in India.

3.24 **MEDICAL PRACTITIONER** is a person who holds a valid registration from the Medical Council of any State or Medical Council of India or Council for Indian Medicine or for Homeopathy set up by the Government of India or a State Government and is thereby entitled to practice medicine within its jurisdiction; and is acting within the scope and jurisdiction of his license.

**Note:** The Medical Practitioner should not be the insured or close family members.

**3.25 NETWORK HOSPITAL:** All such Hospitals, Day Care Centers or other providers that the Insurance Company / TPA have mutually agreed with, to provide services like cashless access to policyholders. The list is available with the insurer/TPA and subject to amendment from time to time.

**3.26 NON-NETWORK HOSPITAL:** Any Hospital, Day Care centre or other provider that is not part of the Network.

**3.27 OPD TREATMENT:** OPD treatment is one in which the Insured visits a clinic / Hospital or associated facility like a consultation room for diagnosis and treatment based on the advice of a Medical Practitioner. The Insured is not admitted as a Day Care or Inpatient.

**3.28 PERIOD OF INSURANCE** means the period for which this Policy is taken as specified in the Schedule.

**3.29 PRE-EXISTING CONDITION/DISEASE** Any condition, ailment or Injury or related condition(s) for which you had signs or symptoms, and / or were diagnosed, and / or received medical advice / treatment within 48 months prior to the first policy issued by the insurer.

**3.30 PRE-HOSPITALISATION MEDICAL EXPENSES** mean Medical Expenses incurred immediately before the Insured Person is Hospitalized, provided that:

- i. Such Medical Expenses are incurred for the same condition for which the Insured Person's Hospitalization was required, and
- ii. The Inpatient Hospitalization claim for such Hospitalization is admissible by the Insurance Company.

3.31 **POST-HOSPITALISATION MEDICAL EXPENSES** mean Medical Expenses incurred immediately after the Insured Person is discharged from the Hospital provided that:

- i. Such Medical Expenses are incurred for the same condition for which the Insured Person's Hospitalization was required, and
- ii. The Inpatient Hospitalization claim for such Hospitalization is admissible by the Insurance Company.

**3.32 PORTABILITY:** Portability means transfer by an individual health insurance policyholder (including family cover) of the credit gained for pre-existing conditions and time-bound exclusions if he/she chooses to switch from one insurer to another.

**3.33 QUALIFIED NURSE** Qualified nurse is a person who holds a valid registration from the Nursing Council of India or the Nursing Council of any state in India.

- 3.34 REASONABLE AND CUSTOMARY CHARGES:** Reasonable charges means the charges for services or supplies, which are the standard charges for the specific provider and consistent with the prevailing charges in the geographical area for identical or similar services, taking into account the nature of the Illness / Injury involved.
- 3.35 RENEWAL:** Renewal defines the terms on which the contract of insurance can be renewed on mutual consent with a provision of grace period for treating the renewal continuous for the purpose of all waiting periods.
- 3.36 ROOM RENT:** Room Rent means the amount charged by a Hospital for the occupancy of a bed per day (twenty four hours) basis and shall include associated medical expenses.
- 3.37 SUM INSURED** is the maximum amount of coverage opted for each Insured Person and shown in the Schedule.
- 3.38 SURGERY** means manual and / or operative procedure (s) required for treatment of an Illness or Injury, correction of deformities and defects, diagnosis and cure of diseases, relief of suffering or prolongation of life, performed in a Hospital or Day Care Centre by a Medical Practitioner.
- 3.39 TPA:** Third Party Administrators or TPA means any person who is licensed under the IRDA (Third Party Administrators - Health Services) Regulations, 2001 by the Authority, and is engaged, for a fee or remuneration by an insurance company, for the purposes of providing health services.
- 3.40 UNPROVEN/EXPERIMENTAL TREATMENT:** Treatment including drug experimental therapy, which is not based on established medical practice in India, is treatment experimental or unproven.

#### **4.0 EXCLUSIONS:**

- 4.1 Permanent Exclusions:** Any medical expenses incurred for or arising out of:
- 4.2** War invasion, Act of foreign enemy, War like operations, Nuclear weapons, ionizing radiation, contamination by radio activity, by any nuclear fuel or nuclear waste or from the combustion of nuclear fuel.
- 4.3** Circumcision, cosmetic or aesthetic treatment, plastic surgery unless required to treat injury or illness.
- 4.4** Vaccination & Inoculation.
- 4.5** Cost of braces, equipment or external prosthetic devices, non-durable implants, eyeglasses, Cost of spectacles and contact lenses, hearing aids including cochlear implants, durable medical equipment.
- 4.6** All types of Dental treatments except arising out of an accident.
- 4.7** Convalescence, general debility, 'Run-down' condition or rest cure, obesity treatment and its complications, congenital external disease/defects or anomalies, treatment relating to all psychiatric and psychosomatic disorders, infertility, sterility, use of intoxicating drugs/alcohol, use of tobacco leading to cancer.

- 4.8** Bodily injury or sickness due to willful or deliberate exposure to danger (except in an attempt to save human life), intentional self-inflicted injury, , attempted suicide, arising out of non-adherence to medical advice.
- 4.9** Treatment of any Bodily injury sustained whilst or as a result of active participation in any hazardous sports of any kind.
- 4.10** Treatment of any bodily injury sustained whilst or as a result of participating in any criminal act.
- 4.11** Sexually transmitted diseases, any condition directly or indirectly caused due to or associated with Human T-Cell Lymphotropic Virus Type III (HTLB-III) or Lymphopathy Associated Virus (LAV) or the Mutants Derivative or Variation Deficiency syndrome or any syndrome or condition of a similar kind commonly referred to as AIDS.
- 4.12** Diagnosis, X-Ray or Laboratory examination not consistent with or incidental to the diagnosis of positive existence and treatment of any ailment, sickness or injury, for which confinement is required at a Hospital.
- 4.13** Vitamins and tonics unless forming part of treatment for injury or Illness as certified by the attending Medical Practitioner.
- 4.14** Naturopathy Treatment.
- 4.15** Instrument used in treatment of Sleep Apnea Syndrome (C.P.A.P.) and continuous Peritoneal Ambulatory dialysis (C.P.A.D.) and Oxygen Concentrator for Bronchial Asthmatic condition.
- 4.16** Genetic disorders and stem cell implantation / surgery.
- 4.17** Domiciliary Hospitalization.
- 4.18** Treatment taken outside India.
- 4.19** Experimental Treatment, Unproven treatment.
- 4.20** Change of treatment from one system to another unless recommended by the consultant / hospital under whom the treatment is taken.
- 4.21** Any expenses relating to cost of items detailed in Annexure I.
- 4.22** Service charges or any other charges levied by hospital, except registration/admission charges.
- 4.23** Treatment for Age Related Macular Degeneration (ARMD) , treatments such as Rotational Field Quantum Magnetic Resonance (RFQMR), External Counter Pulsation (ECP), Enhanced External Counter Pulsation (EECP), Hyperbaric Oxygen Therapy.

## **5.0 CONDITIONS:**

**5.1 COMMUNICATION:** Every notice or communication to be given or made under this policy shall be delivered in writing at the address as shown in the Schedule.

**5.2 PREMIUM PAYMENT:** The premium payable under this policy shall be paid in advance. No receipt for Premium shall be valid except on the official form of the Company. The due payment of premium and the observance and fulfillment of the terms, provisions, conditions and endorsements of this policy by the Insured Person in so far as they relate to anything to be done or complied with by the Insured Person shall be condition precedent to any liability of the Company to make any payment under this policy. No waiver of any terms, provisions, conditions and endorsements of this policy shall be valid, unless made in writing and signed by an authorized official of the Company.

**5.3 NOTICE OF CLAIM:** Preliminary notice of claim with particulars relating to Policy Number, name of insured person in respect of whom claim is to be made, nature of illness/injury and Name and Address of the attending Medical Practitioner/Hospital/Nursing Home should be given to the Company/TPA within 7 days from the date of hospitalization in respect of reimbursement claims.

Final claim along with hospital receipted original Bills/Cash memos, claim form and documents as listed in the claim form below should be submitted to the Policy issuing Office/TPA not later than 30 days of discharge from the hospital. The insured may also be required to give the Company/TPA such additional information and assistance as the Company/TPA may require in dealing with the claim.

- a. Bill, Receipt and Discharge certificate / card from the Hospital.
- b. Cash Memos from the Hospitals(s) / Chemists(s), supported by proper prescriptions.
- c. Receipt and Pathological test reports from Pathologist supported by the note from the attending Medical Practitioner / Surgeon recommending such Pathological tests / pathological.
- d. Surgeon's certificate stating nature of operation performed and Surgeons' bill and receipt.
- e. Attending Doctor's/ Consultant's/ Specialist's / Anesthetist's bill and receipt, and certificate regarding diagnosis.
- f. Certificate from attending Medical Practitioner / Surgeon that the patient is fully cured.

**Waiver:** Waiver of period of intimation may be considered in extreme cases of hardships where it is proved to the satisfaction of the Company/TPA that under the circumstances in which the insured was placed it was not possible for him or any other person to give such notice or file claim within the prescribed time limit. This waiver cannot be claimed as a matter of right.

**5.4 PHYSICAL EXAMINATION:** Any medical practitioner authorized by the Company shall be allowed to examine the Insured Person in case of any alleged injury or Illness requiring Hospitalization when and so often as the same may reasonably be required on behalf of the Company.

**5.5** The Company shall not be liable to make any payment under this policy in respect of any claim if such claim be in any manner fraudulent or supported by any fraudulent means or device whether by the Insured Person or by any other person acting on his behalf.

**5.6 CONTRIBUTION:** If two or more policies are taken by Insured Person during a period from one or more insurers to indemnify treatment costs, Company shall not apply the contribution clause, but the Insured Person shall have the right to require a settlement of his/her claim in terms of any of Your policies.

1. In all such cases Company shall be obliged to settle the claim without insisting on the contribution clause as long as the claim is within the limits of and according to the terms of the policy.
2. If the amount to be claimed exceeds the Sum Insured under a single policy after considering the deductibles or co-pay, the Insured Person shall have the right to choose insurers by whom the claim to be settled. In such cases, the insurer may settle the claim with contribution clause.
3. Except in benefit policies, in cases where Insured Person have policies from more than one insurer to cover the same risk on indemnity basis, Insured Person shall only be indemnified the Hospitalisation costs in accordance with the terms and conditions of the policy.

**Note:** Insured Person must disclose such other insurance at the time of making a claim under this Policy.

**5.7 CANCELLATION CLAUSE:** The policy may be renewed by mutual consent. The company shall not however be bound to give notice that it is due for renewal and the Company may at any time cancel this Policy by sending the Insured 30 days' notice by registered letter at the Insured's last known address and in such event the Company shall refund to the Insured a pro-rata premium for unexpired Period of Insurance. The Company shall, however, remain liable for any claim which arose prior to the date of cancellation.

The Insured may at any time cancel this policy and in such event the Company shall allow refund of premium at Company's short period rate only (table given here below) provided no claim has occurred up to the date of cancellation.

PERIOD OF RISK	RATE OF PREMIUM TO BE CHARGED
Up to one month	1/4 <sup>th</sup> of the annual rate
Up to three months	½ of the annual rate
Up to six months	3/4 <sup>th</sup> of the annual rate
Exceeding six months	Full annual rate

**5.8 DISCLAIMER OF CLAIM:** If the Company shall disclaim liability to the Insured for any claim hereunder and if the Insured shall not within 12 calendar months from the date of receipt of the notice of such disclaimer notify the Company in writing that he does not accept such disclaimer and intends to recover his claim from the Company then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

**5.9** All medical/surgical treatment under this policy shall have to be taken in India and admissible claims thereof shall be payable in Indian currency.

**6.1 LOW CLAIM RATIO DISCOUNT (BONUS):** Low Claim Ratio Discount at the following scale will be allowed on the Total premium at renewal only depending upon the incurred claims ratio for the entire group insured under the Group Mediclaim Insurance Policy for the preceding 3 completed years excluding the year immediately preceding the date of renewal. Where the Group Mediclaim Insurance Policy has not been in force for 3 completed years, such shorter period of completed years excluding the year immediately preceding the date of renewal will be taken into account.

Incurred Claim ratio under the Group Policy	Discount (%)
Not Exceeding 80%	5%
Not Exceeding 70%	15%
Not Exceeding 60%	25%
Not Exceeding 50%	35%
Not Exceeding 40%	40%

**6.2 HIGH CLAIM RATIO LOADING:** The Total Premium payable at renewal of the group policy will be loaded at the following scale depending upon the incurred claims ratio for the entire group insured under the Group Mediclaim Insurance Policy for the preceding 3 completed years excluding the year immediately preceding the date of renewal. Where the Group Mediclaim Policy has not been in force for the 3 completed years, such shorter periods of completed years excluding the year immediately preceding the date of renewal will be taken into account.

Incurred Claim Ratio under the Group Policy	Loading (%)
Between 85% and 100%	10%
Between 101% and 125%	25%
Between 126% and 150%	50%
Between 151% and 175%	75%
Between 176% and 200%	100%
Over 200%	Cover to be reviewed

**Note:** (1) Low Claim Ratio Discount (Bonus) or High Claim Ratio Loading will be applicable to the Premium at renewal of the policy depending on the incurred Claim Ratio for the entire Group Insured.

(2) Incurred claim would mean claims paid plus claims outstanding at the end of the period minus at the beginning of the period in respect of the entire group insured under the policy during the relevant period.

#### **7.1 MATERNITY EXPENSES BENEFIT EXTENSION:**

**7.2** The maximum benefit allowable under this clause will be up to Rs.50,000/- .

**7.3** Special conditions applicable to Maternity Expenses Benefit Extension:

1. These Benefits are admissible only if the expenses are incurred in Hospital as inpatients in India.
2. Claim in respect of delivery for only first two children and / or surgeries associated therewith will be considered in respect of any one Insured Person covered under the Policy or any renewal thereof. Those Insured Persons who are already having two or more living children will not be eligible for this benefit.
3. Expenses incurred in connection with voluntary medical termination of pregnancy during the first 12weeks from the date of conception are not covered.
4. Pre-natal and post-natal expenses are not covered unless admitted in Hospital and treatment is taken there

**8.0 CASHLESS SERVICE THROUGH TPAS:** Claims in respect of Cashless access services will be through the agreed list of network of hospitals and is subject to pre-admission authorization. The TPA shall, upon getting the related medical information from the insured person /network provider, verify that the person is eligible to claim under the policy and after satisfying itself will issue a pre-authorization letter / guarantee of payment letter to the hospital mentioning the sum guaranteed as payable also the ailment for which the person is seeking to be admitted as a patient. The TPA reserves the right to deny pre-authorization in case the insured person is unable to provide the relevant medical details as required by the TPA. The TPA will make it clear to the insured person that denial of Cashless Access is in no way construed to be denial of treatment. The insured person may obtain the

treatment as per his /her treating Medical Practitioners medical advice and later on submit the full claim papers to the TPA for reimbursement.

**9.0 FRAUD, MISREPRESENTATION, CONCEALMENT:** The policy shall be null and void and no benefits shall be payable in the event of misrepresentation, misdescription or nondisclosure of any material fact/particulars if such claim be in any manner fraudulent or supported by any fraudulent means or device whether by the Insured Person or by any other person acting on his/her behalf.

**10.1 AGE LIMIT:**

There will be no age limit under this scheme.

**10.2 FAMILY:**

A family comprising the Insured and any one or more of the following can take this Policy:

- i. Spouse
- ii. Two Dependent Children.

**10.3 RENEWAL CLAUSE:** The Company sends renewal notice as a matter of courtesy. If the insured does not receive the renewal notice it will not amount to any deficiency of service.

The Company shall not be responsible or liable for non-renewal of the policy due to non-receipt /delayed receipt of renewal notice or due to any other reason whatsoever.

We shall be entitled to decline renewal if:

- a) Any fraud, moral hazard/misrepresentation or suppression by You or any one acting on Your behalf is found either in obtaining insurance or subsequently in relation thereto, or non-cooperation of the Insured Person, or
- b) We have discontinued issue of the Policy, in which event You shall however have the option for renewal under any similar Policy being issued by Us; provided however, benefits payable shall be subject to the terms contained in such other Policy, or
- c) You fail to remit Premium for renewal before expiry of the Period of Insurance. We may accept renewal of the Policy if it is effected within thirty days (grace period) of the expiry of the Period of Insurance. On such acceptance of renewal, we, however shall not be liable for any claim arising out of Illness contracted or Injury sustained or Hospitalization commencing in the interim period after expiry of the earlier Policy and prior to date of commencement of subsequent Policy.

**11.0 MEDICAL EXPENSES FOLLOWING UNDER TWO POLICY PERIODS:** If the claim event falls within two policy periods, the claims shall be paid taking into consideration the available sum insured in the two policy periods, including the deductibles for each policy period. Such eligible claim amount to be payable to the insured shall be reduced to the extent of premium to be

received for the renewal/due date of premium of health insurance policy, if not received earlier.

**12.0 REPUDIATION OF CLAIM:** A claim, which is not covered under the Policy conditions, can be rejected. All the documents submitted to TPA shall be electronically collected by us for settlement and denial of the claims by the appropriate authority.

With Our prior approval Communication of repudiation shall be sent to You, explicitly mentioning the grounds for repudiation, through Our TPA.

**13.0 PROTECTION OF POLICY HOLDERS' INTEREST:** This policy is subject to IRDA (Protection of Policyholders' Interest) Regulation, 2002

**14.0 GRIEVANCE REDRESSAL:** In the event of Insured has any grievance relating to the insurance, Insured Person may contact any of the Grievance Cells at Regional Offices of the Company or Office of the Insurance Ombudsman under the jurisdiction of which the Policy Issuing Office falls. The contact details of the office of the Insurance Ombudsman are provided in the Annexure II.

**15.0 PAYMENT OF CLAIM:** The insurer shall settle the claim, including rejection, within thirty days of the receipt of the last necessary document.

On receipt of the duly completed documents either from the insured or Hospital the claim shall be processed as per the conditions of the policy. Upon acceptance of claim by the insured for settlement, the insurer or their representative (TPA) shall transfer the funds within seven working days. In case of any extra ordinary delay, such claims shall be paid by the insurer or their representative (TPA) with a penal interest at a rate which is 2% above the bank rate at the beginning of the financial year in which the claim is reviewed

All admissible claims shall be payable in Indian Currency only.

**16.0 ARBITRATION:** If we admit liability for any claim but any difference or dispute arises as to the amount payable for any claim the same shall be decided by reference to Arbitration.

The Arbitrator shall be appointed in accordance with the provisions of the Arbitration and Conciliation Act, 1996.

No reference to Arbitration shall be made unless We have Admitted our liability for a claim in writing.

If a claim is declined and within 12 calendar months from such disclaimer any suit or proceeding is not filed then the claim shall for all purposes be deemed to have been abandoned and shall not thereafter be recoverable hereunder.

**17.0 PORTABILITY CLAUSE:** This policy is subject to portability guidelines issued by IRDA.

**18.0 PERIOD OF POLICY:** This insurance policy is issued for a period of one year.

**19.0 SPECIAL CONDITIONS:** The Policy is subject to deviations from the standard wordings as mentioned in the schedule of the policy.

The conditions are as under:

**19.1 MATERNITY EXPENSES:** The coverage and limits will be as listed in the schedule.

**NEWBORN BABY:** It is hereby declared and agreed at the request of the Insured that "Newborn Baby" stands covered from day one. The limits will be as mentioned in the schedule.

<b>Annexure I</b>		
SI NO	LIST OF EXPENSES EXCLUDED ("NON-MEDICAL")	SUGGESTIONS
<i>TOILETRIES/COSMETICS/ PERSONAL COMFORT OR CONVENIENCE ITEMS</i>		
1	HAIR REMOVAL CREAM	Not Payable
2	BABY CHARGES (UNLESS SPECIFIED/INDICATED)	Not Payable
3	BABY FOOD	Not Payable
4	BABY UTILITES CHARGES	Not Payable
5	BABY SET	Not Payable
6	BABY BOTTLES	Not Payable
7	BRUSH	Not Payable
8	COSY TOWEL	Not Payable
9	HAND WASH	Not Payable
10	M01STUR1SER PASTE BRUSH	Not Payable
11	POWDER	Not Payable
12	RAZOR	Payable
13	SHOE COVER	Not Payable
14	BEAUTY SERVICES	Not Payable
15	BELTS/ BRACES	Essential and may be paid specifically for cases who have undergone surgery of thoracic or lumbar spine.
16	BUDS	Not Payable
17	BARBER CHARGES	Not Payable
18	CAPS	Not Payable
19	COLD PACK/HOT PACK	Not Payable
20	CARRY BAGS	Not Payable
21	CRADLE CHARGES	Not Payable
22	COMB	Not Payable
23	DISPOSABLES RAZORS CHARGES ( for site preparations)	Payable
24	EAU-DE-COLOGNE / ROOM FRESHNERS	Not Payable
25	EYE PAD	Not Payable
26	EYE SHEILD	Not Payable
27	EMAIL / INTERNET CHARGES	Not Payable
28	FOOD CHARGES (OTHER THAN PATIENT'S DIET PROVIDED BY HOSPITAL)	Not Payable
29	FOOT COVER	Not Payable
30	GOWN	Not Payable
31	LEGGINGS	Essential in bariatric and varicose vein surgery and should be considered for these conditions where surgery itself is payable.

32	LAUNDRY CHARGES	Not Payable
33	MINERAL WATER	Not Payable
34	OIL CHARGES	Not Payable
35	SANITARY PAD	Not Payable
36	SLIPPERS	Not Payable
37	TELEPHONE CHARGES	Not Payable
38	TISSUE PAPER	Not Payable
39	TOOTH PASTE	Not Payable
40	TOOTH BRUSH	Not Payable
41	GUEST SERVICES	Not Payable
42	BED PAN	Not Payable
43	BED UNDER PAD CHARGES	Not Payable
44	CAMERA COVER	Not Payable
45	CLINIPLAST	Not Payable
46	CREPE BANDAGE	Not Payable/ Payable by the patient
47	CURAPORE	Not Payable
48	DIAPER OF ANY TYPE	Not Payable
49	DVD, CD CHARGES	Not Payable ( However if CD is specifically sought by Insurer/TPA then payable)
50	EYELET COLLAR	Not Payable
51	FACE MASK	Not Payable
52	FLEXI MASK	Not Payable
53	GAUSE SOFT	Not Payable
54	GAUZE	Not Payable
55	HAND HOLDER	Not Payable
56	HANSAPLAST/ADHESIVE BANDAGES	Not Payable
57	INFANT FOOD	Not Payable
58	SLINGS	Reasonable costs for one sling in case of upper arm fractures should be considered
<i>ITEMS SPECIFICALLY EXCLUDED IN THE POLICIES</i>		
59	WEIGHT CONTROL PROGRAMS/ SUPPLIES/ SERVICES	Not Payable
60	COST OF SPECTACLES/ CONTACT LENSES/ HEARING AIDS ETC.,	Not Payable
61	DENTAL TREATMENT EXPENSES THAT DO NOT REQUIRE HOSPITALISATION	Not Payable
62	HORMONE REPLACEMENT THERAPY	Not Payable
63	HOME VISIT CHARGES	Not Payable
64	INFERTILITY/ SUBFERTILITY/ ASSISTED CONCEPTION PROCEDURE	Not Payable
65	OBESITY (INCLUDING MORBID OBESITY)	Not Payable

	TREATMENT IF EXCLUDED IN POLICY	
66	PSYCHIATRIC & PSYCHOSOMATIC DISORDERS	Not Payable
67	CORRECTIVE SURGERY FOR REFRACTIVE ERROR	Not Payable
68	TREATMENT OF SEXUALLY TRANSMITTED DISEASES	Not Payable
69	DONOR SCREENING CHARGES	Not Payable
70	ADMISSION/REGISTRATION CHARGES	Not Payable
71	HOSPITALISATION FOR EVALUATION/DIAGNOSTIC PURPOSE	Not Payable
72	EXPENSES FOR INVESTIGATION/TREATMENT IRRELEVANT TO THE DISEASE FOR WHICH ADMITTED OR DIAGNOSED	Not Payable
73	ANY EXPENSES WHEN THE PATIENT IS DIAGNOSED WITH RETRO VIRUS + OR SUFFERING FROM /HIV/ AIDS ETC IS DETECTED/ DIRECTLY OR INDIRECTLY	Not Payable
74	STEM CELL IMPLANTATION/ SURGERY and storage	Not Payable
<i>ITEMS WHICH FORM PART OF HOSPITAL SERVICES WHERE SEPARATE CONSUMABLES ARE NOT PAYABLE BUT THE SERVICE IS</i>		
75	WARD AND THEATRE BOOKING CHARGES	Payable under OT Charges, not separately
76	ARTHROSCOPY & ENDOSCOPY INSTRUMENTS	Rental charged by the Hospital payable. Purchase of Instruments Not Payable.
77	MICROSCOPE COVER	Payable under OT Charges, not separately
78	SURGICAL BLADES, HARMONIC SCALPEL, SHAVER	Payable under OT Charges, not separately
79	SURGICAL DRILL	Payable under OT Charges, not separately
80	EYE KIT	Payable under OT Charges, not separately
81	EYE DRAPE	Payable under OT Charges, not separately
82	X-RAY FILM	Payable under Radiology Charges, not as consumable
83	SPUTUM CUP	Payable under Investigation Charges, not as consumable
84	BOYLES APPARATUS CHARGES	Part of OT Charges, not separately
85	BLOOD GROUPING AND CROSS MATCHING OF DONORS SAMPLES	Part of Cost of Blood, not payable
86	Antiseptic or disinfectant lotions	Not Payable - Part of

		Dressing Charges
87	BAND AIDS, BANDAGES, STERILE INJECTIONS, NEEDLES, SYRINGES	Not Payable - Part of Dressing charges
88	COTTON	Not Payable -Part of Dressing Charges
89	COTTON BANDAGE	Not Payable- Part of Dressing Charges
90	MICROPORE/ SURGICAL TAPE	Not Payable – Part of Dressing Charges
91	BLADE	Not Payable
92	APRON	Not Payable
93	TORNIQUET	Not Payable
94	ORTHOBUNDLE, GYNAEC BUNDLE	Not Payable, Part of Dressing Charges
95	URINE CONTAINER	Not Payable
<i>ELEMENTS OF ROOM CHARGE</i>		
96	LUXURY TAX	Actual tax levied by government is payable. Part of room charge for sub limits
97	HVAC	Part of room charge, Not Payable separately
98	HOUSE KEEPING CHARGES	Part of room charge, Not Payable separately
99	SERVICE CHARGES WHERE NURSING CHARGE ALSO CHARGED	Part of room charge, Not Payable separately
100	TELEVISION & AIR CONDITIONER CHARGES	Part of room charge, Not Payable separately
101	SURCHARGES	Part of room charge, Not Payable separately
102	ATTENDANT CHARGES	Part of room charge, Not Payable separately
103	IM IV INJECTION CHARGES	Part of nursing charge, Not Payable separately
104	CLEAN SHEET	Part of Laundry / Housekeeping, Not Payable separately
105	EXTRA DIET OF PATIENT (OTHER THAN THAT WHICH FORMS PART OF BED CHARGE)	Patient Diet provided by Hospital is payable
106	BLANKET/WARMER BLANKET	Part of room charge, Not Payable separately
<i>ADMINISTRATIVE OR NON - MEDICAL CHARGES</i>		
107	ADMISSION KIT	Not Payable
108	BIRTH CERTIFICATE	Not Payable

109	BLOOD RESERVATION CHARGES AND ANTE NATAL BOOKING CHARGES	Not Payable
110	CERTIFICATE CHARGES	Not Payable
111	COURIER CHARGES	Not Payable
112	CONVENYANCE CHARGES	Not Payable
113	DIABETIC CHART CHARGES	Not Payable
114	DOCUMENTATION CHARGES / ADMINISTRATIVE EXPENSES	Not Payable
115	DISCHARGE PROCEDURE CHARGES	Not Payable
116	DAILY CHART CHARGES	Not Payable
117	ENTRANCE PASS / VISITORS PASS CHARGES	Not Payable
118	EXPENSES RELATED TO PRESCRIPTION ON DISCHARGE	Payable under Post-Hospitalisation where admissible
119	FILE OPENING CHARGES	Not Payable
120	INCIDENTAL EXPENSES / MISC. CHARGES (NOT EXPLAINED)	Not Payable
121	MEDICAL CERTIFICATE	Not Payable
122	MAINTENANCE CHARGES	Not Payable
123	MEDICAL RECORDS	Not Payable
124	PREPARATION CHARGES	Not Payable
125	PHOTOCOPIES CHARGES	Not Payable
126	PATIENT IDENTIFICATION BAND / NAME TAG	Not Payable
127	WASHING CHARGES	Not Payable
128	MEDICINE BOX	Not Payable
129	MORTUARY CHARGES	Payable up to 24 hrs, shifting charges not payable
130	MEDICO LEGAL CASE CHARGES (MLC CHARGES)	Not Payable
<i>EXTERNAL DURABLE DEVICES</i>		
131	WALKING AIDS CHARGES	Not Payable
132	BIPAP MACHINE	Not Payable
133	COMMODE	Not Payable
134	CPAP/ CAPD EQUIPMENTS	Device not payable
135	INFUSION PUMP – COST	Device not payable
136	OXYGEN CYLINDER (FOR USAGE OUTSIDE THE HOSPITAL)	Not Payable
137	PULSEOXYMETER CHARGES	Device not payable
138	SPACER	Not Payable
139	SPIROMETRE	Device not payable
140	SP02 PROBE	Not Payable
141	NEBULIZER KIT	Not Payable
142	STEAM INHALER	Not Payable
143	ARMSLING	Not Payable

144	THERMOMETER	Not Payable
145	CERVICAL COLLAR	Not Payable
146	SPLINT	Not Payable
147	DIABETIC FOOT WEAR	Not Payable
148	KNEE BRACES ( LONG/ SHORT/ HINGED)	Not Payable
149	KNEE IMMOBILIZER/SHOULDER IMMOBILIZER	Not Payable
150	LUMBOSACRAL BELT	Payable for surgery of lumbar spine.
151	NIMBUS BED OR WATER OR AIR BED CHARGES	Payable for any ICU patient requiring more than 3 days in ICU, all patients with paraplegia /quadriplegia for any reason and at reasonable cost of approximately Rs 200/day
152	AMBULANCE COLLAR	Not Payable
153	AMBULANCE EQUIPMENT	Not Payable
154	MICROSHEILD	Not Payable
155	ABDOMINAL BINDER	Essential and should be paid in post-surgery patients of major abdominal surgery including TAH, LSCS, incisional hernia repair, exploratory laparotomy for intestinal obstruction, liver transplant etc.
<i>ITEMS PAYABLE IF SUPPORTED BY A PRESCRIPTION</i>		
156	BETADINE / HYDROGEN PEROXIDE / SPIRIT / DISINFECTANTS ETC	Not Payable
157	PRIVATE NURSES CHARGES - SPECIAL NURSING CHARGES Post hospitalization nursing charges	Not Payable
158	NUTRITION PLANNING CHARGES - DIETICIAN CHARGESDIET CHARGES	Patient Diet provided by hospital is payable
159	SUGAR FREE Tablets	Payable -Sugar free variants of admissible medicines are not excluded
160	CREAMS POWDERS LOTIONS	Payable when prescribed (Toiletries are not payable, only prescribed medical pharmaceuticals payable)
161	Digestion gels	Payable when prescribed
162	ECG ELECTRODES	One set every second day is Payable.

163	GLOVES Sterilized	Gloves payable / unsterilized gloves not payable
164	HIV KIT	payable Pre-operative screening
165	LISTERINE/ ANTISEPTIC MOUTHWASH	Payable when prescribed
166	LOZENGES	Payable when prescribed
167	MOUTH PAINT	Payable when prescribed
168	NEBULISATION KIT	If used during Hospitalisation is Payable reasonably
169	NOVARAPID	Payable when prescribed
170	VOLINI GEL/ ANALGESIC GEL	Payable when prescribed
171	ZYTEE GEL	Payable when prescribed
172	VACCINATION CHARGES	Routine Vaccination not Payable / Post Bite Vaccination Payable
<i>PART OF HOSPITAL'S OWN COSTS AND NOT PAYABLE</i>		
173	AHD	Not Payable - Part of Hospital's internal Cost
174	ALCOHOL SWABES	Not Payable - Part of Hospital's internal Cost
175	SCRUB SOLUTION/STERILLIUM	Not Payable - Part of Hospital's internal Cost
<i>OTHERS</i>		
176	VACCINE CHARGES FOR BABY	Not Payable
177	AESTHETIC TREATMENT / SURGERY	Not Payable
178	TPA CHARGES	Not Payable
179	VISCO BELT CHARGES	Not Payable
180	ANY KIT WITH NO DETAILS MENTIONED [DELIVERY KIT, ORTHOKIT, RECOVERY KIT, ETC]	Not Payable
181	EXAMINATION GLOVES	Not payable
182	KIDNEY TRAY	Not Payable
183	MASK	Not Payable
184	OUNCE GLASS	Not Payable
185	OUTSTATION CONSULTANT'S/ SURGEON'S FEES	Not payable
186	OXYGEN MASK	Not Payable
187	PAPER GLOVES	Not Payable
188	PELVIC TRACTION BELT	Payable in case of PIVD requiring traction
189	REFERAL DOCTOR'S FEES	Not Payable
190	ACCU CHECK (Glucometery/ Strips)	Not payable pre Hospitalisation or post

		Hospitalisation / Reports and Charts required / Device not payable
191	PAN CAN	Not Payable
192	SOFNET	Not Payable
193	TROLLY COVER	Not Payable
194	UROMETER, URINE JUG	Not Payable
195	AMBULANCE	Payable
196	TEGADERM / VASOFIX SAFETY	Payable - maximum of 3 in 48 hrs and then 1 in 24 hrs
197	URINE BAG	Payable where Medically Necessary - maximum 1 per 24 hrs
198	SOFTOVAC	Not Payable
199	STOCKINGS	Payable for case like CABG etc.

## **ANNEXURE II: CONTACT DETAILS OF INSURANCE OMBUDSMEN**

Office of the Ombudsman	Contact Details	Areas of Jurisdiction
KOCHI	Insurance Ombudsman, Office of the Insurance Ombudsman, 2nd Floor, CC 27/2603, Pulinat Bldg., Opp. Cochin Shipyard, M.G. Road, ERNAKULAM-682 015. Tel : 0484-2358759 Fax : 0484-2359336 Email: iokochi@asianetindia.com	Kerala , UT of (a) Lakshadweep , (b) Mahe – a part of UT of Pondicherry