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**STANDING COMMITTEE ON  
LABOUR AND WELFARE  
(1998-99)**

**TWELFTH LOK SABHA**

**MINISTRY OF WELFARE**

**DEMANDS FOR GRANTS (1998-99)**

**FIFTH REPORT**



**सत्यमेव जयते**

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**LOK SABHA SECRETARIAT  
NEW DELHI**

*July, 1998/Asadha, 1920 (Saka)*

FIFTH REPORT  
STANDING COMMITTEE ON  
LABOUR AND WELFARE  
(1998-99)  
(TWELFTH LOK SABHA)  
MINISTRY OF WELFARE  
DEMANDS FOR GRANTS (1998-99)

*Presented to Lok Sabha on 7 July, 1998  
Laid in Rajya Sabha on 7 July, 1998*



सत्यमेव जयते

LOK SABHA SECRETARIAT  
NEW DELHI

*July, 1998/Asadha, 1920 (Saka)*

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CORRIGENDA

TO THE FIFTH REPORT OF THE STANDING COMMITTEE ON  
LABOUR AND WELFARE ON DEMANDS FOR GRANTS,  
MINISTRY OF WELFARE - 1998-99.

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COMPOSITION OF THE STANDING COMMITTEE ON  
LABOUR AND WELFARE,  
(1998-99)

Shri Harin Pathak — *Chairman*

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(iv)

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- |                         |   |                          |
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| 2. Shri J. P. Sharma    | — | <i>Deputy Secretary</i>  |
| 3. Shri R. S. Misra     | — | <i>Under Secretary</i>   |
| 4. Shri Jagdish Prashad | — | <i>Committee Officer</i> |

## INTRODUCTION

1. The Chairman of the Standing Committee on Labour and Welfare (1998-99) having been authorised by the Committee to submit the Report on their behalf, present this Fifth Report on Demands for Grants on the Ministry of Welfare for the year 1998-99.

2. The Ministry of Welfare has intimated that the name of the Ministry has been changed as "the Ministry of Social Justice and Empowerment (Samajik Nyaya Aur Adhikarita Mantralaya)" *vide* Presidential Notification No. Doc. CD-158/98 dated 23.5.1998. Consequent upon the changes made in the name of the Ministry, necessary amendment is required to be made in the Rules of Procedure and Conduct of Business in Lok Sabha (Rule 331C Vth Schedule, Part-II Entry No. 14). Pending amendment to the said Rule, the name of the Ministry in the Report has been used as Ministry of Welfare.

3. The Committee considered the Demands for Grants pertaining to the Ministry of Welfare for the year 1998-99 which were laid on the Table of the House on 10 June, 1998. Thereafter, the Committee took evidence of the representatives of the Ministry of Welfare on 22 June, 1998.

4. The Committee wish to express their thanks to the Officers of the Ministry of Welfare for placing before them the detailed written notes on the subject and for furnishing the information the Committee desired in connection with the examination of the Demands for Grants.

5. The Report was considered and adopted by the Committee at their sitting held on 3 July, 1998.

NEW DELHI;  
3 July, 1998  

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12 Asadha, 1920 (Saka)

HARIN PATHAK,  
Chairman,  
Standing Committee on Labour and Welfare.



## CHAPTER I

### INTRODUCTORY

The Ministry of Welfare is entrusted with the welfare, social justice and empowerment of the disadvantaged and marginalised sections of the society such as Scheduled Castes, Scheduled Tribes, Minorities, Backwards Classes, street children, aged persons, disabled and victims of drug abuse.

1.2 The basic objectives of policies, programmes, laws and institutions of the Indian Welfare system is to bring the target groups into the mainstream of development by making them self-reliant. In achieving the objectives, the Ministry perform the task of implementation of policies in accordance with the provisions under Parts III and IV of the Constitution which not only deal with the development and welfare of the disadvantaged and marginalised groups mentioned above, but also give social and distributive aspects to the concept of justice.

1.3 The Committee have further been informed that as per 1991 Census the total population of Scheduled Castes was 13.8 crore which constitute 16.48% (1/6 of the country's population). Similarly 8.08% of the country's population belongs to Scheduled Tribes. According to a sample survey conducted by Planning Commission (NSSO) in 16 major States, 48.11% of Scheduled Castes population in rural areas and 49.48% in urban areas were living below the poverty line. The percentage of Scheduled Tribes population below poverty line in rural and urban areas was 51.94% and 41.14% respectively. As per 1991 census, population of minority groups constitutes 17.17% of the total population of the country.

1.4 The Ministry of Welfare has implemented several schemes and programmes for the welfare of aforesaid target groups. While the schemes and programmes for Scheduled Castes and Scheduled Tribes have been in operation since the beginning of the Five Year Plans and in fact, in several cases also prior to that, the schemes for the welfare of Minorities and OBCs are of recent origin. Programmes for the welfare of handicapped persons and for social defence are also comparatively new and are yet to stabilise and expand effectively to reach the target groups.

1.5 In order to achieve the objectives stated above, the Ministry of Welfare is divided into the following bureaux :-

- (a) Scheduled Caste Development
- (b) Scheduled Tribe Development
- (c) Handicapped Welfare
- (d) Social Defence and Child Welfare
- (e) Backward Classes and Minorities (Including Matters relating to Wakf)

1.6 The Ministry gets specialised and technical inputs from 5 National Institutes and 2 Apex Level Institutes that work under the control of the Ministry of Welfare. The National Institutes are :

- (i) National Institute of Social Defence, New Delhi.
- (ii) National Institute for Visually Handicapped, Dehradun.
- (iii) National Institute for Mentally Handicapped, Secunderabad.
- (iv) National Institute for Hearing Handicapped, Bombay.
- (v) National Institute for Orthopaedically Handicapped, Calcutta.

1.7 National Institute for Rehabilitation Training and Research, Cuttack and Institute for Physically Handicapped, New Delhi are the apex-level institutions.

The activities of the following National Commissions also come under the purview of the Ministry :

- (i) National Commission for Scheduled Castes and Scheduled Tribes.
- (ii) National Commission for Minorities.
- (iii) National Commission for Backward Classes.
- (iv) National Commission for Safai Karamcharis.

The Office of the Special Officer for Linguistic Minorities also come under the purview of the Ministry of Social Justice and Empowerment.

1.8 With a view to giving an impetus to the special needs of the weaker and vulnerable sections of society, the following five Development Finance

Corporations have been set up by the Ministry under Section 25 of the Companies Act, 1956 :

- (i) National Scheduled Castes and Scheduled Tribes Finance & Development Corporation.
- (ii) National Backward Classes Finance and Development Corporation.
- (iii) National Minorities Development and Finance Corporation.
- (iv) National Safai Karamcharis Finance & Development Corporation, and
- (v) National Handicapped Finance & Development Corporation.

1.9 In addition to the above organisations under the administrative control of Ministry, Plan and Non-Plan schemes of the Ministry are implemented with the help of the State Governments and Union territory Administrations. The Ministry also implements a number of Central Sector Schemes with the help of Non-Governmental Organisations and the Institutions of Local Self Government. Grants-in-aid to the State Governments and Union territory Administrations are provided under Articles 112(3), 113(2) and Article 275(1) of the Constitution. The details of various welfare schemes/programmes implemented by the Ministry of Welfare are given in APPENDIX-I.

1.10 The Ministry of Welfare furnished the following statement regarding allocation *vis-a-vis* expenditure incurred during the Eighth Five Year Plan :

**PLAN**

Name of Bureau	(Rs. in crores)	
	Allocation (B.E.)	Expenditure
T.D. Division	1962.72	1977.63
SCD Division	2842.27	2909.37
SD Division	158.85	126.20
Disability Division	212.50	171.41
M&BC Division	266.96	333.43
Secretariat	1.70	1.01
<b>Total</b>	<b>5445.00</b>	<b>5519.05</b>

**NON-PLAN**

(Rs. in Crores)

Name of Bureau	Allocation (B.E.)	Expenditure
T.D. Division	1.87	0.75
SCD Division	25.43	29.04
SD Division	9.81	2.57
Disability Division	92.00	88.91
M&BC Division	14.65	16.44
Secretariat	25.12	26.23
<b>Total</b>	<b>168.88</b>	<b>163.94</b>

1.11 During the Ninth Five Year Plan, the Ministry has proposed two new schemes viz., (i) **Development of Primitive Tribal Groups Under Tribal Development Division;** and (ii) **Scheme of payment of Ex-Gratia amount to Riot Victims under the Minority Welfare Division.** Besides, two other schemes viz., (i) **National Rehabilitation programmes for disabled;** and (ii) **Persons with disabilities (Equal opportunities, Protection of Rights and Full participation Act,) 1995** have also been introduced by Handicapped Divisions which are to be finalised by the Ministry for the Ninth Five Year Plan. The Ministry has proposed to discontinue the Scheme for Beggary Prevention in the Ninth Five Year Plan.

1.12 The Ministry has furnished the following statement showing the Division-wise Budget Estimates and expenditure incurred during the year 1996-97 and 1997-98 alongwith the fund allocated for the year 1998-99:-

(Rs. in Crores)

Division	1996-97		1997-98		1998-99
	BE	Exp.	BE	Exp.	BE
1	2	3	4	5	6
<b>Scheduled Castes Division :</b>					
Plan	691.18	708.33	771.00	610.42	796.00
Non-Plan	8.90	6.07	9.46	8.05	9.53
<b>Total</b>	<b>700.08</b>	<b>714.40</b>	<b>780.46</b>	<b>618.47</b>	<b>785.93</b>
<b>Scheduled Tribes Division :</b>					
Plan	443.50	441.50	481.00	466.57	576.00
Non-Plan	1.07	0.58	0.79	0.14	0.79
<b>Total</b>	<b>444.57</b>	<b>442.08</b>	<b>481.79</b>	<b>466.71</b>	<b>576.79</b>

	1	2	3	4	5	6
<b>Disabled Welfare :</b>						
Plan		45.90	36.20	106.44	56.65	141.54
Non-Plan		19.21	20.94	18.90	21.47	23.81
Total		65.11	57.14	125.37	78.12	165.35
<b>Social Defence and Child Welfare :</b>						
Plan		33.20	27.08	294.00	30.18	309.00
Non-Plan		5.85	0.43	5.81	0.90	3.85
Total		39.05	27.51	299.81	31.08	312.85
<b>Backward Classes and Minorities :</b>						
Plan		80.02	78.74	140.86	41.00	190.96
Non-Plan		4.05	3.85	4.28	4.50	5.13
Total		84.57	82.59	145.14	45.50	196.09
<b>Secretariat :</b>						
Plan		0.70	0.65	0.70	0.57	0.50
Non-Plan		6.92	6.17	6.93	7.49	8.14
Total		7.62	6.82	7.63	8.06	8.64
<b>Grand Total</b>		<b>1341.00</b>	<b>1330.54</b>	<b>1840.20</b>	<b>1247.94</b>	<b>2045.65</b>

1.13 The reason for shortfall in the utilisation of funds during 1997-98, according to the Ministry of Welfare was that the Budget Estimates for the Ministry was reduced from Rs. 1840.20 crore to Rs. 1255.36 crore at the Revised Estimate stage.

1.14. When during evidence, the Committee wanted to know the reasons for lowering the Budget allocation at the Revised Estimate stage, the representative of the Ministry of Welfare stated :-

"If we take the year 1997-98, the Budget allocation was Rs. 1840.20 crore, but our expenditure was Rs. 1247.94 crore. What happened during the year 1997-98 was that though our allocation was Rs. 1840 crore, the Revised Budget Estimate was reduced to Rs. 1255 crore. We were informed by the Ministry of Finance, Department of Economic Affairs that because of serious Budget constraints that the Finance Ministry was facing - they said that there were mid-term corrections and so, we received a clear direction in September, 1997- that we were not allowed to operationalise any new schemes. Last year, there was an attempt to increase the coverage of our scheme, having regard to the wishes of the Standing

Committee of Parliament made in earlier sessions that the activities of the Ministry should be expanded. Accordingly we had originally planned a few new schemes. As I mentioned, there was a serious constraint on the Budget and then there was serious cuts. One such cut was a five per cent across the board reduction enforced on us by the Department of Economic Affairs. The Finance Ministry, Department of Economic Affairs also clearly directed that no new scheme of the Ministry will be approved with the result that a substantial amount could not be utilised by the Ministry. That meant an effective cut to the Ministry's Budget.

Another one was a cut on account of the share capital of various Corporations because we were informed by the Department of Economic Affairs that if corresponding matching grants were not forthcoming, then the Department of Economic Affairs would not be in a position to give further releases. These were the constraints placed on us and in spite of our best efforts and repeated attempts by us not to have the cuts imposed on us, our hands were tied".

**1.15 The Committee are not satisfied with the performance of the Ministry insofar as its overall expenditure during the Eighth Plan is concerned. The Ministry has not been able to fully utilise its plan allocations in Disability and Social Defence Divisions during the plan period. The Committee further note that during financial year 1997-98 out of Rs. 1840.20 crore allocated at Budget estimate stage, the Ministry has been able to utilise only Rs. 1247.94 crore. The reason put forth by the Ministry that the Budget was reduced to Rs. 1255.00 crore at the Revised Estimate stage clearly indicates the level of planning the Ministry is having over its Budget formulations. The Committee, therefore, recommend that the Ministry should strengthen its planning and enhance budget allocations substantially. Strong efforts should be made to ensure that the funds allocated for schemes at the Budget Estimate stage are not slashed down subsequently at the Revised Estimate stage. For this, the matter should be taken up with Planning Commission, Department of Economic Affairs and Expenditure Finance Committee in advance.**

**1.16 The Committee further desire that the Ministry should improve its monitoring mechanism and coordination with State Governments so that the funds allocated in the Budget Estimate for the year 1998-99 are utilised fully and ensure that the new schemes become functional in the current financial year.**

## CHAPTER II

### REPORT

#### Demands for Grants — 1998-99

##### Major Head : 2235

##### A. Welfare of Persons with Disabilities

2.1 The Committee have been informed that the B.E. in 1997-98 was Rs. 145.14 crore which was reduced to Rs. 45.99 crore at the Revised Estimate stage, but the expenditure incurred was Rs. 45.50 crore. The Ministry has furnished the following data in regard to allocation of funds during 1997-98 and 1998-99 for the Welfare of Persons with Disabilities and funds surrendered during 1997-98 due to (i) non-approval of schemes during 1997-98; (ii) Non-receipt of recommendation from State Govts./UTs and (iii) Non-receipt of the adequate proposals from voluntary organisations :—

(Rs. in crores)				
Sub-Head	Scheme	BE	Amount	BE. 1998-99
		1997-98	Surrendered	
02.101.01.01.31	National Institute of Visually Handicapped	2.00	00.64	2.00
02.101.03.31	Institute for Physically Handicapped	00.60	00.50	00.60
02.101.01.08.31	National Institute for Multiple Handicapped	1.50	1.50	1.50
02.101.10.01.31	Assistance to NGOs for Disabled	22.00	4.51	25.00
02.101.10.12.31	National Trust for Mentally Retarded and Cerebral Palsy	1.25	1.25	1.25
02.101.10.15.31	Scheme for Implementation of Persons with Disabilities Act.	15.00	15.00	2.98
02.101.10.13.31	National Rehabilitation Programme for Handicapped	00.05	00.05	15.00

2.2 Explaining the reasons for non-utilisation of funds by the Handicapped Division during the Year 1997-98, the representative of the Ministry of Welfare stated during evidence :—

"I would like to clarify one point that no fund was surrendered in the disability sector. Our total expenditure, in fact, was 99.82 per cent of the funds that were given to us after the Revised Estimates. As my colleague mentioned in the morning session, there was a guillotine applied to the funds. So, of whatever we got finally, 99.82 per cent of that we have been able to spend. Though in some cases, for certain reasons which I will now clarify, funds could not be utilised, the same funds were used for the disabled people only, for the same target, group, in some other schemes where we could use more funds."

2.3 In reply to a question regarding allocation of Rs. 15.00 crore in the Budget Estimates for the year 1998-99 for National Rehabilitation Programme for Handicapped whereas the Ministry could not utilise even Rs. 5.00 lakh in 1997-98, the Ministry in a written note furnished to the Committee has stated that the allocation made in 1997-98 could not be spent as requisite approval of the Scheme was awaited. The Ministry has again requested the Planning Commission to concur with the Scheme, at least as a Pilot Project in 10 States so that it can be field tested. It has also requested for funding support by international agencies. It is strongly felt that without the NPRPD Scheme, it may not be possible to reach out rehabilitation services to the disabled. The Budget allocation has been made as the Scheme is expected to be approved during this financial year.

2.4 Detailing the reasons for non-approval of the National Rehabilitation programme for Handicapped by the Planning Commission, the representative of the Ministry stated during evidence :—

"The National Rehabilitation Programme for the Handicapped is a new scheme which we prepared. We also prepared a scheme for implementation of Persons with Disabilities Act. Unfortunately, there was a ban on new schemes last year and we could not finalise the schemes. In fact, in the case of the National Rehabilitation Scheme, Planning Commission said that since we had proposed a Centrally-sponsored scheme, whereby we wanted to support State Governments to set up some infrastructure for rehabilitation which is not there in



many States, it had to go before the full Planning Commission. Had there not been a guillotine of funds last year and a ban on new schemes, we probably would have been able to come up with few of the schemes. This year, we are hoping that we will be able to come through with these schemes and will be able to spend this money."

2.5 As regards non-utilisation of funds under the National Trust for Mentally Retarded and Cerebral Palsy, the representative of the Ministry stated during evidence :—

"This Trust proposal was prepared by us in the form of a Bill which was going to Parliament, but we received some strong representations from the NGOs and parents' organisation who met the former Welfare Minister also. They wanted that more consultation should be done with them before we rushed in to making the Trust. They said that it did not matter if it took more time, but they wanted to be consulted and to go into details of each and every provision. So, we held two consultation meetings last year. After the two meetings we put everything together and then set up an Expert Committee who have redrafted the entire Bill. This Bill is now ready and we are consulting Law Ministry. It will have to go to the Cabinet. Thereafter, we will introduce it in Parliament."

2.6 When asked about the difficulties being faced by the Ministry in the implementation of schemes with the help of NGOs, the Committee was informed during the evidence :—

"The point of recommendations of the State Governments has come up time again and again and that applies to the NGO scheme. We do have a difficulty in the late receipt of recommendations. We have taken it up with the State Governments time and again at various senior levels. We have also written to the Chief Secretary and the Secretaries of various States. Last year, we held a meeting of all the State Secretaries. This year, on 17.8.98 and 18.8.98, we are again planning a meeting of States' Ministers and Secretaries where one of the major agenda items is that all the NGO schemes should be better monitored and the reports should reach us in time."

**2.7 The Committee are concerned to note that the Government has not been able to utilise the funds fully earmarked under the Scheme**

for the Welfare of Persons with Disabilities during the Year 1997-98. The reasons for under-utilisation put forth by the Ministry that due to non-receipt of recommendations from State Governments/Union territories, non-approval of schemes during the year and non-receipt of adequate proposals from NGOs are not satisfying to the Committee. In the opinion of the Committee, the Ministry lacks proper coordination with State Governments and the monitoring over the schemes has not been upto the mark. The Committee, therefore, recommend that the Ministry should thoroughly monitor the schemes and the matter should be taken up with State Governments and NGOs for timely submission of their proposals for release of funds.

2.8 The Committee note that though the Government is committed to the Welfare of disabled who constitute 1.9% of the total population of the country, the Ministry has not been able to get clearance of their proposal relating to National Programme for Rehabilitation of Persons with Disabilities Scheme from the Planning Commission. The Committee have been informed by the Ministry that in the absence of National Programme for Rehabilitation of Persons with Disabilities Scheme, it will not be possible for them to benefit the disabled. The Committee, therefore, recommend that the Ministry should make all efforts for early clearance of the scheme from the Planning Commission to enable them to utilise the funds earmarked under the scheme during the year 1998-99.

2.9 The Committee note that the National Trust for Welfare of Persons with Mental Retardation and Cerebral Palsy Bill, 1995 was introduced in the Lok Sabha on 6 February, 1995, but could not be taken up for discussion. The Ministry has informed the Committee that the Bill has been redrafted keeping in view the suggestions made by the parents' organisations and NGOs working in the field of Mental Retardation and Cerebral Palsy and is under consideration of the Law Ministry. In the opinion of the Committee, it is not a happy situation that the Ministry has taken more than three years' time for consideration of the suggestions made by the parents' organisations and NGOs. The Committee, therefore, strongly recommend that the Ministry should make efforts for obtaining Cabinet approval on the Bill without further loss of time and ensure that the Bill is introduced in Parliament during the current Budget Session.

**Major Head : 4225**

**Sub-Head : 80.05.00.54**

*B. National Backward Classes Finance and Development Corporation*

2.10 The National Backward Classes Finance and Development Corporation (NBCF&DC) was set up on 13th January, 1992 with an authorised share capital of Rs. 200.00 crore for promoting self-employment activities among socially and educationally backward classes. The Corporation has been assigned the following main tasks :

- (a) to provide an additional channel of finance to backward classes for economically and financially viable schemes and projects; and
- (b) to upgrade the technological and entrepreneurial skill of individuals or groups belonging to the Other Backward Classes (OBCs).

The Corporation is granting concessional finance to persons belonging to the eligible section of socially and educationally backward classes.

2.11 The total outlay for the Eighth Five Year Plan was Rs. 100 crore which has been increased to Rs. 700 crore for the IXth Five Year Plan. An allocation of Rs. 47.00 crore was made in the Budget Estimate 1997-98. The Ministry could not utilise the fund and the entire money was surrendered. The allocation in the Budget for 1998-99 is Rs. 91.50 crore.

2.12 Asked to state the reasons for non-utilisation of money allocated for the scheme during the year 1997-98, the Ministry of Welfare in a written statement submitted to the Committee has stated that the authorised share capital of the Corporation was Rs. 200 crore and the paid up capital was Rs. 198.00 crore as on 31st March, 1997. Though an amount of Rs. 47 crore had been provided in the B.E. 1997-98, the position was reviewed and the Ministry of Finance finally reduced it to 'NIL' in the RE 1997-98 because the authorised share capital of the Corporation had not been raised beyond Rs. 200 crore.

2.13 As regards the steps proposed to be taken by the Ministry for full utilization of the money allocated for the scheme during the year 1998-99, it was stated that the Ministry has been taking steps for release of the budgeted amount to the NBCF&DC during the year 1998-99. The NBCF&DC has already got approval of the Deptt. of Company Affairs

for raising its authorised share capital from Rs. 200 crore to Rs. 700 crore. Since there is a difference of opinion between the Ministry of Finance (Plan Finance) and the Department of Public Enterprises regarding the mode for raising the authorised share capital of the Corporation, the Ministry of Finance is taking steps to resolve this matter in consultation with the Department of Public Enterprises. Once this is sorted out, the budgeted amount would be released to the Corporation. The Corporation has a target of providing concessional finance to 45,000 beneficiaries during the year 1998-99. For this an amount of Rs. 90 crore is expected to be utilised.

2.14 During evidence, the Committee pointed out that there was a gap of six months between the Budget Estimate and Revised Estimates and asked the reasons for delay in taking administrative decision to raise the authorised capital, the representative of the Ministry of Welfare stated :

"The process was initiated. The Board of Directors took it up then it went to the Annual General Meeting. Then it was sent to the Government and then there was the advice of the Ministry of Finance that it should be sent to the Cabinet. We circulated a Cabinet Note but the Department of Public Enterprises said that the approval of the Cabinet is not required. We took up the matter with the Registrar of Companies. They also took some time and after that they approved it. But still the Ministry of Finance is taking a view that they would sort out the matter with the DPE whether it would still require approval of the Cabinet".

2.15 Asked whether the Ministry would be able to cover all the 45,000 beneficiaries within the amount of Rs. 90.00 crore, the witness stated :-

"It depends on the State Channelising Agencies which identify the beneficiaries. After the receipt of the proposals from the State Channelising Agencies, they are processed and then sanctioned and then the amount is disbursed to the State Channelising Agencies. This is the target for the current year".

He further submitted :

"The amount will vary according to the need of the beneficiary. The maximum amount is Rs. 5 lakh but for the persons below the poverty line, the loan amount is small".

2.16 Asked whether the Ministry has discussed the scheme with State Governments in regard to availability of State Government guarantees, position of utilisation of funds earlier raised and recovery position of disbursement of funds, the witness stated :-

"Last year we held a meeting with the State Channelising Agencies and also with the State Secretaries of the Backward Classes. Then we asked them to give their target and what they are planning for the current year. They gave their target. On the basis of that, this figure of 45,000 has been drawn up.

The State Channelising Agencies are given funds on the basis of their recovery and utilisation of funds. After seeing the utilisation of funds and also the recovery position, the list of beneficiaries is sought. Of courses, Government guarantee is another aspect which is kept in view before release of fund".

2.17 The Committee have been further informed that an amount of Rs. 29.85 crore was pending with State Channelising Agencies since the setting up of the Corporation on 30th January, 1992. To a query whether the amount has been recovered by the Corporation, the witness replied that out of Rs. 29.85 crore, Rs. 3 crore has been received and for the rest of the money they are pursuing the matter. He, however, admitted that the recovery position in certain States is not satisfactory.

2.18 It has been stated by the Ministry in the preliminary material furnished to the Committee that the Karnataka Backward Classes Development Corporation Limited (KBCDC) had undertaken a scheme with the help of National Backward Classes Finance and Development Corporation with a view to extending an easy loan facility to the deserving backward class persons, so as to promote Dairy Development activities and motivate them to build up their socio-economic levels of living.

2.19 Asked whether there is any proposal with the NBCF&DC to expand the scheme to other States/UTs, the Ministry of Welfare has stated that the Corporation provides financial assistance to the SCAS on the basis of viable schemes submitted by the SCAs. Dairy scheme is one of the popular schemes in the country. As and when Dairy Scheme is submitted by any SCA, their legitimate demands are being sent by the Corporation. Further, the Corporation has circulated a model Mini Dairy Scheme to all the SCAs for their guidance.

2.20 As regards the evaluation study on the impact of the scheme being carried out by any agency, the Ministry has stated that the Cow Dairy Scheme implemented by Karnataka Backward Classes Development Corporation has been evaluated by the Corporation through an independent agency called the Institute of Social and Economic Change, Bangalore. The evaluation has revealed that the objectives of the scheme *viz.*, providing assured daily income to landless labour, small & marginal farmers has been achieved through providing easy loans and provisions of marketing linkage.

2.21 For improving the functioning of Corporation with a view to spreading the scheme in other parts of the country, the Ministry has suggested that since the Dairy Scheme is a popular scheme, the Corporation has already sanctioned the model mini Dairy Scheme to the SCAs of Sikkim and Tamil Nadu. The SCAs are being advised to properly identify the eligible beneficiaries, procure quality animals and provide critical inputs such as fodder and animal care, through an appropriate tie-up with Milk Federation and Primary Milk Societies of the respective States for marketing of milk. A tie-up with NABARD is also proposed for advice in further improvement of the scheme in order to spread the scheme in all the States/UTs.

**2.22 The Committee note with concern that Rs. 47.00 crore was allocated to National Backward Classes Finance and Development Corporation during the year 1997-98, yet the funds could not be utilised as the authorised share capital of the Corporation had not been raised beyond Rs. 200 crore and as such the money allocated for the Corporation was reduced to NIL at the Revised Estimates stage by the Ministry of Finance. In their opinion, the Ministry's planning in this regard has not been upto the mark in view of the fact that the decision to raise the authorised share capital has suffered from administrative and procedural delay. The Committee, therefore, recommend that the Ministry should take up the issue with Ministry of Finance and Department of Public Enterprises for raising the authorised share capital of the Corporation so that the funds earmarked for the Corporation for the financial year 1998-99 is utilised fully.**

2.23 The Committee further note that the Ministry has proposed to cover 45,000 beneficiaries by the Corporation and an amount of Rs. 90 crore has been allocated in the Budget Estimates for the purpose. In the opinion of the Committee, the amount to be sanctioned as loan per beneficiary comes out to Rs. 20,000/- which is too small for running a

project. The Committee, therefore, urge the Ministry to increase the allocation at the Revised Estimates stage so that a beneficiary is sanctioned a sufficient amount of loan to run the project.

2.24 The Committee are concerned to note that the arrears of loan amount to be realised from the beneficiaries have risen to Rs. 26.85 crore. In the opinion of the Committee the Corporation does not have an efficient recovery machinery and the Ministry's monitoring in this regard has not been upto the mark. The Committee, therefore, urge the Ministry to strengthen the recovery machinery of the Corporation and ensure that the money is realised through State Channelising Agencies at the earliest.

2.25 The Committee note that the Karnataka Backward Classes Development Corporation had launched the scheme with the help of NBCF&DC to raise the socio-economic conditions of backward classes with the help of dairy development, which apart from giving additional income also meets the milk needs of a family. The Committee, therefore, urge the Government to encourage small and landless farmers belonging to backward classes through State Governments to come forward with income generating proposals and assist them at the grass root level by sanctioning sufficient loans from the Corporation.

Major Head : 4225

Sub-Head : 03-001-01

*C. National Commission for Backward Classes*

2.26 The Committee have been informed that the Supreme Court in its judgement in the case of Indira Sawhney and others Vs. Union of India and others have directed the Government of India and each of the State Governments and Union territories to constitute a permanent body for entertaining, examining and recommending upon requests for inclusion and complaints of over-inclusion and under-inclusion in the list of Other Backward Class of citizens. Accordingly, the National Commission of Backward Classes was constituted on 14th August, 1993 for a period of three years under the NCBC Act, 1993. The Second Commission has been constituted on 28 February, 1997.

2.27 The Central List of OBCs is issued on the basis of recommendation/advice tendered by the National Backward Classes Commission. So far, on the basis of this Commission's recommendation

Central Lists of OBCs in respect of 21 States and 5 UTs have been notified by the Central Government.

A provision of Rs. 0.95 crore had been made for 1997-98 against which Rs. 1.23 crore were incurred. The provision for 1998-99 is Rs. 1.26 crore.

2.28 Asked whether the Second National Commission constituted on 28 February, 1997 has submitted its Report, the Ministry in its reply has stated that the Commission has not submitted any Report rather the Commission have recommended for inclusion/amendment in the central list of OBCs. Till date 215 pieces of advice have been received out of which 57 recommendations were for rejection of request for inclusion etc. in the central list of OBCs.

2.29 Asked whether the Ministry has proposed any time bound programme for the complete identification of the OBCs in the country, the Ministry of Welfare in a note furnished to the Committee has stated that the work relating to identification of OBCs in the country is a continuous process, so no time frame can be proposed. The Supreme Court has also not indicated any time limit for the said work.

2.30 Asked whether the Ministry has taken up the matter with the National Commission for Backward Classes to complete the identification work quickly despite the fact that the Supreme Court has not indicated any time limit for this work, the Ministry of Welfare stated that though no time frame has been fixed, the Central Government may undertake once in ten years revision of the lists with a view to excluding from such lists those classes who have ceased to be backward classes or for including in such lists new backward classes in consultation with the Commission.

2.31 The Committee have been informed that the Supreme Court directed the Central Government as well as the State Governments to specify the basis for applying the relevant and requisite socio-economic criteria to exclude socially advanced persons/sections (Creamy Layer) from OBCs. Accordingly, an amended Government Order dated 8th September, 1993 was issued indicating the category of persons/sections to which the rule of exclusion will apply.

2.32 Asked whether the Government has launched any special drive to identify the "Creamy Layer" amongst the OBCs, the Committee was informed that the Central Government has already notified the criteria for identifying the "Creamy Layer" amongst OBCs. This criteria has been



notified in the form of Schedule to Deptt. of Personnel & Training OM No. 36012/22/93-Estt.(SCT), dated 8th September, 1993. There have been demands from various quarters for upward revision of income ceiling, etc. for determining the "Creamy Layer" amongst OBCs. It is proposed to set up a Committee to review the income ceiling, etc. The proposal is under consideration in consultation with the Ministry of Home Affairs, Ministry of Finance, Department of Personnel & Training, etc.

**2.33** The Committee note that the National Commission for Backward Classes was constituted on 14 August, 1993 in compliance with the judgement of Supreme Court, yet the Government has been able to notify the list of OBCs only in 21 States and 5 Union territories on the recommendation of the Commission so far. Justifying the slow progress made by the Commission, the Ministry has informed the Committee that the work relating to identification of OBCs in the country is a continuous process, which in the opinion of the Committee does not augur well. In their opinion though the Supreme Court has not indicated any time limit for the completion of identification, the Government should plan for identification of OBCs on a time bound manner. The Committee, therefore, strongly recommend that the Ministry should take up the issue with the National Commission for Backward Classes and ensure that the identification work is completed at the earliest to enable the Ministry to plan properly for the welfare of OBCs during the Ninth Plan period.

**2.34** The Committee note with concern that though the Supreme Court directed the Central Government as well as State Governments to specify the basis of applying the relevant and requisite socio-economic criteria to exclude socially advanced persons/sections (creamy layer) from OBCs and the Central Government issued order for compliance with the judgement in the year 1993, the identification of the creamy layer has not been completed so far. The reply of the Ministry that a proposal to set up a Committee to review the income ceiling, etc. is under consideration in consultation with Ministry of Home Affairs, Ministry of Finance, Department of Personnel and Training, etc. is not convincing to the Committee. In the opinion of the Committee the monitoring of the Ministry over the scheme has not been upto the mark. The Committee, therefore, strongly recommend to have a thorough monitoring over the scheme and ensure that the work relating to identification of creamy layer amongst the OBCs is completed without further loss of time so that the benefit of the scheme reach the actually needy persons of the community.

**Major Head : 4225**

**Sub-Head : 80.06.00.54**

*D. National Minorities Development and Finance Corporation*

2.35 Government has notified 5 communities namely Muslims, Sikhs, Christians, Buddhists and Zoroastrians as Minorities at the national level, as per 1991 Census, population of minority groups constitutes 17.17% of the total population of the country.

2.36 The National Minorities Development and Finance Corporation was set up in September, 1994 under Section 25 of Indian Companies Act, 1956. The main objective of the Corporation is to promote self-employment ventures among the minorities and also to help them in the upgradation of entrepreneurial and technical skills. The Corporation focuses on development of backward sections among minorities whose income is below double the poverty line i.e. Rs. 22,000 per annum. The authorised share capital of this is Rs. 500.00 crore out of which Central Government contribution is Rs. 125.00 crore. The rest of the contribution comes from States/UTs, institutions and individuals interested in the welfare of minorities. By 31st March, 1998, the Central Government has released an amount of Rs. 125.00 crore to NMFDC. During IXth Plan the equity contribution of Central Government has been raised from Rs. 125.00 crore to Rs. 300.00 crore. Since its inception till 31st March, 1998 the Corporation has disbursed Rs. 140.37 crore to 22 SCAs for 30092 beneficiaries out of which NMFDC's share is Rs. 103.91 crore.

2.37 A proposal was also sent to the Cabinet to raise the Central Government's contribution from 25 per cent to 60 per cent as per the recommendation of the Working Group on Minorities for the Ninth Five Year Plan. The Cabinet approved this proposal subject to pro-rata contribution from the State Governments/State Channelising Agencies. Since the States' share to the equity participation of NMFDC, has been reduced to not less than 26 per cent of the total authorised share capital, the Chief Ministers of the States were requested by Union Minister of Welfare to contribute their share towards the equity of NMFDC. This request has been followed up with letters from Secretary (Welfare) also. However, despite our efforts, the State Governments have contributed only to the tune of Rs. 20.76 crore against their target of Rs. 130 crore. With such a meagre contribution by the State Governments, the Central Government could not release any amount towards the share capital

during the financial year 1997-98. The position in the current year 1998-99 also remains the same and there is no hope of any immediate contribution being available from the State Governments/State Corporations. In view of this, the National Minorities Development and Finance Corporation have requested the Central Government to move the Cabinet for removal of the clause of pro-rata contribution by State Governments/State Corporations. The matter is under consideration of the Ministry of Social Justice and Empowerment.

**2.38** The Committee note that National Minorities Finance and Development Corporation was set up in the year 1994 under Section 25 of the Indian Companies Act, 1956 to promote self-employment ventures among the minorities and also to help them in the upgradation of entrepreneurial and technical skills. The Committee further note that the authorised share capital of the Corporation is Rs. 500 crore out of which Central Government contribution is Rs. 125 crore. The rest of contribution comes from States/UTs and institutions and individuals interested in the welfare of minorities. Though an allocation of Rs. 41 crore was made in the Budget Estimate for the year 1997-98, no money was utilised out of the allocation due to the non-receipt of equity share capital contributions from States/UTs. The Ministry has further informed the Committee that a proposal was sent to the Cabinet to raise the Central Government's contribution from 25% to 60% as per the recommendation of the Working Group on Minorities for the Ninth Plan and the Cabinet approved the proposal subject to pro-rata contribution from the State Governments/State Channelising Agencies. The reply of the Ministry that there is no hope of any immediate contribution being available from the State Governments/State Corporations is not convincing to the Committee. The Committee, therefore, strongly recommend that the matter should be taken up at the highest level and efforts should be made to persuade the State Governments/State Corporations to come forward for their shares so that the Corporation runs smoothly. Steps taken and progress achieved in this regard should be communicated to the Committee within three months time.

**Major Head : 2235**

**Sub-Head : 08.00.31.10**

*E. Kasturba Gandhi Swatantrata Vidyalaya Scheme*

**2.39** The Committee have been informed that the Kasturba Gandhi Swatantrata Vidyalaya Scheme is intended to improve literacy among girl

children belonging to backward communities, such as Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities by setting up 500 residential schools for classes I to V in Districts where their literacy rate is less than 10%. These schools will be located in rural areas and will provide free education, besides free school uniforms, text books, stationery, residential accommodation and food to the girls of these communities attending the schools. An allocation of Rs. 250.00 crore was made in the BE for the year 1997-98 but the entire money remained unutilised due to non-approval of scheme. The same amount of Rs. 250.00 crore has been allocated for 1998-99.

2.40 When asked about the reasons for not approving the scheme during the year 1997-98, the Ministry of Welfare in a written note furnished to the Committee has stated that the scheme was approved in principle by the Cabinet on 6.11.97, subject to the condition that the details of the scheme be integrated with the scheme of the Department of Women and Child Development (D/W&CD) for raising the status of the girl child, in consultation with the Planning Commission or the appropriate agency/ Department for implementation of the scheme and further clearance/ approval of the Expenditure Finance Committee and the Cabinet Committee on Economic Affairs.

2.41 The Ministry has further stated that in pursuance of the above directions, consultations were held on 11.2.98 with the representatives of the Planning Commission and D/W&CD. During the consultations, it was appreciated that the scheme for raising the status of the girl child being implemented by D/W&CD and the scheme of Kasturba Gandhi Swatantrata Vidyalaya were essentially different in concept. However, it was felt that the children who are admitted to schools under the KGSV scheme be excluded from the incentives available under the scheme of D/W&CD. In the discussions, it was also agreed that there were no further areas in which any integration of the two schemes was possible. Ministry of Social Justice and Empowerment was agreed to be the nodal agency for implementing the scheme. After further consultations, the scheme was placed before the Expenditure Finance Committee (EFC) for clearance. The EFC, which considered the scheme on 9.6.98, while expressing support to the scheme, directed as follows :—

- (i) The Planning Commission should examine the possibility of achieving integration of the various schemes for education and upliftment of girl children belonging to the backward classes, after

consultations with the Ministry of Social Justice and Empowerment and other Ministries/Departments concerned.

- (ii) The Planning Commission would also examine whether the finance of the scheme should be by way of a Corpus Fund, or by way of annual allocations of funds through the mechanism of Annual Plans.
- (iii) The above exercise should be completed expeditiously.

Once the above exercise is completed, the scheme will be placed before the EFC again for consideration. On clearance by the EFC, the proposal will be submitted to the Cabinet Committee on Economic Affairs for approval.

2.42 During evidence the Committee drew the attention of the representatives of the Ministry of Welfare to the fact that though the scheme was approved by the Cabinet on 6.11.1997 yet it was considered by Expenditure Finance Committee on 9.6.1998 and when asked the reasons for not giving the priority to the scheme by the Ministry, the representative of the Ministry submitted :

"In last year Budget of 1997-98, the Finance Minister had allocated Rs. 250 crore for Special School Scheme for Girl Children belonging to Scheduled Castes and Scheduled Tribes. The stand of the Ministry of Welfare has all along been that we should implement the Scheme. As already mentioned by our former hon'ble Minister, there was a dispute between the two Ministries. It was almost a matter of dispute. It took a little longer time than it ought to have taken to solve it. When this dispute was going on, a guillotine came from the Ministry of Finance that no new scheme should be operationalised and since this was a new scheme, this money could not be used. However, this amount has been restored to the Ministry and our Demand for Grants includes Rs. 250 crore.

2.43 Explaining the present status of the scheme, the representative of the Ministry of Welfare stated :

"The Kasturba Gandhi Scheme was taken to the Expenditure Finance Committee on 9th June, 1998 but the Expenditure Finance Committee, after consideration of the matter, have said that the Planning Commission should examine the possibility of achieving the integration of the various schemes regarding education and upliftment

of girls children belonging to the backward classes after consultation with the Ministry of Social Justice and Empowerment and other Ministries/Departments concerned.

It also said that the Planning Commission would also examine whether the financing of this scheme should be by way of corpus fund or by way of annual allocation of funds through the mechanism of annual plans. So, the matter has been referred to the Planning Commission with the note".

2.44 Asked whether the scheme would remain with the Ministry of Welfare in view of the dispute between the Ministry of Welfare and Ministry of Human Resource Development, the representative of the Ministry of Welfare stated :—

"If you see the Finance Minister's Budget speech this year, you will find that he has stated that the allocations under the scheme Kasturba Gandhi Swatantrata Vidyalaya Yojana will have to be integrated with those under the Mahila Samridhi Yojana. I would like to inform the Committee that this is a Cabinet decision and so, the modalities of implementing it will have to be first worked out and only then will it be decided as to whether the Ministry of Social justice and Empowerment will administer this scheme or the Ministry of HRD will implement it or there will be some other arrangement. For that arrangement, the Planning Commission will have to sit down and coordinate with the Ministries concerned and work out an arrangement. Then, we have to go to the EFC and the Cabinet with a concrete proposal. But, as our officials have already assured, we will leave no stone unturned in pursuing the matter".

2.45 To a query whether the scheme will be launched in 1998-99, the representatives of the Ministry stated that the Ministry will spare no effort in ensuring that this Scheme comes in place.

2.46 The Committee are distressed to note that though the Ministry has planned to launch the Kasturba Gandhi Swatantrata Vidyalaya Scheme to improve literacy among girl children belonging to disadvantaged and marginalised sections of the society such as Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities and had allocated Rs. 250 crore in the Budget Estimates for the year 1997-98, the Ministry could not go ahead with the scheme due to administrative and procedural wrangles. The reply of the Ministry

that the scheme could not be operationalised for want of approval/clearance from Cabinet, and Expenditure Finance Committee despite their best efforts is not convincing to the Committee. In their opinion plenty of time has been wasted in the tussle between the Ministry of Welfare and Ministry of Human Resource Development over the question of integration of scheme with Mahila Samridhi Yojana. The Committee, therefore, strongly recommend that the Ministry of Welfare should monitor the scheme thoroughly and pursue the matter on priority with the Planning Commission so that necessary approval/clearance is obtained without further loss of time. Also vigorous efforts should be made by the Ministry to make the scheme functional during the financial year 1998-99. Steps taken and progress achieved in this regard should be communicated to the Committee within three months.

Major Head : 4225

Sub-Head : 80.190.01.00.54

*F. National Scheduled Castes and Scheduled Tribes Finance and Development Corporation*

2.47 The Committee have been informed that NSFDC is providing funds at concessional rates to the target group of SC and ST communities through the SCDCs and other Channelising Agencies for implementing various economically feasible and financially viable self-employment schemes/projects. NSFDC also provides assistance in upgradation and development of skills of SCs/STs. The Corporation provides term loans and seed capital assistance at concessional rates to SCs/STs whose income is below double the poverty line criteria *i.e.* Rs. 22,000 per annum in rural areas and Rs. 23,700 per annum in urban areas.

2.48 It has been further stated that since its inception the assistance provided by NSFDC has progressively increased from Rs. 35 lakh in 1989-90 to the cumulative figure of Rs. 356.46 crore as on 31.10.97. The Corporation has so far sanctioned a total of 1266 schemes, which on completion will benefit 2,15,302 beneficiaries. Against the budgetary allocation of Rs. 96.00 crore for 1997-98 for NSFDC, Rs. 20.23 crore was released. Allocation for 1998-99 is Rs. 81.00 crore.

2.49 During evidence the Committee asked whether the Ministry has ever proposed to the Planning Commission to review the laid down criteria

of SC/ST persons living below the poverty line, the representative of the Ministry of Welfare stated :

"Now that we have received a direction from the Hon'. Chairperson, we will approach the Planning Commission."

2.50 In reply to a question, the Committee was informed that the authorised share capital of NSFDC is Rs. 300 crore. For increasing the authorised share capital, a Cabinet Note was sent to the Cabinet Secretariat on 10.2.98 and subsequently on 20.2.98 and 3.4.98. However, Cabinet approval was not received during the last financial year. So, even if the allocation was retained at B.E. level, it would not have been possible to spend as the limit of Rs. 300 crore of authorised share capital was reached with the release of Rs. 20.23 crore.

2.51 Asked whether the Ministry has taken up the matter at the highest level for obtaining Cabinet approval to increase the share capital of NSFDC, the representative stated during evidence that they held discussions with the Department of Expenditure. They told us that they will send the file within a day or two. It is hoped that the Ministry would get the Cabinet approval within one and half month.

2.52 In reply to recommendation contained in Para 2.9 of the Seventh Report (1997-98) the Ministry had stated that the Report submitted by the Sub-Committee which was constituted with a view to suggesting the measures for the improvement in functioning of NSFDC was being examined. Asked to state the latest position in this regard, the Committee was informed through a written note that the recommendations of the Sub-Committee were examined both by the Ministry and by NSFDC and action has been taken on some of the recommendations. In respect of some of the recommendations, steps to implement are under way. Some of the important decisions which have been taken for improving the functioning of NSFDC and SCDCs are mentioned below :—

- (a) State Channelising Agencies have been given liberty to prepare a shelf of viable projects based on local conditions within the overall and sectoral allocation viz :

Agriculture	50%
Industries	10%
Service & Transport sector	40%



- (b) Schemes involving upto rupees one lakh can be sanctioned by State Channelising Agencies without seeking the approval of Apex Institution if the recovery of the concerned channelising agency is more than 40%. This has been suggested by the Ministry for adoption of NSFDC. The same is under process in NSFDC.

2.53 On being suggested that the NSFDC shall give some other facilities like irrigation to poor, marginal and small farmers having only two or three acres of land so that the benefits of the scheme may reach the grass-root level, the representative of the Ministry stated :

"We take note of your suggestions and we will act upon it".

2.54 Asked whether the Corporation insists on additional security while mortgaging the taxi or tractor as for the loan given to unemployed educated SC/ST boys and girls, the witness stated :

"In most of the States, they take hypothecation of whatever transport they are providing. In some of the States they are having another way. But we have come to know that they are taking the transport hypothecating".

2.55 When pointed out that there are so many money lenders who extend loan without any additional security, and enquired as to why the Government should not issue guidelines to the District Corporation not to insist an additional security particularly in the field of transport, the witness stated :

"I think, the guidelines are already there, but we will reiterate it and in case we come to know of any specific instance, then we will take it up".

**2.56 The Committee note that National Scheduled Castes and Scheduled Tribes Finance and Development Corporation provides term loans and seed capital assistance at concessional rates to Scheduled Castes and Scheduled Tribes whose family income from all sources is below double the poverty line criteria i.e. Rs. 22,000/- per annum in rural areas and Rs. 23,700/- per annum in urban areas. The Committee further note that the criteria of poverty line was revised by the Planning Commission during the year 1991-92. The Committee, therefore, recommend that the Ministry should take up the matter with Planning Commission to review the criteria of income keeping in view the increase in price index for granting loans.**

2.57 The Committee are concerned to note that though Rs. 96.00 crore was allocated to National Scheduled Castes and Scheduled Tribes Finance and Development Corporation during the year 1997-98, an amount of Rs. 20.23 crore only could be utilised. This happened because the authorised share capital of the Corporation had not been raised beyond Rs. 300 crore and as such Rs. 75.77 crore had to be surrendered. This clearly indicates the level of planning the Ministry is having over the scheme. The Committee, therefore, recommend that the Ministry should take up the issue with Ministry of Finance and Department of Public Enterprises for raising the authorised share capital of the Corporation so that the funds earmarked for the Corporation for the financial year 1998-99 is utilised fully.

2.58 In order to extend the coverage of the Corporation, the Committee desire that the Ministry should include some other areas like irrigation to poor, marginal and small farmers having two or three acres of land in consultation with NSFDC so that the benefits of the scheme reach the grass roots level. Also the Corporation should not insist on additional security like fixed deposit etc. to be furnished while granting loan to educated unemployed boys and girls belonging to Scheduled Castes and Scheduled Tribes apart from hypothecation of goods to be purchased, particularly in the field of transport.

Major Head : 3601

Sub-Head : 05.00.31

*G. Special Ambedkar Centenary Celebrations Programme*

2.59 The Committee have been informed that Dr. Ambedkar Foundation was established by the Government of India under the aegis of the Ministry of Welfare on March 24, 1992 as a registered society under the Societies Registration Act, 1860. The Foundation has been entrusted with the responsibility to manage, administer and carry on the important and long term schemes and programmes identified during the centenary celebrations of Bharat Ratna Baba Saheb Dr. B.R. Ambedkar. The important schemes and programmes of the Foundation are :—

1. Dr. Ambedkar National Public Library in Delhi.
2. Dr. Ambedkar Chairs in Universities/Institutes for research on the thoughts and ideals of Baba Saheb.

3. Dr. Ambedkar National Award for Social Understanding and Upliftment of Weaker Sections.
4. Dr. Ambedkar International Award for Social Change, Harmony, Equity, Justice and Human Dignity for the exploited and the under-privileged.
5. Publication of the Collected Works of Baba Saheb Dr. Ambedkar in Hindi and other Indian Languages.
6. Putting up a Memorial for Dr. Ambedkar at 26, Alipur Road, Delhi.
7. Various General Activities like organising Seminars, Conferences, Workshops, Exhibitions and Melas on Dr. Ambedkar, his life and mission.

2.60 The allocation approved by the Planning Commission for the VIIIth Five Year Plan was Rs. 10 crore. The Ministry, however, utilised more money than approved by the Planning Commission during the last three years. The allocation for 1997-98 was Rs. 40 crore which was fully utilised. Allocation has been kept at Rs. 40 crore in BE for the year 1998-99.

2.61 Asked for the justification for continuing the scheme in the Ninth Five Year Plan in view of the fact that Rs. 10.00 crore was provided in the Annual Plan of the Ministry for the year 1991-92, the Ministry of Welfare in their written information furnished to the Committee has stated that the Centenary Celebrations of Dr.B.R. Ambedkar was launched as a one time activity. Accordingly, the Planning Commission had approved a one time allocation of Rs. 10 crore for this. However, most of the schemes taken up as part of the Centenary Celebrations are of a long-term and ongoing nature. Hence, these schemes are being necessarily continued during Ninth Plan period.

2.62 During evidence, when the Committee wanted to know the manner in which the Ministry has been able to get clearance of Expenditure Finance Committee for allocation of more funds for the scheme in the absence of its approval by the Planning Commission during the VIIIth Five Year Plan, the representative of the Ministry of Welfare stated :

"Sir, as I can understand, this question has arisen because of the belief that the Special Ambedkar Centenary Celebrations Programme was

a one-time programme. But the decisions taken in that year and their execution are of permanent nature. We have convinced the Planning Commission. That is why, last year they allocated Rs. 40 crore. This year also our Budget provision is Rs. 40 crore. They have said that you put this money in the corpus of Ambedkar Foundation and out of the interest you can carry on the work like the National Public Library or the memorial of Baba Saheb Ambedkar. So, we have not violated anything. We are faithfully executing the decisions which were taken in the year of Centenary Celebrations under the Chairmanship of the then Prime Minister himself".

2.63 The Committee have been further informed that an amount of Rs. 10 crore has been released to Dr. Ambedkar Foundation for meeting the cost of acquisition of the land at 26, Alipur Road, Delhi, where Dr. Ambedkar attained Parinirvan to put up a suitable Memorial for him. An amount of Rs. 7.12 crore, i.e. 80% of the estimated cost of acquisition, has already been released to the Govt. of NCT of Delhi. The acquisition proceedings are at a fairly advanced stage of progress.

2.64 On being asked about the reasons for delay for acquiring the land of 26, Alipur Road, Delhi for which an amount of Rs. 7.12 crore have already been paid to National Capital Territory, Delhi, the witness stated that the Ministry had paid the 80% of the cost of land on 26 March, 1997. Shri Jindal, who is the owner of the land had filed two cases in Delhi High Court against acquisition of the property. In the meeting held on 28 June, 1997, the representative of Shri Jindal had agreed to vacate the possession of the land if they are given an alternate site. The second meeting is scheduled to be held on 27 July, 1998. The matter is being taken up by Chief Minister of Delhi himself.

2.65 On being suggested that matter should be resolved quickly so that the scheme is implemented without loss of time, the representative stated :

"We will convey the sentiments of this august body to the Chief Minister also in the next meeting".

**2.66 The Committee note with pleasure that an allocation of Rs. 10 crore was approved by the Planning Commission for Special Ambedkar Centenary Celebrations Programme in the Eighth Five Year Plan. The Ministry, however, utilised more money than approved by the Planning Commission during the last three years. An allocation of Rs. 40 crore was made to the Foundation in the year 1997-98 considering the Scheme as of a long term and on-going nature, which was utilised fully. The**

Committee are, however, concerned to note that some schemes like production of a Feature Film on Baba Saheb, establishment of Dr. Ambedkar Public Library in Delhi, putting up Memorial for Dr. Ambedkar, etc. have been relatively delayed. The Committee, therefore, strongly recommend that the Ministry should have thorough monitoring over the Schemes and Programmes of the Foundation and ensure that the Schemes are launched during the current financial year.

2.67 The Committee note with concern that though Rs. 7.12 crore has been paid by the Ministry to the Government of the National Capital Territory of Delhi for the land at 26, Alipur Road for the construction of Dr. Ambedkar Foundation on 26.3.1997, the possession of land has not been handed over to the Foundation due to litigation pending in the Delhi High Court against acquisition of the property. The Ministry has informed the Committee that the matter has been taken up by the Chief Minister of Delhi himself and the owner of the land has agreed to vacate the possession if he is provided with alternate site. The second meeting is scheduled to be held on 21.7.98. The Committee, therefore, desire that their sentiments should be conveyed to the Chief Minister of Delhi and the Ministry should make efforts in consultation with the Government of the National Capital Territory of Delhi to get possession of the land without further loss of time. Steps taken and progress achieved in this regard should be communicated to the Committee within three months.

**Major Head : 2235**

**Sub-Head : 05.00.3107**

*H. Scheme for Assistance to Voluntary Organisation for Programmes relating to Welfare of Aged*

2.68 It has been stated that under the scheme, financial assistance is provided to NGOs for setting up and continuance of Day Care Centres, Old Age Homes and Mobile Medicare Units as well as supporting and strengthening non-institutional services for aged persons of 60 years and above. Under each of these programmes, the organisations are required to contribute 10% of the expenditure (5% in case of Organisations functioning in tribal areas) and 90% (95% in case of Organisations functioning in Tribal Areas) being met through the Government of India's Grants-in-aid. Under the scheme 186 old age homes, 223 day care centres, 28 Mobile units and Two projects and non-institutional services for older persons have been established in different parts of the country.

2.69 The Budget Estimate for the year 1997-98 was Rs. 12.50 crore but the Government utilised Rs. 6.09 crore only. The Budget Estimates for 1998-99 has been kept at Rs. 15.00 crore.

2.70 When asked for the reasons for under utilisation of funds during the year 1997-98, the Committee was informed that the budget allocation at the R.E. stage was reduced from Rs. 12.50 crore to Rs. 8.87 crore during the year 1997-98. Further a sum of Rs. 2.50 crore was transferred to the scheme for Prevention and Control of Juvenile Social Maladjustment within this sector as the Ministry was committed to meet the requirements of the States under this scheme. Of the remaining amount of Rs. 6.37 crore an expenditure of Rs. 6.09 crore was incurred on the scheme during the year.

2.71 As regards monitoring of scheme by the Government and complaints regarding misappropriation/misutilisation of funds by NGOs, the Committee was informed that the scheme is being regularly monitored with the help of State Governments. Every year fresh Grants-in-Aid are released only after the concerned State Governments carry out an inspection of the implementing agency and provides its recommendation to the Ministry. In addition, the organisation is required to submit half-yearly progress reports of its activities and an yearly statement of its accounts duly audited by a Chartered Accountant. The Ministry is in the process of obtaining reports of the State Governments on the performance of 16 organisations (ANNEXURE-II) against whom complaints have been received.

2.72 The Committee note that though an amount of Rs. 12.50 crore was allocated for the scheme for assistance to voluntary organisations for programmes relating to welfare of aged at the Budget Estimate stage during the year 1997-98, the Ministry has been able to utilise only Rs. 6.09 crore. The reason put forth by the Ministry for under utilisation of the fund earmarked at the Budget Estimate stage was slashed down to Rs. 8.80 crore and Rs. 2.50 crore was re-appropriated to the scheme for prevention and Control of Juvenile Social Maladjustment is not satisfactory. In their opinion, the Ministry lacks proper coordination and monitoring. The Committee, therefore, recommend that the Government should give special attention towards the welfare of aged persons and ensure that the funds allocated for the scheme during the year 1998-99 is fully utilised.

**2.73 The Committee note with concern that Grants-in-aid to 16 NGOs has been stopped on account of complaints regarding misappropriation of funds. While viewing the situation with great concern, the Committee strongly recommend that Ministry of Welfare should make concerted efforts to recover the amount released to these NGOs through State Governments at the earliest and appropriate legal action should be initiated against defaulting NGOs. The Committee are also of the view that the matter should be taken up at the highest level in persuading the State Governments to send their Inspection Reports regarding functioning of NGOs in time. Steps taken and progress achieved in this regard should be communicated to the Committee within three months.**

NEW DELHI;  
3 July, 1998  

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12 Asadha, 1920 (Saka)

HARIN PATHAK,  
Chairman,  
Standing Committee on Labour and Welfare.

## APPENDIX

### I. SCHEME/PROGRAMMES IMPLEMENTED BY THE MINISTRY OF WELFARE

Schemes for the development of the Scheduled Castes are :

1. Special Central Assistance to the State Special Component Plans.
2. Post-matric Scholarships for SCs & STs.
3. Pre-matric Scholarships for the children of those engaged in unclean occupations.
4. Scheme for Upgradation of Merit of SC/ST Students.
5. Coaching & Allied Scheme for SCs & STs.
6. Book Bank for SCs & STs students.
7. Girls Hostels.
8. Boys Hostels.
9. Research & Training.
10. Implementation of PCR Act and Prevention of Atrocities Act.
11. National Scheme of Liberation and Rehabilitation of Scavengers and their dependents.
12. National Scheduled Castes, Scheduled Tribes Finance and Development Corporation.
13. Grants-in-aid to Voluntary Organisations.
14. Special Education Development Programmes for girls belonging to very low literacy level.
15. Share Capital Contribution to Scheduled Caste Development Corporations.
16. National Commission for Safai Karmacharis.
17. National Commission for SCs/STs.
18. National Safai Karmachari Finance & Development Corporation.



## II. SOCIO-ECONOMIC DEVELOPMENT OF SCHEDULED TRIBES

Important Central Sector and Centrally Sponsored Schemes for the Welfare of Scheduled Tribes.

1. Special Central Assistance for Tribal Sub-Plan.
2. Grants under First Proviso to Article 275 (1) of the Constitution.
3. Investment in Tribal Cooperative Marketing Development Federation of India (TRIFED).
4. Price Support to TRIFED.
5. Grants-in-aid to Voluntary Organisations working in the field of Tribal Development.
6. Boys' Hostels.
7. Girls' Hostels.
8. Ashram Schools in Tribal Sub-Plan Areas
9. Research & Training —
  - (a) Grants to Tribal Research Institutes and Award of Research Scholars' fellowship;
  - (b) Supporting projects of All India or Inter State Nature for Scheduled Tribes.
10. Educational Complex in low literacy pockets for development of Scheduled Tribes girls Literacy in Tribal Areas.
11. Vocational Training in Tribal Areas.
12. Grants-in-aid to State Tribal Development Cooperative Corporations for Minor Forest Produce Operations.
13. Grant to Assam Govt. under clause (a) of the Second Proviso to Article 275 (1) of the Constitution (Non-Plan)
14. Village Grain Banks.
15. Development of Primitive Tribal Groups.

## III. WELFARE OF THE HANDICAPPED

Main schemes for the Handicapped Welfare include :

1. Assistance to Voluntary Organisations for Disabled Persons.
2. Aids & Appliances for Physically Handicapped.

3. S & T project in Mission Mode on Application of Technology for Rehabilitation of the Handicapped.
4. Employment of the Handicapped.
5. National Rehabilitation Programme for the Disabled.
6. Establishment of District Rehabilitation Programme for the Disabled.
7. Assistance to Voluntary Organisations for Manpower Development in the field of Cerebral Palsy and Mental Retardation.
8. National Trust for Mentally Retarded and Cerebral Palsy.
9. Establishment and Development of Special Schools.
10. Assistance to Voluntary Organisations for Rehabilitation of Leprosy-Cured Persons.
11. National Handicapped Finance & Development Corporation.

#### IV. SOCIAL DEFENCE AND CHILD WELFARE

1. Scheme for Prohibition and Drug Abuse Prevention.
2. Grants-in-aid to Schools of Social Work.
3. Grants-in-aid to all India Organisations in the field of Social Welfare.
4. Grants-in-aid for Research Studies & Research Publications.
5. Information & Mass Education Cell.
6. Prevention and Control of Juvenile Social Maladjustment.
7. Assistance to Voluntary Organisations for Providing Social Defence Services.
8. National Institute of Social Defence, New Delhi.
9. Grants-in-aid to Voluntary Organisations for Services for Children in Need of Care and Protection, in Assam.
10. Central Adoption Resource Agency.
11. Assistance to Voluntary Organisations for programmes relating to the aged.
12. Scheme for welfare of the street children.
13. Scheme for Beggary Prevention.
14. Scheme of Assistance to Panchayati Raj Institutions/Voluntary Organisation for construction of Old Age Homes (Non-Plan).

## V. WELFARE OF BACKWARD CLASSES AND MINORITIES (INCLUDING WAKF)

The Minorities and Backward Classes Wing of the Ministry is implementing the following schemes for the Welfare of minorities and other backward classes:

1. Pre-examination Coaching for Weaker Sections based on Economic Criteria.
2. Special Officer for Linguistic Minorities.
3. National Commission for Minorities.
4. Maulana Azad Education Foundation.
5. National Commission for Backward Classes.
6. National Backward Classes Finance and Development Corporation.
7. National Minorities Development and Finance Corporation.
8. Scheme for Development of Urban Wakf Properties.
9. Multi-Sectoral Plans for Minorities Concentration Districts.
10. Ex-Gratia Payment to Riot Victims.

## ANNEXURE-I

**FUNCTIONING FOR THE PROGRAMME RELATING TO WELFARE OF AGED  
LIST OF NGOs/WHOSE GRANT-IN-AID HAVE BEEN STOPPED BY THE MINISTRY**

Sl. No.	Name of the NGO	Reasons for withdrawal of Assistance	Action taken
1	2	3	4
1.	Akhil Bharatiya Samaj Kalyan Pratihthan, Deoria, U.P.	(1) Black-listed by CAPART  (2) State Govt. has recommended stoppage of grants for forgery of signatures of State Govt. officers by the orgn.	Release of Grants have been stopped and the matter has been taken up with State Govt.
2.	Taradevi Shiksha Samiti, Deoria, Uttar Pradesh.	(1) Blacklisted by CAPART  (2) State Govt. has recommended stoppage of grants for forgery of signatures of State Govt. officers by the orgn.	- do -
3.	Jan Jagran Parishad, Allahabad, Uttar Pradesh.	Black-listed by CAPART	Release of grants have been stopped.
4.	Banjara Vikas Parishad, Aligarh, Uttar Pradesh.	Black-listed by CAPART	- do -

5.	Bhartiya Samajothan Seva Sansthan, Deoria, U.P.	State Govt. has recommended stoppage of grants for forgery of signatures of State Govt. officers by the orgn.	The matter has been taken up with State Govt.
6.	Sanskrit Bhasha Vikas Parishad, Deoria, Uttar Pradesh.	State Govt. has recommended stoppage of grants for forgery of signatures of State Govt. officers by the orgn.	- do -
7.	Gram Seva Sansthan, Deoria, Uttar Pradesh.	State Govt. has recommended stoppage of grants for forgery of signatures of State Govt. officers by the orgn.	- do -
8.	Indira Gandhi Samaj Sevashram, Patna, Bihar.	Black-listed by CAPART	Release of grants have been stopped.
9.	Pragati Youth Sangham, Guntur, Andhra Pradesh.	Black-listed by CAPART	- do -
10.	Indira Priyadarshini Mahila Mandali, Guntur, Andhra Pradesh.	Black-listed by CAPART	- do -

- |     |   |  |   |
|-----|---|--|---|
| 11. | Sri Subramaneswari Mahila Mandali,<br>Guntur, Andhra Pradesh. | Black-listed by CAPART   | Release of grants have been stopped.                |
| 12. | Vijayapuram Praja Seva Samithi,<br>Chittoor, Andhra Pradesh.  | Distt. Collector have complained that this Organisation is engaged in fraudulent activities, irregularities and forgery of signatures. | The matter has been taken up with State Government. |
| 13. | Praja Abhudaya Sewa Samithi,<br>Chittoor, Andhra Pradesh.     | Distt. Collector have complained that this Orgn. fraudulent and misusing Govt. funds.  | -- do --  |
| 14. | Haldia Samaj Kalyan Parishad,<br>Midnapore, West Bengal.      | A complaint received from employees as well as the President of the Orgn. about immoral activities of the Secretary of the Orgn.       | -- do --  |
| 15. | Seulipur Udayan Club, Midnapore,                              | A complaint regarding mis-appropriation of funds by orgn. has been received from inhabitants of Seulipur.                              | -- do --  |
| 16. | Satya Bharati, Hooghly, W.B.                                  | A complaint received from a member of organisation regarding corrupt practices adopted by organisation.                                | -- do --  |

MINUTES OF THE FIFTH SITTING OF THE STANDING  
COMMITTEE ON LABOUR AND WELFARE HELD ON  
FRIDAY, 3 JULY, 1998

The Committee met from 15.30 hrs. to 18.30 hrs. in Committee Room  
No. 62, Parliament House, New Delhi.

PRESENT

Shri Harin Pathak — *Chairman*

MEMBERS

*Lok Sabha*

2. Shri Surender Singh Barwala
3. Smt. Sandhya Bauri
4. Shri Manibhai Ramjibhai Chaudhuri
5. Shri Jaysinhji Mansinhji Chauhan
6. Shri Chinta Mohan
7. Shri Thawarchand Gehlot
8. Shri Ajoy Mukhopadhyay
9. Shri Aman Kumar Nagra
10. Dr. Ram Lakhan Singh
11. Shri Ram Shakal
12. Shri Virendra Kumar

*Rajya Sabha*

13. Shri Sanatan Bisi
14. Km. Nirmala Deshpande
15. Shri Jibon Roy
16. Miss Frida Topno

## SECRETARIAT

1. Shri J.P. Sharma - *Deputy Secretary*
2. Shri R.S. Mishra - *Under Secretary*

2. \* \* \* \* \*

3. The Committee, then took up draft Fifth Report on Demands for Grants relating to Ministry of Welfare for the year 1998-99 and adopted the same with the following amendments :-

Sl. No.	Para No.	Lines	Amendment
1	2	3	4
1.	1.15	12-17	<p><i>for "The Committee, therefore, recommend that the Ministry should strengthen its planning and efforts should be made to ensure that the funds allocated for schemes at the Budget Estimate stage are not slashed down subsequently at the Revised Estimate stage".</i></p> <p><i>read "The Committee, therefore, recommend that the Ministry should strengthen its planning and enhance budget allocations substantially. Strong efforts should be made to ensure that the funds allocated for the schemes at the Budget Estimate stage are not slashed down subsequently at the Revised Estimate stage".</i></p>
2.	2.9	4 (from bottom)	<i>Add "strongly" before "recommend"</i>
3.	2.34	14	<p><i>for "In their opinion",</i></p> <p><i>read "In the opinion of the Committee"</i></p>
4.	2.38	4 (from bottom)	<p><i>before "Government"</i></p> <p><i>Insert " State"</i></p>



1	2	3	4
5.	2.56	10	<p><i>for</i> "The Committee further note that the criteria of poverty line was revised by the Planning Commission during the year 1991-92 and since then the income of Scheduled Caste. and Scheduled Tribes has increased manifold. The Committee, therefore, recommend that the Ministry should take up the matter with Planning Commission to review the criteria of income keeping in view the increase in price index and rise in income of Scheduled Castes and Scheduled Tribes as required by the Corporation for granting loans".</p> <p><i>read</i> "The Committee further note that the criteria of poverty line was revised by the Planning Commission during the year 1991-92. The Committee, therefore, recommend that the Ministry should take up the matter with Planning Commission to review the criteria of income keeping in view the increase in price index for granting loans".</p>
6.	2.58	5 (from bottom)	<p><i>after</i> "deposit" <i>insert</i> "etc."</p>
7.	2.73	8	<p><i>after</i> "at the earliest" <i>add</i> "and appropriate legal action should be initiated against defaulting NGOs".</p>

4. The Committee authorised the Chairman to finalise the Reports in the light of above amendments and present the same to Parliament on their behalf.

*The Committee then adjourned.*

**SUMMARY OF RECOMMENDATIONS/CONCLUSIONS  
CONTAINED IN THE REPORT**

Sl. No.	Para No.	Recommendations/Conclusions
1	2	3
1.	1.15	<p>The Committee are not satisfied with the performance of the Ministry insofar as its overall expenditure during the Eighth Plan is concerned. The Ministry has not been able to fully utilise its plan allocations in Disability and Social Defence Divisions during the plan period. The Committee further note that during financial year 1997-98 out of Rs. 1840.20 crore allocated at Budget Estimate stage, the Ministry has been able to utilise only Rs. 1247.94 crore. The reason put forth by the Ministry that the Budget was reduced to Rs. 1255.00 crore at the Revised Estimate stage clearly indicates the level of planning the Ministry is having over its Budget formulations. The Committee, therefore, recommend that the Ministry should strengthen its planning and enhance budget allocations substantially. Strong efforts should be made to ensure that the funds allocated for schemes at the Budget Estimate stage are not slashed down subsequently at the Revised Estimate stage. For this, the matter should be taken up with Planning Commission, Department of Economic Affairs and Expenditure Finance Committee in advance.</p>
2.	1.16	<p>The Committee further desire that the Ministry should improve its monitoring mechanism and coordination with State Governments so that the funds allocated in the Budget Estimate for the year 1998-99 are utilised fully and ensure that the new schemes become functional in the current financial year.</p>

1	2	3
3.	2.7	<p>The Committee are concerned to note that the Government has not been able to utilise the funds fully earmarked under the Scheme for the Welfare of Persons with Disabilities during the year 1997-98. The reasons for under-utilisation put forth by the Ministry that due to non-receipt of recommendations from State Governments/ Union territories, non-approval of schemes during the year and non-receipt of adequate proposals from NGOs are not satisfying to the Committee. In the opinion of the Committee, the Ministry lacks proper coordination with State Governments and the monitoring over the schemes has not been upto the mark. The Committee, therefore, recommend that the Ministry should thoroughly monitor the schemes and the matter should be taken up with State Governments and NGOs for timely submission of their proposals for release of funds.</p>
4.	2.8	<p>The Committee note that though the Government is committed to the Welfare of disabled who constitute 1.9% of the total population of the country, the Ministry has not been able to get clearance of their proposal relating to National Programme for Rehabilitation of Persons with Disabilities Scheme from the Planning Commission. The Committee have been informed by the Ministry that in the absence of National Programme for Rehabilitation of Persons with Disabilities Scheme, it will not be possible for them to benefit the disabled. The Committee, therefore, recommend that the Ministry should make all efforts for early clearance of the scheme from the Planning Commission to enable them to utilise the funds earmarked under the scheme during the year 1998-99.</p>

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1	2	3
5.	2.9	<p>The Committee note that the National Trust for Welfare of Persons with Mental Retardation and Cerebral Palsy Bill, 1995 was introduced in the Lok Sabha on 6 February, 1995, but could not be taken up for discussion. The Ministry has informed the Committee that the Bill has been redrafted keeping in view the suggestions made by the parents' organisations and NGOs working in the field of Mental Retardation and Cerebral Palsy and is under consideration of the Law Ministry. In the opinion of the Committee, it is not a happy situation that the Ministry has taken more than three years' time for consideration of the suggestions made by the parents' organisations and NGOs. The Committee, therefore, strongly recommend that the Ministry should make efforts for obtaining Cabinet approval on the Bill without further loss of time and ensure that the Bill is introduced in Parliament during the current Budget Session.</p>
6.	2.22	<p>The Committee note with concern that Rs. 47.00 crore was allocated to National Backward Classes Finance and Development Corporation during the year 1997-98, yet the funds could not be utilised as the authorised share capital of the Corporation had not been raised beyond Rs. 200 crore and as such the money allocated for the Corporation was reduced to NIL at the Revised Estimates stage by the Ministry of Finance. In their opinion, the Ministry's planning in this regard has not been upto the mark in view of the fact that the decision to raise the authorised share capital has suffered from administrative and procedural delay. The Committee, therefore, recommend that the Ministry should take up the issue with Ministry of Finance and Department of Public Enterprises for raising the authorised share capital of the Corporation so that the funds earmarked for the Corporation for the Financial year 1998-99 is utilised fully.</p>

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1	2	3
7.	2.23	<p>The Committee further note that the Ministry has proposed to cover 45,000 beneficiaries by the Corporation and an amount of Rs. 90 crore has been allocated in the Budget Estimates for the purpose. In the opinion of the Committee, the amount to be sanctioned as loan per beneficiary comes out to Rs. 20,000/- which is too small for running a project. The Committee, therefore, urge the Ministry to increase the allocation at the Revised Estimate stage so that a beneficiary is sanctioned a sufficient amount of loan to run the project.</p>
8.	2.24	<p>The Committee are concerned to note that the arrears of loan amount to be realised from the beneficiaries have risen to Rs. 26.85 crore. In the opinion of the Committee the Corporation does not have an efficient recovery machinery and the Ministry's monitoring in this regard has not been upto the mark. The Committee, therefore, urge the Ministry to strengthen the recovery machinery of the Corporation and ensure that the money is realised through State Channelising Agencies at the earliest.</p>
9.	2.25	<p>The Committee note that the Karnataka Backward Classes Development Corporation had launched the scheme with the help of NBCFDC to raise the socio-economic conditions of backward classes with the help of dairy development, which apart from giving additional income also meets the milk needs of a family. The Committee, therefore, urge the Government to encourage small and landless farmers belonging to backward classes through State Governments to come forward with income generating proposals and assist them at the grass root level by sanctioning sufficient loans from the Corporation.</p>

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1	2	3
10.	2.33	<p>The Committee note that the National Commission for Backward Classes was constituted on 14 August, 1993 in compliance with the judgement of Supreme Court, yet the Government has been able to notify the list of OBCs only in 21 States and 5 Union territories on the recommendation of the Commission so far. Justifying the slow progress made by the Commission, the Ministry has informed the Committee that the work relating to identification of OBCs in the country is a continuous process, which in the opinion of the Committee does not augur well. In their opinion though the Supreme Court has not indicated any time limit for the completion of identification, the Government should plan for identification of OBCs on a time bound manner. The Committee, therefore, strongly recommend that the Ministry should take up the issue with the National Commission for Backward Classes and ensure that the identification work is completed at the earliest to enable the Ministry to plan properly for the Welfare of OBCs during the Ninth Plan period.</p>
11.	2.34	<p>The Committee note with concern that though the Supreme Court directed the Central Government as well as State Governments to specify the basis of applying the relevant and requisite socio-economic criteria to exclude socially advanced persons/sections (creamy layer) from OBCs and the Central Government issued order for compliance with the judgement in the year 1993, the identification of the creamy layer has not been completed so far. The reply of the Ministry that a proposal to set up a Committee to review the income ceiling, etc. is under consideration in consultation with Ministry of Home Affairs,</p>

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1	2	3
		<p>Ministry of Finance, Department of Personnel and Training, etc. is not convincing to the Committee. In the opinion of the Committee the monitoring of the Ministry over the scheme has not been upto the mark. The Committee, therefore, strongly recommend to have a thorough monitoring over the scheme and ensure that the work relating to identification of creamy layer amongst the OBCs is completed without further loss of time so that the benefit of the scheme reach the actually needy persons of the community.</p>
12.	2.38	<p>The Committee note that National Minorities Finance and Development Corporation was set up in the year 1994 under Section 25 of the Indian Companies Act, 1956 to promote self-employment ventures among the minorities and also to help them in the upgradation of entrepreneurial and technical skills. The Committee further note that the authorised share capital of the Corporation is Rs. 500 crore out of which Central Government contribution is Rs. 125 crore. The rest of contribution comes from States/UTs and institutions and individuals interested in the welfare of minorities. Though an allocation of Rs. 41 crore was made in the Budget Estimate for the year 1997-98, no money was utilised out of the allocation due to the non-receipt of equity share capital contributions from State/UTs. The Ministry has further informed the Committee that a proposal was sent to the Cabinet to raise the Central Government's contribution from 25% to 60% as per the recommendation of the Working Group on Minorities for the Ninth Plan and the Cabinet approved the proposal subject to pro-rata contribution from the State Governments/ State Channelising Agencies. The reply of the Ministry that there is no hope of any immediate contribution being available from the State Governments/State Corporations is not</p>

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1	2	3
		<p>convincing to the Committee. The Committee, therefore, strongly recommend that the matter should be taken up at the highest level and efforts should be made to persuade the State Governments/State Corporations to come forward for their shares so that the Corporation runs smoothly. Steps taken and progress achieved in this regard should be communicated to the Committee within three months time.</p>
13.	2.46	<p>The Committee are distressed to note that though the Ministry has planned to launch the Kasturba Gandhi Swatantrata Vidyalaya Scheme to improve literacy among girl children belonging to disadvantaged and marginalised sections of the society such as Scheduled Castes, Scheduled Tribes, Other Backward Classes and Minorities and had allocated Rs. 250 crore in the Budget Estimates for the year 1997-98, the Ministry could not go ahead with the scheme due to administrative and procedural wrangles. The reply of the Ministry that the scheme could not be operationalised for want of approval/clearance from Cabinet, and Expenditure Finance Committee despite their best efforts is not convincing to the Committee. In their opinion plenty of time has been wasted in the tussle between the Ministry of Welfare and Ministry of Human Resource Development over the question of integration of scheme with Mahila Samridhi Yojana. The Committee, therefore, strongly recommend that the Ministry of Welfare should monitor the scheme thoroughly and pursue the matter on priority with the Planning Commission so that necessary approval/clearance is obtained without further loss of time. Also vigorous efforts should be made by the Ministry to make the scheme functional during the financial year 1998-99. Steps taken and progress achieved in this regard should be communicated to the Committee within three months.</p>

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1	2	3
14.	2.56	<p>The Committee note that National Scheduled Castes and Scheduled Tribes Finance and Development Corporation provides term loans and seed capital assistance at concessional rates to Scheduled Castes and Scheduled Tribes whose family income from all sources is below double the poverty line criteria i.e. Rs. 22,000/- per annum in rural areas and Rs. 23,700/- per annum in urban areas. The Committee further note that the criteria of poverty line was revised by the Planning Commission during the year 1991-92. The Committee, therefore, recommend that the Ministry should take up the matter with Planning Commission to review the criteria of income keeping in view the increase in price index for granting loans.</p>
15.	2.57	<p>The Committee are concerned to note that though Rs. 96.00 crore was allocated to National Scheduled Castes and Scheduled Tribes Finance and Development Corporation during the year 1997-98, an amount of Rs. 20.23 crore only could be utilised. This happened because the authorised share capital of the Corporation had not been raised beyond Rs. 300 crore and as such Rs. 75.77 crore had to be surrendered. This clearly indicates the level of planning the Ministry is having over the scheme. The Committee, therefore, recommend that the Ministry should take up the issue with Ministry of Finance and Department of Public Enterprises for raising the authorised share capital of the Corporation so that the funds earmarked for the Corporation for the financial year 1998-99 is utilised fully.</p>
16.	2.58	<p>In order to extend the coverage of the Corporation, the Committee desire that the Ministry should include some other areas like irrigation to poor, marginal and small farmers having two or</p>

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1	2	3
		<p>three acres of land in consultation with NSFDC so that the benefits of the scheme reach the grass roots level. Also the Corporation should not insist on additional security like fixed deposit etc. to be furnished while granting loan to educated unemployed boys and girls belonging to Scheduled Castes and Scheduled Tribes apart from hypothecation of goods to be purchased, particularly in the field of transport.</p>
17.	2.66	<p>The Committee note with pleasure that an allocation of Rs. 10 crore was approved by the Planning Commission for Special Ambedkar Centenary Celebrations Programme in the Eighth Five Year Plan. The Ministry, however, utilised more money than approved by the Planning Commission during the last three years. An allocation of Rs. 40 crore was made to the Foundation in the year 1997-98 considering the Scheme as of a long term and on-going nature, which was utilised fully. The Committee are, however, concerned to note that some schemes like production of a Feature Film on Baba Sahib, establishment of Dr. Ambedkar Public Library in Delhi, putting up Memorial for Dr. Ambedkar, etc. have been relatively delayed. The Committee, therefore, strongly recommend that the Ministry should have a thorough monitoring over the Schemes and Programmes of the Foundation and ensure that the Schemes are launched during the current financial year.</p>
18.	2.67	<p>The Committee note with concern that though Rs. 7.12 crore has been paid by the Ministry to the Government of the National Capital Territory of Delhi for the land at 26 Alipur Road for the construction of Dr. Ambedkar Foundation on 26.3.1997, the possession of land has not been handed over to the Foundation due to litigation pending in the Delhi High Court against acquisition of the</p>

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1	2	3
		<p>property. The Ministry has informed the Committee that the matter has been taken up by Chief Minister of Delhi himself and the owner of the land has agreed to vacate the possession if he is provided with alternate site. The second meeting is scheduled to be held on 21.7.98. The Committee, therefore, desire that their sentiments should be conveyed to the Chief Minister of Delhi and the Ministry should make efforts in consultation with the Government of the National Capital Territory of Delhi to get possession of the land without further loss of time. Steps taken and progress achieved in this regard should be communicated to the Committee within three months.</p>
19.	2.72	<p>The Committee note that though an amount of Rs. 12.50 crore was allocated for the scheme for assistance to voluntary organisations for programmes relating to welfare of aged at the Budget Estimate stage during the year 1997-98, the Ministry has been able to utilize only Rs. 6.09 crore. The reason put forth by the Ministry for under utilisation of the fund earmarked at the Budget Estimate stage was slashed down to Rs. 8.80 crore and Rs. 2.50 crore was re-appropriated to the scheme for Prevention and Control of Juvenile Social Mal adjustment is not satisfactory. In their opinion, the Ministry lacks proper coordination and monitoring. The Committee, therefore, recommend that the Government should give special attention towards the welfare of aged persons and ensure that the funds allocated for the scheme during the year 1998-99 is fully utilised.</p>
20.	2.73	<p>The Committee note with concern that grants-in-aid to 16 NGOs has been stopped on account of complaints regarding misappropriation of funds. While viewing the situation with great concern,</p>

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the Committee strongly recommend that Ministry of Welfare should make concerted efforts to recover the amount released to these NGOs through State Governments at the earliest and appropriate legal action should be initiated against defaulting NGOs. The Committee are also of the view that the matter should be taken up at the highest level in persuading the State Governments to send their Inspection Reports regarding functioning of NGOs in time. Steps taken and progress achieved in this regard should be communicated to the Committee within three months.

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