

NINTH REPORT
PUBLIC ACCOUNTS COMMITTEE
(2004-2005)

(FOURTEENTH LOK SABHA)

NATIONAL SCHEME OF LIBERATION AND
REHABILITATION OF SCAVENGERS
AND THEIR DEPENDENTS

(MINISTRY OF SOCIAL JUSTICE AND EMPOWERMENT)



Presented to Lok Sabha on _____
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LOK SABHA SECRETARIAT

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COMPOSITION OF PUBLIC ACCOUNTS COMMITTEE
(2004-2005)

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*Shri Naveen Jindal, MP has been elected a Member of the Committee on 16th December, 2004, *vice* Shri A.R. Antulay, MP who resigned from the membership of the Committee w.e.f. 27th August, 2004.

INTRODUCTION

I, the Chairman, Public Accounts Committee having been authorised by the Committee to present the Report on their behalf, do present this Ninth Report on Chapter I of the Report of C&AG of India for the year ended 31 March, 2002 (No. 3 of 2003), Union Government (Civil—Performance Appraisals) relating to "National Scheme of Liberation and Rehabilitation of Scavengers and their Dependents".

2. The Report of the C&AG for the year ended 31 March, 2002 (No. 3 of 2003), Union Government (Civil—Performance Appraisals) was laid on the Table of the House on 22 April, 2003.

3. The Committee took the evidence of the representatives of the Ministries of Social Justice & Empowerment, Urban Employment & Poverty Alleviation and Rural Development on the subject at their sittings held on 13th and 14th October, 2004. The Committee considered and finalised this Report at their sitting held on 18th February, 2005.

4. For facility of reference and convenience, the observations and recommendations of the Committee have been printed in thick type in the body of the Report and have also been reproduced in a consolidated form in Appendix to the Report.

5. The Committee would like to express their thanks to the officers of the Ministries of Social Justice & Empowerment, Urban Employment & Poverty Alleviation and Rural Development for the cooperation extended by them in furnishing information and tendering evidence before the Committee.

7. The Committee place on record their appreciation of the assistance rendered to them in the matter by the Office of the Comptroller and Auditor General of India.

NEW DELHI;
23 February, 2005

4 Phalgun, 1926 (Saka)

PROF. VIJAY KUMAR MALHOTRA,
Chairman,
Public Accounts Committee.

REPORT

Background

The 'National Scheme of Liberation and Rehabilitation of Scavengers and their Dependents' marks the convergence of several public initiatives over a period of four decades preceding its introduction in 1992. The first initiative taken by the erstwhile State of Bombay resulted in the submission of a report on the living conditions of scavengers in 1952. The major recommendations contained in the report were circulated by the Government of India to the State Governments for wider application in 1955. In its report submitted in 1955, the first Backward Classes Commission also recommended measures for the alleviation of the sub-human living conditions of scavengers. These recommendations were again brought to the notice of the State Governments in 1956. The Government of India also constituted a Central Advisory Board of Harijan Welfare in 1956, which had reviewed the working and living conditions of scavengers in the country and had recommended that the Government introduce a Centrally Sponsored Scheme for the alleviation of their condition. A Centrally Sponsored Scheme was accordingly introduced in the Third Five Year Plan in pursuance of various recommendations. This scheme, however, failed primarily because it merely sought to shift the mode of carrying night soil from the head to a wheel-barrow and the handling of the wheel-barrow proved impractical. The scheme was discontinued during the Fifth Five Year Plan following the realisation that the practice of scavenging was inextricably linked with the evils of a stratified social structure.

2. A Committee was then appointed in 1965 by the Government of India to examine the question of abolition of customary rights of the scavengers. In its report, the Committee recommended the dismantling of the customary rights under which non-municipalized cleaning of private latrines was passed on from generation to generation of scavengers in the form of a hereditary right. The recommendations of the Committee though circulated to the State Governments failed to evoke any response.

3. Thereafter, the National Commission on Labour recommended in 1968-69 a comprehensive legislation for regulating the working, service and living conditions of scavengers. During the Gandhi Centenary Year (1969), a special programme for converting dry latrines to water borne flush latrines was undertaken. A pilot project with the same objective was undertaken during the Fifth Five Year Plan. The conversion scheme failed principally because it had no element of subsidy and the State Governments failed to generate the necessary internal resources. The scheme was, therefore, deleted from the Sixth Five Year Plan.

4. The first major initiative in the direction of consolidating and spearheading a concrete proposal was taken in 1980 with the Ministry of Home Affairs introducing a scheme for conversion of dry latrines into sanitary latrines and rehabilitation of liberated

scavengers and their dependents in dignified occupations in selected towns. The scheme was dovetailed into the then existing Centrally Sponsored "Implementation of the Protection of Civil Rights Act" Scheme as one of the measures for the removal of untouchability. The thrust was on urban areas and the Central grant was dependent on a matching grant being provided by the State Governments.

5. The scheme was taken up in two towns of **Bihar** initially and was subsequently extended to **Andhra Pradesh, Assam, Kerala, Maharashtra, Rajasthan, Tamil Nadu, Tripura** and **Uttar Pradesh**. The scheme was operational in sixteen States by the end of the Sixth Five Year Plan period. The scheme succeeded in converting about one lakh dry latrines into water-borne flush latrines and rehabilitated 5,000 scavengers in alternative employment in seventy towns. The scheme was thereafter transferred from the Ministry of Home Affairs to the Ministry of Welfare in 1985. A task force constituted by the Planning Commission in July, 1989 estimated that there were 76 lakh dry latrines in the country. By 1991, Rs. 82.00 crore had been released as Central assistance for implementing the scheme in 490 towns. The efforts resulted in the conversion of 10 lakh dry latrines into water borne sanitary latrines and around 17,000 unemployed scavengers were rehabilitated in alternative trades and occupations. Following a review of the working of the scheme in 1991, the Planning Commission decided to bifurcate the scheme and the Ministries of Urban Development and Rural Development were made responsible for conversion of dry latrines and the Ministry of Welfare were made responsible for the rehabilitation of scavengers. The Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act was introduced in 1993. Under this Act, the States could formulate schemes to further the objectives of the law, but no reference to the national scheme was made.

Main components of the Scheme

6. The National Scheme of Liberation and Rehabilitation of Scavengers and their Dependents has the following main components:

- Formulation of a time-bound programme for identification of scavengers and their dependents and their aptitude for alternative trades through a survey.
- Provision of training in the identified trades for scavengers and their dependents at the nearest local training institutes of various departments of State Governments, Central Government and other semi-Government and non-Government organisations.
- Rehabilitation of scavengers in various trades and occupation by providing subsidy, margin money loan and bank loan.

Objective of the Scheme

7. The principal objective of the scheme was to provide an alternative, dignified and viable occupation to scavengers and their dependents in a time span of five years (1992—97). It envisaged the rehabilitation of all the identified scavengers during the Eighth Plan period.

Audit Review

8. Audit reviewed the implementation of the Scheme during the period from 1992-93 to 2001-02 with particular reference to its implementation during the period 1997-98 to 2001-2002 and the details thereof have been given in Chapter I of the Report of Comptroller and Auditor General of India for the year ended March, 2002—Union Government (Performance Appraisals) No. 3 of 2003. The primary objective of Audit was to identify the areas of "disconnect" between the rehabilitation efforts expected to be made under the Scheme and the efforts actually made followed by goals sought to be achieved and the extent to which these were met. Another important dimension of the Audit was to examine a host of related factors that could impinge on the implementation of the Scheme such as the enforcement of the law prohibiting employment of manual scavengers, adequacy of liberation measures, training efforts, success of special targeting exercises, the effect of the role played by spearhead agencies, viability of self-employment projects and the quality of monitoring standards. The Committee's examination of some of the more important aspects based on Audit Review of the Scheme are dealt in the succeeding paragraphs.

The Organisational Structure of the Scheme

9. The 'National Scheme of Liberation and Rehabilitation of Scavengers and their Dependents' was introduced by the Ministry of Welfare (*now Ministry of Social Justice & Empowerment*) on 22 March, 1992. The liberation part of the scheme was entrusted to the Ministry of Urban Development and Ministry of Rural Development in their respective areas. While the work of rehabilitation and training of the scavengers and their dependents were given to the then Ministry of Welfare along with the nodal responsibility of the Scheme.

10. As a sequel to Hon'ble Prime Minister's declaration on Independence Day, 2002 regarding amalgamation of all schemes meant for liberation and rehabilitation of scavengers implemented by various Ministries/Departments, the Planning Commission had prepared "National Action Plan" (NAP) for total eradication of Manual Scavenging by 2007. The Plan envisages that the entire programme of manual scavengers be implemented by Ministry of Urban Development through the Department of Urban Employment and Poverty Alleviation (now Ministry of Urban Employment & Poverty Alleviation). The NAP in April, 2003 provided that NSLRS be transferred to Ministry of Urban Employment & Poverty Alleviation. Since then, the Ministry of Urban Employment & Poverty Alleviation have been made the nodal Ministry and the scheme has been transferred to them. However, the programmes of the NAP are still being monitored by Ministry of Social Justice & Empowerment.

11. The Committee have been given to understand that the Ministry of Urban Development (now the Ministry of Urban Employment & Poverty Alleviation) is implementing all the three components of the three-fold programme mentioned below:

- (i) The Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 1993 (under the Ministry of Urban Employment and Poverty Alleviation);

- (ii) Integrated Low Cost Sanitation Scheme (ILCS) (under the Ministry of Urban Employment & Poverty Alleviation and HUDCO); and
- (iii) The National Scheme of Liberation and Rehabilitation of Scavengers and their Dependents (NSLRS) (up to August, 2003 under the Ministry of Social Justice & Empowerment and thereafter under the Ministry of Urban Employment & Poverty Alleviation).

12. As regards, the rationale behind transferring of all the three aforesaid components of the Scheme to the Ministry of Urban Employment & Poverty Alleviation, the Ministry of Social Justice & Empowerment explained the position in a written note as under:

- (i) It is only through the construction of wet latrines that will lead to the liberation of scavengers and free them so as to be trained and rehabilitated or simply rehabilitated in other dignified occupations. This aspect have always been dealt by the Ministry of Urban Employment & Poverty Alleviation.
- (ii) The construction of wet latrines as well as conversion of dry latrines into wet latrines is dependent on water supply systems, which are also dealt by the Ministry of Urban Employment & Poverty Alleviation.
- (iii) The manual scavengers generally function with municipalities, city corporations and urban local bodies. These are also under the control of State Governments/Ministry of Urban Employment & Poverty Alleviation.
- (iv) The Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 1993 has always been dealt by the Ministry of Urban Employment & Poverty Alleviation.
- (v) The Integrated Low Cost Sanitation (ILCS) scheme has always been dealt by the Ministry of Urban Employment & Poverty Alleviation.
- (vi) It is only National Scheme of Liberation and Rehabilitation of Scavengers and their dependents (NSLRS) which was with the Ministry of Social Justice & Empowerment till August, 2003. Now this is also with the Ministry of Urban Employment & Poverty Alleviation.
- (vii) The National Safai Karamcharis Finance and Development Corporation (NSKFDC) is with the Ministry of Social Justice & Empowerment. However, this only provides funds to Scheduled Castes Development Corporations (SCDCs) for loaning to both Safai Karamcharis and manual scavengers and their families. The Scheduled Castes Development Corporations (SCDCs) are under the State Governments.
- (viii) Audit has very strongly pointed out that there had been a lack of coordination between the two Ministries which led to the progress to be slow and all the relevant schemes should be in one place.
- (ix) A monitoring Committee was established under the Chairpersonship of Secretary, Ministry of Social Justice & Empowerment. However, in the

interest of effective implementation, the monitoring Committee should be with the implementing agency. Hence, this should also be transferred to the Ministry of Urban Employment & Poverty Alleviation. This would have a positive impact in the coming years.

Organisational Mismatches

13. The Scheme was organised with a four-tier structure going down vertically from the programme implementing Ministry of the Central Government to the town or mohalla level. Organisationally, the Scheme did not contemplate a network at the rural level presumably on the assumption that the practice of scavenging was not predominantly a rural phenomenon. The 'Rural Sanitation Programme', however, addressed itself to the liberation of scavengers. Thus, it was necessary to have rural link down the line below the district level, which was not available in the Scheme. The District became the controlling unit with the towns and mohallas integrated to the structure of implementation and the District Collector the key functionary in the structure. It was through the District Collector that interaction with banks, urban local bodies, Scheduled Castes Development Financial Corporation (SCDC), training institutes and the monitoring committees was sought to be achieved. It was also through the district authority that the interfaces with other development schemes could be worked out.

14. Audit has, however, pointed out that the role of the district administrative head was confined largely to survey and identification and that too not in all cases. Day to day implementation of the Scheme was transferred to the SCDC. It is for this reason that consolidated figures were often not available with the District Collectors and information had to be collected from SCDCs. This resulted in a lack of coordination in the operation of the Scheme. There was no evidence in the test-checked district that there was any initiative taken by the District Authorities in identification of training institutes and development of portfolio of vocations. The State Governments passed on funds directly to the SCDCs and the District Collector had no role to play.

15. Audit para has revealed that coordination between the District Collector and the nodal department of the State was insignificant except that periodic reports were generated at the Collectorates on the basis of information obtained from SCDCs. In many cases, the district level monitoring committees under the Chairmanship of Collectors were not formed. There was no coordination between the Secretary of the implementing department at the State level with the State departments handling Urban Development, Rural Development, Labour and Technical Education, as required. The Central Ministry of Social Justice and Empowerment also had no coordination with the Ministries of Urban Development and Rural Development. Its relationship with the National Safai Karamcharies Finance Development Corporation was only visible in the area of Sanitary Marts. These organisational mismatches and failure in coordination adversely affected the implementation of the Scheme.

The Law — 'Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 1993'

16. The major provisions of the Act, 1993 ["Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act] are as follows:—

"Sec. 3. (1) Subject to Sub-Section (2) and the other prohibitions of this Act, with effect from such date and in such areas as the State Government, may, by notification specify in this behalf, no person shall:

- (a) engage in or employ for or permit to be engaged in or employed for any other person for manually carrying human excreta; or
- (b) construct or maintain a dry latrine."

17. Explaining the importance of such an Act, the Ministry of Social Justice & Empowerment stated in a note as under:

"As per the Entry No.6 of the Seventh Schedule of the Constitution, 'Sanitation' is a State subject. However, in order to supplement the efforts of the State Governments to put an end to this abominable practice as quickly as possible, Government of India enacted a Central legislation, namely the Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 1993. The State Governments are responsible for enforcing the various provisions of the Act. The Central legislation was enacted to enable uniformity in provisions. The fundamental issue remains the planning and implementation of the provision of the Act by State Governments and coordination among their nodal agencies because the problem lies in the domain of the State Governments and their nodal agencies. The Model by-laws cannot be implemented without adoption, support and involvement of the State Governments. Section 23 of the said Act also empowers the State Governments to make rules for carrying out the provisions of this Act."

18. The law that prohibited the engagement of manual scavengers, thus, could have provided a powerful instrument to the implementers of the Scheme. By adopting this Central Law, and enforcing it in right earnest, the States could have paved the way for the Scheme and liberation of scavengers would have progressed in tandem with rehabilitation measures. However, only 17 States *viz.* Andhra Pradesh, Assam, Bihar, Chattisgarh, Goa, Gujarat, Haryana, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Orissa, Punjab, Tamil Nadu, Tripura, West Bengal and Uttar Pradesh have adopted the Act. The Ministry of Social Justice & Empowerment have also stated that the North Eastern States and Kerala do not have problem of manual scavenging and so far the States of Arunachal Pradesh, Himachal Pradesh, Jammu & Kashmir, Kerala, Manipur, Meghalaya, Mizoram, Nagaland, Rajasthan, Sikkim and Uttaranchal are yet to adopt the Act. Regarding the enactment of the State Act, the matter is stated to be under legislative processing in Rajasthan and in case of Delhi it is pending

for Cabinet approval. The Ministry of Social Justice & Empowerment added to say that they have been regularly pursuing with the State Governments for adoption and implementation of the Act.

Lateral support through liberation

19. The Scheme envisaged that the obnoxious occupation of manual scavenging would come to an end if all those who were engaged in this occupation and their dependents were rehabilitated in alternative and dignified occupations.

20. An appropriate scheme of rehabilitation would provide the liberated scavengers with trades and occupations that would enable them to earn their livelihood honourably thereby preventing them from relapsing into the scavenging occupation. Thus 'Liberation' and 'Rehabilitation' are mutually intertwined, without which the Scheme would be incomplete. The Scheme, however, failed to provide the necessary linkages amongst the implementing agencies and the Ministries administering the Scheme encompassing the whole range of operations. Instead, it confined itself only to the aspects of identification, training and rehabilitation leaving the liberation issues to the Ministries or Urban Development and Rural Development who, separately and independently, implement their own schemes for liberation under the 'Low Cost Scheme' and the 'Rural Sanitation Programme' respectively. There was no coordination amongst the three Ministries, nor had the Scheme interfaces been mapped in any of the Scheme documents to avoid overlaps and asymmetries. This "disconnect" resulted in insulating the Scheme within the Ministry of Social Justice and Empowerment.

21. Audit reviewed the performance of the two liberation schemes 'Low Cost Sanitation Scheme' implemented by the Ministry or Urban Development and Poverty Alleviation and the 'Rural Sanitation Programme' implemented by the Ministry of Rural Development during the period from 1991-92 to 2001-02.

Low Cost Sanitation Scheme

22. The Scheme had estimated in 1992, that of a total population of 4 lakh scavengers, 3.34 lakh (83 *per cent*) were in urban areas. In 1997, the total number of scavengers was raised to 7.87 lakh based on a rapid survey but the rural-urban configuration was unavailable. Based on the 1992 ratio, the number of urban scavengers could be placed at 6.5 lakh. Audit examination of the scheme in the Urban Development Ministry has revealed the following:

- The Ministry did not fix any physical or financial targets. The scheme was operated through Housing and Urban Development Corporation as a demand driven scheme and no initiatives were in the hands of the sponsoring Ministry.
- The Ministry did not directly monitor the implementation or progress of the scheme. It was monitored by Housing and Urban Development Corporation, which sent its reports to the Ministry. Audit scrutiny of the reports brought out that these reports were neither current nor followed any schedule prescribed for the purpose. For instance, the status of conversion of dry latrines and construction of flush latrines under the Low Cost Sanitation Scheme at

the end of March 2002 was based on reports of 2000 in a majority of the States. On the other hand, in **Karnataka** and **Haryana**, the reports pertained to the position as on 31 December 1996 and 30 June 1998 respectively. Evidently, the Ministry continued to accept reports that were not current and no attempt was also ever made to verify the progress reported by Housing and Urban Development Corporation. The Ministry stated that the liberation and rehabilitation components of the Scheme were being looked after by the Ministry of Social Justice and Empowerment. However, it was the Ministry of Urban Development which was responsible for the liberation component of the scheme in urban areas.

- Of the subsidy aggregating to Rs 480.22 crore sanctioned by the Ministry, only Rs 246.68 crore had been released up to 31 December 2001. Similarly, of loans aggregating to Rs 583.51 crore sanctioned, only Rs 278.60 crore were released up to 31 December 2001. The Ministry cited in this context a report of Housing and Urban Development Corporation, which attributed the time lag between the sanction and release of subsidy and loans to delays in documentation, non-availability of government guarantees, belated submission of utilization certificates and slow physical progress. There was, however, no evidence of the Ministry having initiated any remedial measures aimed at removing these hurdles to enable the successful implementation of the scheme.
- As against 6 lakh scavengers identified in the urban areas, the Ministry reported having liberated only 37,340 (6.2 per cent). While admitting that the scheme had not achieved the desired results, the Ministry cited the following reasons for its poor progress:
 - Slow generation of schemes by the States and Local Bodies.
 - Lack of awareness among the people about the benefits of the Low Cost Sanitation Scheme.
 - Unwillingness of the beneficiaries to bear the burden of their contribution and subsequent repayment of loans.
 - Absence of a proper monitoring system for effective implementation of the programme at the State level.
 - Delay in providing guarantees by the State Governments to Housing and Urban Development Corporation Limited in respect of the loan assistance to be provided.

23. During evidence, the Secretary, Ministry of Urban Employment & Poverty Alleviation explained in detail the low cost sanitation programme carried out in urban areas as under:—

"The Integrated Low-Cost Sanitation Scheme (ILCS) which this Ministry has been mandated is implemented through HUDCO. The Integrated Low-Cost Sanitation Programme was launched with two main objectives. The

first objective was to convert dry latrines into twin pit pour flush units, and the second objective was to construct new toilets where no facility was available in order to liberate the persons involved in manual scavenging. The Programme is primarily meant for small and medium towns having population of up to 5 lakh as per 1981 Census. Hence, there is a need to update this, and we have to bring it up to the 2001 Census. Its implementation is, according to our scheme, expected to be on a whole-town basis."

24. Explaining the position further in this regard, the Secretary, Ministry of Urban Employment & Poverty Alleviation stated as under:

"Under the Act, HUDCO has been mandated to be the implementing agency through its regional offices. We have a co-ordination Committee which has been set up in the Ministry under our Economic Advisor and as we get projects and proposals from HUDCO through their regional offices this Committee sanctions and approves them or looks into them and if need be discusses them with the State Governments and local bodies."

25. The Secretary, Ministry of Urban Employment & Poverty Alleviation further added in this regard:

"The funds which we are transferring to the State Governments, are being transferred to the implementing agencies nominated by the State Governments. The funding pattern under the ILCS is part subsidy and part loan given by the HUDCO. The loan is availed by the municipal board or whichever is the agency and the subsidy element is taken away but the State Governments are wary of taking loans. HUDCO is a commercial organisation. So, they insist on State guarantees. It is not that the State guarantees are not forthcoming. They have been getting State guarantees. I think, there is considerable progress as far as the low cost sanitation scheme is concerned. So, we adopt that methodology."

26. When asked to furnish the present status of the achievements of the Low Cost Sanitation Scheme, the Ministry of Social Justice & Empowerment informed through a note as under:—

"The latest status of the Low Cost Sanitation Scheme revealed that it was carried out in 23 States with a project cost of Rs. 204, 798.69 lakhs. the total number of units sanctioned under the scheme was 5,178,175 units and the total number of units completed as on 30th September, 2004 was 1,730,739 units i.e. only 33.42 per cent. Regarding the total number of scavengers to be liberated, the Ministry informed that out of 118464 only 41469 were liberated i.e. only 35 per cent."

Rural Sanitation Programme

27. Audit also reviewed the performance of the 'Rural Sanitation Programme' implemented by the Ministry of Rural Development during the period from 1991-92 to 2001-02. Examination of records in the Ministry and the replies furnished by them revealed that the scheme had no credible links with the Scheme implemented by the Ministry of

Social Justice and Empowerment. The Ministry of Rural Development contended that 20 States and Union Territories had no dry latrines and no manual scavenging was prevalent in rural areas. The Ministry contended that only **Karnataka, Madhya Pradesh, Manipur, Rajasthan** and **Sikkim** had reported the practice of manual scavenging in rural areas. The Ministry did not fix any targets for conversion of dry latrines into water-borne flush latrines, nor were separate allocations for the purpose made. The State Governments were directed by the Ministry to utilise the funds allocated under the Central Rural Sanitation Scheme for conversion of dry latrines into flush latrines. No separate data could be obtained from field audits in the States as the allocation-based approach had been replaced by a 'demand driven approach' and alternate delivery mechanism with beneficiary participation had apparently taken away the initiative from the Government to the beneficiaries themselves. Further, the 'Rural Sanitation Programme' had got dovetailed into the 'Total Sanitation Campaign' launched in 1999. At the time of initiation of the Scheme in 1992, 17 *per cent* of all scavengers estimated by a Task Force constituted by the Planning Commission were in rural areas. By 1998, a baseline survey carried out by the Indian Institute of Mass Communication placed the number at 8 *per cent* of the service units. The figures were neither comparable, nor were the baselines adopted in 1992 and in 1999 in any manner susceptible of verification. The fact remains that liberation of scavengers through conversion of dry latrines into flush latrines in rural areas has not been adequately calibrated in the comprehensive sanitation format and the obnoxious practice continues.

28. When asked to give the present status of achievements of "Rural Sanitation Programme" (RSP), the Ministry of Social Justice & Empowerment stated through a written note that:

"The Rural Sanitation Programme is being implemented by the Ministry of Rural Development with the main thrust on accelerating sanitation coverage in the rural areas of the country. Centrally Sponsored Central Rural Sanitation Programme (CRSP) was first launched in 1986 during the UN Decade on Water and Sanitation to give focus on sanitation and hygiene promotion. It emphasized on individual latrine construction in rural areas. The programme attained limited success in its objectives as the rural sanitation coverage was low compared to the required pace, a comprehensive review of the scheme was taken up and a re-structured Central Rural Sanitation Programme (CRSP) was launched in 1999. As part of this, a demand responsive, community driven Total Sanitation Campaign (TSC) was introduced in selected districts. The main objectives of Total Sanitation Campaign (TSC) was to accelerate sanitation coverage by creating felt need among the rural population about sanitation and also impart hygiene education to the people. It aimed to attain this objective by focusing on intensive Information, Education and Communication & providing cost effective and appropriate technologies through alternate delivery mechanism like Rural Sanitary Marts or Production Centres. It also reduced the emphasis on subsidy and increased the emphasis on awareness creation."

29. The Ministry of Social Justice & Empowerment further elaborated that the scheme was implemented with the wider objective of attaining open defecation-free villages and thereby reducing the health hazards. However, keeping in view the objectives of this scheme and the Action Plan for liberation and rehabilitation of scavengers and their dependents, conversion of dry latrines to pour-flush latrine and eliminating the practice of manual scavenging has been included as of the objectives in the revised Total Sanitation Campaign (TSC) Guidelines issued in January, 2004. Both under earlier CRSP and present TSC programmes, water seal pour flush latrines are being promoted.

30. Elaborating on rural sanitation programme the Secretary, Ministry of Rural Development (Department of Drinking Water Supply) stated *inter-alia*:

".....the total amount provided since 1999 when this total sanitation campaign started, is Rs. 4135.38 crore. Out of which the Government of India support is Rs. 2443.08 crore. The State's contribution has to be Rs. 917.58 crore and the beneficiary contribution is Rs. 774.72 crore. Out of which—the programme moved a bit slowly up to 2002 and then picked up and the actual expenditure has been to the tune of Rs. 787.4 crore. In rural areas, the toilets for below poverty line individual, the finding pattern is that 60 per cent goes from the Government of India, 20 per cent is the contribution of the State Government and 20 per cent is left to the individual.....There is a Review Mission which consists of the Government of India, the training institutions who train the people as to how to do it, and the State Governments or the Panchayats. It also consists of the NGOs wherever we find suitable NGOs. In fact, the Review Mission visit quite often. It is a regular monitoring."

31. The Ministry of Social Justice & Empowerment through a written note added that:

"It is worth mentioning that existence of dry latrines and manual scavenging is more an urban phenomenon and this is not much prevalent in rural areas. However, all State Governments have been advised to ensure that if any dry latrines exist in the rural areas and the ones which are existing should be converted into pour flush latrine and practice of manual scavenging should be eliminated. At present, Total Sanitation Campaign (TSC) is being implemented in 426 districts of the country, which is likely to be further scaled up to cover all the remaining districts in the country. So far under TSC, 100.13 lakh individual toilets, 1.14 lakh school toilets, 17,606 Balwadi toilets and 3,862 community sanitary complexes have been constructed. Prior to launching of TSC, under CRSP, 94.80 lakh individual household toilets had been constructed in rural areas."

32. Audit has also noticed that there was no coordination amongst the three Ministries, nor had the Scheme interfaces been mapped in any of the Scheme documents to avoid overlaps and asymmetries. During evidence, when asked to comment on the

audit finding regarding non-coordination amongst the three Ministries, the Secretary, Ministry of Social Justice & Empowerment admitted that:—

"There has been a lack of coordination between the Ministries. It is because information relating to liberation is not there, and whether those particular people were rehabilitated or not, that exercise has not been done."

Rehabilitation Measures

Survey and Identification

33. Identification of scavengers and their dependents and their aptitude for alternative trades was one of the most important components of the Scheme. The Task Force constituted by the Planning Commission had estimated in its report of March 1991 that there were 4,00,999 scavengers and their dependents. The survey and identification exercise was intended to locate, specify and particularise the beneficiaries and their needs. The Scheme envisaged that survey was to be completed well before June 1992. However, none of the States completed and communicated results of the surveys to the then Ministry of Welfare. Four States (Bihar, Madhya Pradesh, Jammu & Kashmir and Pondicherry) communicated the number of identified scavengers after delays ranging from one to four years. Fourteen other States (Andhra Pradesh, Assam, Gujarat, Haryana, Karnataka, Kerala, Maharashtra, Orissa, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, West Bengal and Delhi) did so after delays ranging from six to ten years. A comparison of the State-wise number of scavengers estimated by the Task Force of the Planning Commission and identified in the surveys conducted in four States (Bihar, Delhi, Madhya Pradesh and Uttar Pradesh) revealed significant variations as indicated in the following Table:

State	No. of scavengers estimated by the Task Force of Planning Commission	No. of scavengers identified in surveys by State Government
Bihar	22,398 (5.59)	12,226 (1.81)
Delhi	34,022 (8.48)	17,420 (2.57)
Madhya Pradesh	36,894 (9.20)	80,072 (11.84)
Uttar Pradesh	62,029 (15.47)	1,49,202 (22.07)

Note: Figures within parentheses represent percentage of total scavenger population in the country.

34. Audit has pointed out that according to the records of the Ministry of Social Justice & Empowerment, the number of scavengers identified was 8,01,839. In its Ninth Five Year Plan proposals submitted to the Planning Commission in 1996-97, the Ministry indicated that 7.87 lakh scavengers had been identified. However, during examination of its grants for the year 1997-98 the Ministry had informed the Parliamentary Standing Committee on Labour & Welfare that 8,25,572 scavengers had been identified. Consequently, as many as five different sets of figures were in the Ministry's possession. While explaining the reasons for the variations, the Ministry informed the Standing Committee that the State Governments had reported a higher number of scavengers in certain cases. Subsequently, the Ministry of Social Justice & Empowerment had requested the Chief Secretaries of State Governments and the Administrators of Union Territories in June 2001 to conduct a month-long survey in July 2001 to identify scavengers and their dependents. Audit also noticed that in Andhra Pradesh, methodology adopted for survey/re-surveys was not credible. Regarding Assam, it was revealed that the identified scavengers increased three-fold between January 1994 and March 1997. In Gujarat, the number of beneficiaries identified bore no relation to the number of dry latrines in the State. Another baffling revelation is with regard to Uttar Pradesh. Though all scavengers were stated to have been rehabilitated by the State Government in 2001, a survey conducted thereafter revealed that 38,253 scavengers were still to be rehabilitated in the State. Thus, the baseline surveys conducted in the States suffered from a number of infirmities. This resulted in non-availability of any reliable data with the Ministry even after a decade. In an appraisal undertaken in June 2001, the Project Appraisal and Management Division of the Planning Commission had also maintained that the Scheme had suffered because of incorrect and incomplete identification of beneficiaries besides other factors.

35. When asked by the Committee as to what were the bottlenecks in building up a reliable data base on the number of scavengers even after a decade of implementation of the Scheme, the Ministry of Social Justice & Empowerment informed the Committee as under:

"The Scheme visualizes identification of scavengers in a time bound manner. State Governments are conducting survey from time to time to assess the exact number of scavengers. This Ministry had also requested the State Governments to conduct survey in every municipal corporation, municipalities and other urban areas and major panchayats throughout the State to know about the number of dry latrines in existence and the number of scavengers and their families involved in manual cleaning of those dry latrines. To ensure that physical survey is conducted in all seriousness, it was also intimated that the District Collectors may be directed for random sample checking of the survey results."

36. One of the reasons for significant variations in the various surveys for identification of Scavengers was the absence of a proper definition of 'Scavenger'. The ADAI, C&AG stated during evidence:—

"The definition of scavenger is there in the Act. One of the comments in this very Report is that his particular scheme was not linked to the Act.

The statutory force, which was available under the Act, was not made use of. Secondly, in 1992 when the scheme came into force, the scheme did not define a scavenger. It simply said that 'scavengers and their dependent should be liberated from the existing hereditary obnoxious and inhuman occupation of manually removing night-soil and filth. In 1996, when the guidelines of the scheme were revised, the then Ministry of Welfare itself had mentioned in the clarification that they were receiving references from various State Governments as to what is meant by scavenger. In fact this lack of a proper definition for scavenger is what created the confusion as far as identification was concerned, because different surveying agencies identified the scavengers in a different manner. In this clarification, which the then Ministry of Welfare had issued in 1996, the revised Scheme guidelines had also mentioned, after saying it is going to be limited to only those who are carrying this in this fashion, that all Safai Karamcharis eligible for benefit grant under the scheme in a *basti* should be rehabilitated. So they are also including Safai Karamcharis. That is what has created the confusion. There was a need to define scavenger under the scheme but not in the Act because Act has not been linked to this scheme."

37. When asked to clarify the definition of scavengers and their dependents, the Secretary, Ministry of Social Justice & Empowerment explained as under:—

"Scavenger is one who is partially or wholly engaged in the obnoxious and inhuman occupation of manually removing night-soil and filth. The dependent of a scavenger is one who is a member of his family or who is dependent on him irrespective of the fact whether he is partially or wholly engaged in the said occupation."

38. According to the scheme, definition of scavenger is "one who is partially or wholly engaged in the obnoxious and inhuman occupation of manually removing night soil and filth". The Committee enquired whether this definition is sufficient or need to be enlarged so as to bring into focus all those who are engaged in any manner in removing, carrying etc. of the night soil and filth. In reply, the Ministry of Social Justice & Empowerment stated that the definition as envisaged under the scheme is sufficient.

39. According to the Ministry of Social Justice and Empowerment the National Actions Plan, envisages the total eradication of manual scavenging by 2007. In this regard, in the first meeting of the Central Monitoring Committee, it was decided that the Ministry of Urban Employment and Poverty Alleviation and the Ministry of Rural Development would take necessary action for conducting a survey on a priority basis about the status of manual scavengers and existence of number of dry latrines.

40. In this regard, the Ministry of Social Justice & Empowerment through a written note informed the Committee that the Ministry of Urban Employment and Poverty Alleviation have addressed the State Governments to have a detailed survey on the number of dry latrines existing in the respective State/Union Territory and also identify the number of scavengers and their family members/dependents.

Training

41. Training to identified scavengers and their dependents, in the age group of 15 to 50 years, was expected to equip them with the requisite skills and expertise to successfully implement self-employment projects. No systematic efforts according to Audit were made in this direction in any State.

42. The Committee desired to know about the components as well as the efforts made to impart effective training to the scavengers and also the steps taken by the Government to develop special curriculum, if any, for unskilled and illiterate scavengers. To this, the Ministry stated that the scavengers were trained in the institutes run by the Centre and State Governments and also by reputed voluntary organizations as per 'Training of Rural Youth for Self-employment' (TRYSEM) norms. The type of training imparted also depended upon the aptitude of the person concerned and his/her inclination to take on a particular trade. The contents of training were also appropriately oriented keeping in view the capability of the person. Depending upon their aptitude, the women scavengers were also allowed to choose a training programme from amongst a variety of training programmes. Publicity through clubs, NGOs, scavengers associations, campaigning in scavengers' locality, notification in Government Offices, urban Local Bodies etc. were made to invite applications for training in different trades. In order to make the training programme more attractive, stipend, training fee, honorarium and tool-kit allowance upto Rs. 2000 per beneficiary were also provided by the Central Government. Regarding the special curriculum of training the Ministry of Social Justice & Empowerment informed the Committee that the State Governments/SCDCs were asked to provide suitable training to scavengers as per TRYSEM norms in Central/State Government Training Institutes and also in the institutions run by reputed NGOs.

Shortfall in achievement of targets for training

43. Audit has pointed out that the Scheme had visualized that the training should be imparted in respect of 3.50 lakh eligible scavengers and their dependents by the year 1995-96 to facilitate rehabilitation of all identified scavengers by the end of the Eighth Plan Period (1992—97). However, as per Audit only 2.02 lakh beneficiaries were trained during the Eighth and Ninth Plan periods (1992-2002). Hence, the targets set for the Eighth Plan period could not be achieved even by the end of the Ninth Plan period. It has also been noticed that no training programme was conducted in States of Bihar, Gujarat, Kerala and Punjab during 1997-2002.

44. The Committee desired to know the reasons for shortfalls in the achievement of targets in respect of training which was to be imparted to the liberated scavengers. In reply, the Ministry of Social Justice & Empowerment have admitted that the training of scavengers was not keeping pace with the rehabilitation programme due to many reasons. According to the Ministry, there was also lack of willingness amongst the scavengers to new challenges and they have proposed some modifications in the Scheme in the 10th Five Year Plan.

45. It is seen from Audit para that on receipt of the survey results from the States, the Ministry had fixed the targets for training during the Ninth Plan period (1997—2002). These targets were not communicated to the States and, as a result, the States either

did not fix any targets or fixed only ad hoc targets unrelated to the targets fixed by the Government of India. In response to a question as to why the targets of training during Ninth Plan period were not communicated to the States, the Ministry of Social Justice & Empowerment have stated that the States were aware that they had to rehabilitate the identified scavengers in suitable alternative dignified trades within a stipulated time, so as to put an end to the practice of manual scavenging.

46. The Committee also desired to know whether any efforts have been made in the States of Bihar, Gujarat, Kerala and Punjab for imparting training to the liberated scavengers. To this, the Ministry of Social Justice & Empowerment have stated that as per the information provided by the States/SCDCs., the details of training upto 2001-02 in Bihar, Gujarat, Kerala and Punjab are as under:—

Sl.No.	Name of the State	No. of Scavengers and their dependents trained upto 2001-02
1	Bihar	425
2	Gujarat	965
3	Punjab	156
4	Kerala	4523

47. When enquired as to whether the Ministry have issued any instructions to the States to ensure that there are no gaps in training of beneficiaries, the Ministry of Social Justice & Empowerment have replied that the Scheme envisages that training will be provided to eligible scavengers and their dependents in suitable identified trades. However, the Ministry did not address to the question whether any instruction have been issued to various States to ensure that there were no gaps in training of beneficiaries.

Training and employment mismatches

48. Training, which was a pre-requisite for successful rehabilitation, remained the weakest link in the entire progress. Test check of records by Audit had revealed that adequate attention was not paid towards this aspect even in the Ninth Five Year Plan period (1997-2002) and this hampered the rehabilitation process, as there are number of instances of mismatch between training and rehabilitation which highlighted the fact that untrained scavengers were rehabilitated while trained scavengers were not rehabilitated.

49. On being asked about the reasons for training and employment mismatches and the steps taken to avoid such mismatches, the Ministry of Social Justice & Empowerment replied that sometimes the beneficiaries did not want to take loans in the trades in which they were trained. The refusal of beneficiaries to take loan and pursuing trade for which they were not trained lead to mismatch in training and their employment. In this regard, the Ministry also informed that SCDCs have instructed their field offices to rehabilitate the left out trained scavengers

in the trades in which they were trained on priority basis. Further, the Ministry informed that there were certain trades, which did not require training and in such a case scavengers were rehabilitated without training. There were also instances in which many scavengers were also changing their occupations after being trained with the changing conditions. According to the Ministry, another reason was disparity in the job opportunity and the trade or profession chosen for training by the beneficiaries which resulted in mismatch of training and rehabilitation. Therefore, the rehabilitation of trained and untrained scavengers had to go simultaneously.

Occupational Rehabilitation

50. Rehabilitation Programme under the Scheme contemplated (i) a time bound survey to identify scavengers and their dependents and their aptitudes for alternative trades; (ii) identification of trades and preparation of a shelf of projects; and (iii) the imparting of training with stipend to identified beneficiaries in the identified trades. The programme sought to adopt the strategy of phased coverage. Funding under the programme combined elements of subsidy, margin money loan and bank loan aimed at generating self-employment. The success of the programme rested upon the availability of complete information in regard to the number employed in the scavenging occupation, their aptitudes for alternative occupations and the availability of resources. However, resources were neither released nor applied judiciously, thereby leading to accumulated unspent funds and hasty release at the end of the financial year. The absence of reliable baseline data which could form the basis of target setting, led to incorrect projections and even more incorrect conclusions in regard to the outcome of the rehabilitation measures.

51. Audit Review revealed that in March 1992, the Scheme had set a target of rehabilitating four lakh scavengers and their dependents by the end of the Eighth Plan period (1992-97). However, only 2.68 lakh beneficiaries were rehabilitated by 1997. While formulating the proposals for the Ninth Plan period, the Ministry projected coverage of 7.87 lakh beneficiaries based on subsequent surveys. Interestingly, this included 2.68 lakh beneficiaries claimed to have been rehabilitated already. The year-wise targets fixed, thus, added up to 5.2 lakh beneficiaries. Evidently, this was an arithmetical exercise unrelated to ground realities. By the end of the Ninth Plan period, the number of scavengers which were rehabilitated was 2.03 lakh, leaving a backlog of around 3 lakh beneficiaries. This analysis establishes that

- (i) the results of the rehabilitation efforts in the Ninth Plan period were poorer numerically than those achieved in the Eighth Plan period; and
- (ii) the clearance being less than the backlog there was a progressive acceleration, in net terms, of numbers. In other words, when there were 1.32 lakh beneficiaries still awaiting rehabilitation at the end of the Eighth Plan period, the number of such potential beneficiaries increased to 3.17 lakh at the end of the Ninth Plan period.

52. The targets set for each of the years of the Ninth Plan period and the achievements there against are tabulated below:—

Year	Target for Rehabilitation as fixed by Ministry	Number of Scavengers rehabilitated during the year	Shortfall in achieving the target	
			Numbers	Percent
1997-98	1,50,000	32,540	1,17,460	78.31
1998-99	1,50,000	36,559	1,13,441	75.63
1999-2000	1,50,000	26,538	1,23,462	82.31
2000-2001	50,000	30,312	19,688	39.38
2001-2002	20,000	76,840	—	—

53. It is seen from above that the five years targeting exercise was largely hypothetical because it did not take into account the year-wise progress. An adverse consequence of such targeting was that the poor performance in a particular year was not taken into account in suitably increasing the target for the subsequent year. While the shortfalls ranged from 75 per cent to 82 per cent in the first three years of the Scheme during the Ninth Plan period, it improved to 39.38 per cent in the fourth year and close to four times the target set for the fifth year. This improvement was, however, not attributable to the outcome of the rehabilitation measures being higher but to the whittling down of the target to one third or less of the previous years in 2000-01. The overall targeting exercise was, thus, deficient and inaccurate. Despite receiving periodic information in this regard from the States and obtaining evaluations at its own level the Ministry did not revise the targets upwards. These targets were not communicated to the implementing agencies in the States. The States fixed their own targets, which varied widely from those set by the Ministry.

54. The Committee enquired as to why the Ministry did not communicate year-wise targets for rehabilitation to States. In response to this, the Ministry have stated that the States were aware that they have the responsibility to rehabilitate the identified scavengers in suitable alternative dignified trades within a stipulated time. Various State Governments were addressed from time to time for effective implementation of the scheme. The matter was also being reviewed through the various meetings, held by Ministry with various State Governments. The Senior Officers of the Ministry have emphasized upon the State Governments officials the need for urgent/effective implementation of the scheme during their visits to the States.

55. The following table sums up the achievement of the Scheme in terms of number rehabilitated with reference to the targets set and backlog:

Period	Targeted beneficiaries	Number awaiting rehabilitation	Number rehabilitated	Backlog
1992-93 to 1996-97	400,000	1,32,000	2,68,000	1,32,000
8th Plan Period				
1997-98	1,50,000	1,32,000 + 3,87,000@	32,540	4,86,460
1998-99	1,50,000	4,86,460	36,559	4,49,901
1999-2000	1,50,000	4,49,901	26,538	423,363
2000-01	50,000	4,23,363	30,312	3,93,051
2001-02	20,000	3,93,051	76,840	3,16,211
1997-98 to 2001-02	5,20,000	3,16,211	2,02,789	3,16,211
9th Plan Period				

@ 3,87,000 added to the total number as per Ninth Plan proposals.

56. It is evident from the above that the number of scavengers awaiting rehabilitation at the end of the Ninth Plan period was more than twice the number at the close of the Eighth Plan period and barely 39 *per cent* of the target could be met during the Ninth Plan Period. More than 40 *per cent* of the estimated beneficiaries remained unrehabilitated even after a decade of the implementation of the Scheme.

57. On being enquired about the reasons for shortfall in achieving the targets of rehabilitation and also the measures taken to achieve the targets, the Ministry have informed that NSLRS was designed to cater to the need of scavengers thereby bringing themselves into the mainstream of development. The success of the scheme depended on a number of host factors like social prejudice, attitudinal change amongst the scavengers as well as the people using dry latrines, motivation on the part of the implementing agencies, etc. The very success of the scheme depended on dovetailing of the schemes targeted for liberation and rehabilitation of scavengers. The identified scavengers have not been rehabilitated completely during the last 10 years. However, they have proposed an idea for constitution of a Mission for rehabilitation of the remaining scavengers in a time bound manner. But, the Planning Commission did not agree to the proposal.

Misapplication of resources

58. In Andhra Pradesh, Assam, Madhya Pradesh, Maharashtra and West Bengal, instances of misapplication of resources were noticed. In Andhra Pradesh, a joint inspection by Audit with the Enforcement Directorate of District Societies revealed that 24 of the 28 rehabilitation units in Cuddapah district, which were financed during 1997-98 at a unit cost of Rs 80,000 to Rs 1 lakh, were non-existent. Similarly, in Kurnool district, 3 of the 4 shops set up under the rehabilitation package were non-existent. In Assam, Madhya Pradesh and West Bengal, the beneficiaries who were assisted under the Scheme were not listed in the survey records.

Higher Project package

59. According to Audit, the Scheduled Castes Development Financial Corporations entrusted with the responsibility of sanctioning projects generally continued to sanction low cost projects. There was hardly any evidence of evaluation of the commercial viability of a project. The Scheme envisaged a maximum assistance of Rs. 50,000 per project per beneficiary. In Haryana the average financial assistance for the rehabilitation of 6,327 beneficiaries during 1997-2002 was Rs. 21,279, while it was Rs. 16,279 in Orissa and barely Rs. 2,000 in Pondicherry. In six districts of Tamil Nadu, the project cost in respect of 1,431 projects ranged between Rs. 3,500 and Rs. 20,000. In West Bengal, 353 of the 373 beneficiaries in 20 municipalities and 9 blocks got assistance of less than Rs. 20,000. In Uttar Pradesh, only 970 of the 18,674 projects were provided assistance of more than Rs. 20,000. While no recorded reasons for the Scheduled Castes Development Financial Corporation preference for low cost projects were available, the basic hurdle appeared to be the complexity of project formulation and estimation of its viability. The level of education of the beneficiaries, their indigent circumstances and the lack of initiative on the part of the implementing agencies could have contributed to the low cost mode of financing projects being accepted as an easier alternative.

60. When the Committee desired to know as to why the funds flow to Scheduled Caste Development Financial Corporations was not reviewed to check preponderance of low cost projects, since smaller financial packages failed to generate sustainable income, the Ministry explained as under:

"The scheme provides projects costing upto Rs. 50,000/- for rehabilitation of scavengers. The scheme also envisages projects costing above Rs. 50,000/. Taking into account all the aspects, the Ministry had initiated a proposal for modification of the NSLRS since 1998, which includes the provision to increase the project cost, subsidy, etc. However, that did not materialize due to some reasons or other."

Role of Banks

61. Banks have a crucial role to play in providing financial assistance for rehabilitation of beneficiaries under the Scheme. Scheduled Castes Development Financial Corporations recommend the applications of beneficiaries for sanction of loans by banks. However, banks were cautious in providing loans to the recommended scavengers resulting in a large number of applications being rejected. The position in some of the States in this regard is as under:—

- In Maharashtra, the Scheduled Castes Development Financial Corporation received 12,726 applications for rehabilitation projects during 1998-2002. Of these, 12,666 proposals were recommended to the banks. However, the banks rejected 3,806 proposals and 4,530 proposals were pending with them as of March 2002. Thus, the rate of rejection of proposals for loan by banks was as high as 47 per cent. Scheduled Castes Development Financial Corporation attributed the rejection to the non-viability of the projects and poor record of past recoveries.

- In Orissa, Scheduled Castes Development Financial Corporation attributed the shortfall in achieving rehabilitation targets to the banks not sanctioning loans (a) to other members in the event of default by one of the members of a family; (b) on the ground that the beneficiaries were non-existent following the conversion of dry latrines into water-borne ones; and (c) poor rate of recovery.
- In Pondicherry, the banks had rejected 22 of the 109 applications forwarded to them by the Adi Dravidar Development Corporation. In October 1997, the Corporation reported to the Government of Pondicherry that these applicants would be contacted in person and necessary action taken to recommend alternative viable projects to the banks. Further action was, however, not taken to resubmit their cases to the banks for sanction of loans.
- In Rajasthan, Scheduled Castes Development Financial Corporation attributed the shortfall in achieving the rehabilitation targets to the non-cooperation of banks.
- Of the 3,870 proposals recommended in four districts of Tamil Nadu during 1997-2000, 2,862 applications (74 per cent) were rejected.

62. The Committee desired to know whether any steps were taken by the Government to ensure that SCDCs formulate technically and commercially viable projects to avoid rejection of loan applications by the banks. In response to this, the Ministry have stated that the scheme provided that the scavengers should be rehabilitated in the trades as per their aptitudes and local conditions. The State Governments/SCDCs were advised from time to time to take effective steps for rehabilitation of manual scavengers by way of suitable training and by providing loan/subsidy for suitable projects in different trades for which an illustrative list of trades was provided.

63. When asked about the initiatives taken by the Ministry for helping the illiterate Scavengers for taking loans for setting up new enterprises, the Ministry of Social Justice & Empowerment have responded and said that the Scheme envisages that the State Scheduled Castes Corporations would stand surety to the bank loan. The Ministry added in this regard as under:

"It has been decided in the third meeting of the Central Monitoring Committee that the Ministry of Urban Employment & Poverty Alleviation to issue of instructions to the nationalized banks for providing loans in accordance with the National Action Plan. The persons applying for loan should be guided by the officers of the State Channelising Agencies (SCAs) for filling up the loan applications. The District Welfare Officer should also be asked to take interest in the work."

Women not specially targeted

64. Women of the scavenging community constitute the most oppressed section. Even after men of the family shift to more dignified professions, women continue to

remain engaged in manual scavenging. The revised guidelines of the Scheme, issued in 1996, stressed the special targeting of women scavengers in rehabilitation programmes, besides formulation of specific women-oriented schemes. Special attention was to be given to women beneficiaries in providing post-assistance support. Awareness camps focussing attention on women were also required to be regularly organized in the scavenger colonies. Audit has pointed out that this was not done.

65. Audit review revealed that no women-oriented scheme was formulated by the then Ministry of Welfare. Implementing agencies in Andhra Pradesh, Gujarat, Madhya Pradesh, Punjab, Rajasthan, Tamil Nadu and West Bengal did not formulate any specific women oriented schemes. Of the 6,244 scavengers rehabilitated in seven districts of Andhra Pradesh, women constituted only 39 per cent. In six districts of Assam, women constituted 49 per cent of 1,266 scavengers rehabilitated. In Delhi, separate details of the women scavengers were not maintained. Of the 14,674 women scavengers identified for training in Punjab 8,212 opted to receive training; of these, only 1,396 women (17 per cent) could be rehabilitated as of March 2002. In the East Godavari district of Andhra Pradesh, 181 women scavengers were provided financial assistance of Rs. 8,000 each for establishing kirana, cloth business, etc. however, the units failed very soon. According to the District Society, these women scavengers did not also give up their earlier professions of scavenging. This is illustrative of the lack of post-assistance support to rehabilitated women scavengers, which was contemplated in the revised guidelines of the Scheme. In six districts of Tamil Nadu, however, of the 2,754 scavengers rehabilitated, 1,750 (64 per cent) were women. In Karnataka, the SC/ST Development Corporation did not provide any information on the male and female scavengers rehabilitated. However, in the test checked districts other than Gulbarga, 2,502 female scavengers were rehabilitated as against 2,384 male scavengers. In Gujarat, the Gujarat Scheduled Castes Development Corporation had no information on the organization of awareness camps for women on the other hand, in Madhya Pradesh awareness camps were organized only in Bhopal district. In Rajasthan, the implementing agency was not aware of the guidelines relating to the rehabilitation of women scavengers through specially focused activities.

66. When the Committee enquired as to why no steps were taken by the Ministry of Social Justice & Empowerment to formulate women oriented programme and why were the assistance to women scavengers not monitored separately, the Ministry of Social Justice & Empowerment have explained that the Government was committed to rehabilitate all the identified scavengers, in the age group of 15-50 years including females, in suitable dignified trades. Hence, women scavengers were rehabilitated in suitable trades like knitting, embroidery, beauty parlour, tailoring and dress making, fancy and general store, mini dairy, cold drink shop etc., keeping in view of the local conditions *via-a-vis* their ability to switch over to the new occupations. Besides this NSKFDC is implementing Mahila Samridhi Yojana for women. Under the scheme, term loan assistance for Micro Credit Finance was provided to Safai Karamchari and Scavenger women and their dependent daughters for engaging in small and petty trade/business and sundry income generating activities at concessional rate of interest.

Cluster approach not adopted

67. The revised guidelines of 1996 envisaged that the Scheduled Castes Development Financial Corporation should adopt a cluster approach in training and rehabilitation programmes. All scavengers eligible for benefits under the Scheme in a basti were to be rehabilitated together. Scheduled Castes Development Financial Corporation were to encourage formation of group projects so as to pool together subsidy and margin money loans.

68. According to Audit, the scrutiny of records has revealed that the cluster approach was not adopted in any State. Though in Andhra Pradesh, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Orissa, Tamil Nadu, Uttar Pradesh and West Bengal Group projects in the form of Sanitary Marts were adopted for rehabilitating scavengers, no other project following the cluster approach was formulated or implemented. In States like Assam, Haryana and Punjab, the cluster approach was not implemented at all. Keeping in view the limited success of the Sanitary Mart project and the absence of any other project for training and rehabilitation of scavengers in the cluster approach, the revised guidelines in this regard remained unimplemented.

Sanitary Mart Scheme

69. The concept of rehabilitation of scavengers through the establishment of Sanitary Marts was included in the Scheme in January 2000. A sanitary Mart is a shopping place where the sanitary needs of the common man could be met and materials and equipment such as pans, traps etc. would be produced at its production centre. Under the scheme, the implementing agencies had to steer the formation of co-operatives, ideally of 20-30 scavengers, and these co-operatives would run the sanitary marts. The main goal of the scheme was to erase the need for scavenging by converting dry latrines to wet latrines and subsequently, the need of engaging the scavengers.

70. The success of this scheme was largely dependent on the commitment of the implementing agencies in (a) motivating scavengers to set up sanitary marts; and (b) planning for information, education, and communication so as to generate demand for items and services available with the sanitary marts. Test-check of records, however, revealed that the scheme failed at the initial stage itself, despite release of Rs. 130.05 crore, representing 93 per cent of the total funds released, by the Ministry during 1999-2002. As against a target of setting up of 4,606 Sanitary Marts for rehabilitation of 1,15,150 scavengers in fourteen States, the implementing agencies could set up only 636 Sanitary Marts rehabilitating 4,107 scavengers.

71. In Delhi, Haryana, Jammu & Kashmir, Punjab, Kerala, the scheme was not implemented. It is also interesting to note that the Sanitary Mart Scheme under the National Scheme could be implemented only with limited success in West Bengal though it was a complete success as a State Scheme. The failure was attributed mainly to the absence of the subsidy element to the customers of these marts, which was provided in the West Bengal Government's scheme. Haryana and Punjab did not implement the scheme as it was not viable.

Deficiencies in Financial Management

Flow of Funds

72. During the Eighth Plan period, funds required for training and rehabilitation under the Scheme were estimated at Rs. 563.80 crore, whereas only Rs. 386.20 crore were provided and expenditure of Rs. 384.67 crore incurred. Though the Scheme was to be completed by the end of the Eighth Plan period, it continued during the Ninth Plan period. Details of the fund allocations *vis-a-vis* the actual expenditure during the Eight and Ninth Plan periods are tabulated below:—

(Rupees in crore)

Year	Budget Estimates	Revised Estimates	Reduction at Revised Estimates Stage	Actual Expenditure
VIII Plan Period (1992-97)	386.20	386.20	—	384.67
1997-1998	120.00	90.00	30.00	90.00
1998-1999	90.00	20.00	70.00	5.90
1999-2000	70.00	70.00	—	70.00
2000-2001	67.50	60.94	6.56	60.92
2001-2002	74.00	8.21	65.79	9.20
IX Plan Period (1997-02)	421.50	249.15	172.35	236.02
Grand Total	807.70	635.35	172.35	620.69

73. It is seen from above that during the Ninth Plan period (1997-2002), the initial budgetary commitment of Rs. 421.50 crore was scaled down to Rs. 249.15 crore which amounts to an overall reduction of almost 41 *per cent*. The Ministry of Social Justice & Empowerment attributed the reduction in budgetary support to the Scheme in the Revised Estimates to the amounts lying unspent with State Scheduled Castes Development Financial Corporations and the disinclination of the Planning Commission to revise the Scheme in 2001-02.

74. When asked by the Committee why the Ministry did not take into year-wise progress to revise its target for rehabilitation. To this, the Ministry of Social Justice & Empowerment informed as under:

"The funds allocated for the scheme of NSLRS were Rs. 67.50 crores and Rs. 74.00 crores for the years 2000-01 and 2001-02 respectively. As against the allocated funds only Rs. 60.92 and Rs. 9.20 crores were released during the years 2000-01 & 2001-02 respectively due to availability of large

unspent balances with the State Governments. The funds released during the Tenth Five Year Plan are Rs. 40.95 crore and Rs. 24.27 crore for the years 2002-03 and 2003-04 respectively."

75. During the evidence, the Committee asked the Ministry to clarify as to why the actual budgetary allocation for 2004-2005 has been reduced from Rs. 40 crore to Rs. 20 crore. To this the Secretary, Ministry of Social Justice clarified that:

"it is correct that the allocation for 2003-2004 is Rs. 20 crore. But, in addition to that the States have unspent balances of Rs. 104 crore. So actually a sum of Rs. 124 crore is at the disposal of the State Governments to implement the Scheme."

76. When asked to explain as to how much the reduction in the flow of funds has affected the achievement of target, the Ministry of Social Justice & Empowerment informed as under:—

"Reduction in the flow of funds has been mainly due to availability of unspent balances with the SCDCs. Reduction in the flow of fund did not affect the achievement of target. The accumulated funds were utilized to achieve the target."

Release of grant despite retention of heavy unspent balances

77. Scrutiny of the records in the Ministry revealed that grant-in-aid was released to such Scheduled Castes Development Financial Corporations which had heavy unspent balances. The Ministry stated (May 2002) that the State Governments/ Scheduled Castes Development Financial Corporations were regularly pursued for timely utilization of funds under the Scheme.

78. When the Committee asked the Ministry to explain the reasons for non-utilisation of funds by the State agencies leading to a huge accumulation of unspent amounts with them, the Ministry stated that some of the main reasons for non-utilisation of funds by the State agencies could be attributed to lack of willingness on the part of potential beneficiaries to avail the benefit; inadequate sponsoring of loan applications by Urban Local Bodies; difficulty in finding schemes that can meaningfully rehabilitate the scavengers; absence of skills in scavengers to quickly shift to new professions and reluctance on the part of people using dry latrines to convert to wet latrines. The State of West Bengal reported that most of the scavengers were in permanent employment with Urban Local Bodies, Railways, etc. On their liberation from the scavenging job, they were provided with alternative employment in the Urban Local Bodies, etc. In addition to this, they being natives of other States, their dependent family members were floating residents, who did not qualify for any of the financial scheme of rehabilitation.

79. On being asked to state the status of unspent funds lying with the States, the Ministry furnished the information under the NSLRS as of July, 2003, as under:—
(Rs. in lakhs)

Sl.No.	State	Unspent Balance
1.	Andhra Pradesh	224.70
2.	Assam	353.31
3.	Bihar	Not available (N.A.)
4.	Chhattisgarh	N.A.
5.	Gujarat	N.A.
6.	Haryana	527.59
7.	Himachal Pradesh	Nil
8.	Jammu & Kashmir	N.A.
9.	Jharkhand	N.A.
10.	Karnataka	630.00
11.	Kerala	N.A.
12.	Madhya Pradesh	1727.50
13.	Maharashtra	2019.15
14.	Meghalaya	N.A.
15.	Negaland	N.A.
16.	Orissa	362.17
17.	Punjab	300.62
18.	Rajasthan	3342.62
19.	Tamil Nadu	N.A.
20.	Uttar Pradesh	N.A.
21.	Uttaranchal	987.30
22.	West Bengal	N.A.
23.	Delhi	N.A.
24.	Pondichery	N.A.
Total		10474.63

80. Enquired as to why the Central Assistance was released to the agencies which were not able to utilize the earlier funds at the desired pace, the Ministry of Social Justice and Empowerment, submitted in a note that the Scheme contemplated a cluster approach for the purpose of training and all the scavengers who were eligible for benefits residing in a basti were rehabilitated together. To energize and accelerate the pace of NSLRS, the concept of formulation of Sanitary marts as a group activity, was suggested to States/UTs during the year 1999-2000. Accordingly, SCDCs had submitted their proposal for setting up of Sanitary Marts to cover all the eligible scavengers and their dependents. Elaborating further, the Ministry informed that although the SCDCs of Tamil Nadu, Gujarat, Madhya Pradesh and Rajasthan had unspent balances they were sanctioned Central Assistance during the year 1999-2000 after deducting the available unspent balance so as to avoid any financial constraints. Another reason for the release of funds was to ensure that liberated scavengers might not be left out from training and rehabilitation and the SCDCs should not face any difficulty in rehabilitating the eligible scavengers and also to ensure that scavengers do not relapse to their age-old occupation.

81. The Committee enquired whether the Scheme has a mechanism for first utilizing the funds already sanctioned and then releasing further fund requirements. To this, the Ministry of Social Justice & Empowerment replied that at the time of release of grants to SCDCs for subsequent years, the financial progress of the earlier grant was taken into account. Even if unspent balances are available, that was deducted from the subsequent central assistance so that the work of rehabilitation of manual scavengers does not suffer. The Ministry of Social Justice & Empowerment also added:

"Funds were also released to ensure that liberated scavengers might not be left out from training and rehabilitation. If adequate funds were not released, the SCDCs would have faced difficulties in rehabilitating all the eligible scavengers, thus, denying the scavengers from falling back to their age-old occupation."

Rush of disbursements in March

82. A significant portion of the disbursements during the year was made in the last quarter of the financial year as well as in the month of March as shown below:—

(Rupees in crore)

Year	Total Disbursement During the year	Disbursement During Last Quarter	Percentage of Disbursement During Last Quarter	Disbursement During March	Percentage of Disbursement During March
1997-1998	90.00	20.56	23	11.46	13
1998-1999	5.90	5.90	100	5.90	100
1999-2000	70.00	70.00	100	70.00	100
2000-2001	60.92	60.92	100	60.92	100
2001-2002	9.20	2.25	24	2.25	24

83. Audit review has revealed that in the years 2000-01 and 2001-02, demand drafts for release of grants were despatched to the implementing agencies in the subsequent financial years. Release of Funds at the fag end of the financial year was indicative of poor financial management and was aimed to avoid lapse of budgetary grants.

84. When asked to state the reasons for release of funds at the fag end of the financial year, the Ministry of Social Justice & Empowerment stated in a reply as under:

"Release of funds to State Channelising Agencies (SCAs) based on the proposals received from them. At the beginning of the financial year, the Ministry calls for proposals for the SCAs. Thereafter, the SCAs submit proposals in the prescribed proformae. Sometimes, the proposal is not complete in all respects. This results in correspondence between the Ministry and the SCAs. Owing to this reason funds were not released in time. Moreover, there is also late receipt of proposals from the SCAs."

Utilisation of funds by State Governments/Scheduled Castes Development Financial Corporations

85. State-wise position of funds released during 1997-2002 and expenditure incurred there against is tabulated below:—

(Rupees in crore)

Sl. No.	State/Union Territory	Opening Balance	Central Release	State Contribution/ Bank Loan/ NSKFDC Loan	Total Funds Available	Funds Spent (1997-2002)	Unutilised Funds As on 31.3.2002	
							Amount	Percentage
1.	Andhra Pradesh	3.42	14.10	13.25	30.77	53.60	-	Nil
2.	Assam	1.65	3.72	1.93	7.30	1.70	5.60	77
3.	Bihar	6.13	4.64	Nil	10.77	1.56	9.21	86
4.	Delhi	4.70	Nil	0.33	5.03	1.80	3.23	64
5.	Gujarat	0.42	20.51	Nil	20.93	3.28	17.65	84
6.	Haryana	11.49	Nil	7.51	19.00	13.72	5.28	28
7.	Jammu & Kashmir	1.51	0.35	1.96	3.82	1.88	1.94	51
8.	Jharkhand	Nil	10.85	Nil	10.85	-	10.85	100
9.	Karnataka	3.09	10.63	Nil	13.72	8.12	5.60	41
10.	Kerala	0.42	Nil	Nil	0.42	*	0.42	100
11.	Madhya Pradesh	4.63	33.34	47.79	85.76	67.40	18.36	21
12.	Maharashtra	7.89	21.35	7.33	36.57	9.20	27.37	75
13.	Orissa	6.98	6.96	Nil	13.94	9.92	4.02	29
14.	Pondicherry	0.05	Nil	Nil	0.05	0.01	0.04	80
15.	Punjab	1.58	Nil	Nil	1.58	0.61	0.97	61
16.	Rajasthan	17.81	19.35	Nil	37.16	3.73	33.43	90
17.	Tamil Nadu	23.65	22.53	7.82	53.90	18.38	35.52	66
18.	Uttar Pradesh	36.89	44.46	3.06	84.41	65.46	18.95	23
19.	West Bengal	4.51	Nil	0.37	4.88	1.50	3.38	69
	Total	136.72	212.79	91.35	440.86	261.87	201.82	

*The expenditure in **Kerala** being negligible (Rs. 13,000) has been rounded off to zero.

86. It is evident from the above that as against funds aggregating to Rs. 440.86 crore available during 1997-2002, actual expenditure was only Rs. 261.87 crore. This constituted 59 per cent of the total funds available. Analysis of the State-wise position revealed that more than 40 per cent of the funds remained unutilised in 14 States. The entire amount released to **Kerala** and **Jharkhand** remained unutilised. The percentage of unutilised funds in **Bihar, Gujarat, Pondicherry** and **Rajasthan** varied between 80 to 90 per cent. The position of utilisation of funds was also dismal in **Assam, Delhi, Jammu & Kashmir, Karnataka, Maharashtra, Punjab, Tamil Nadu** and **West Bengal** as the percentage of unutilised funds in these States varied between 41 and 77. Under utilisation of funds was generally attributed to the indifferent attitude of banks in sanctioning loans to scavengers, non-availability of technical manpower, delay in finalisation of projects, rejection of applications at the district level and non-viability of projects.

87. When asked to explain the reasons for poor utilization of funds by the States, The Ministry of Social Justice & Empowerment replied as under:—

- (i) Lack of willingness on the part of potential beneficiaries to avail the benefit.
- (ii) inadequate sponsoring of loan applications by Urban Local Bodies.
- (iii) Difficulty in finding schemes that can meaningfully rehabilitate the scavengers.
- (iv) Lack of willingness in scavengers to quickly shift to new callings.
- (v) Reluctance on the part of people using dry latrines to convert to wet latrines.
- (vi) Sanitary mart scheme was a group project. However, Scavengers are not interested in group projects.
- (vii) Some States are also reported that there were difficulties in getting loans from the banks. At times, Banks were interested to sanction only few small loans that are far below the fixed target.

Retention of Central Assistance by the State Governments

88. Central assistance of Rs. 11.84 crore was retained by the State Governments without being disbursed as under:—

- In Madhya Pradesh, the State Government retained Central assistance of Rs. 9.29 crore during 1992-96 and the amount had not been transferred to the implementing agency till March, 2002. During 1997-2002, Madhya Pradesh Scheduled Castes Development Corporation received Central assistance of Rs. 33.34 crore under the Scheme. Had the State Government not retained Central assistance of Rs. 9.29 crore, the requirement of funds by the Corporation would have been lesser by an equal amount.
- In Punjab, the State Government retained Central assistance of Rs. 2.55 crore released during 1995-96 even as of March 2002. The Ministry had also not pursued the matter with the State Government to obtain refund of the amount as of August 2002.

89. When the Committee inquired from the Ministry about the action taken in respect of unauthorized retention of funds by the State Governments of Madhya Pradesh and Punjab, the Ministry informed that they were in constant touch with the concerned State Governments/SCDCs for transfer of the amount and the matter came up for discussion during the visit of officers of the Ministry of Social Justice and Empowerment to States as well as in the meetings organized with the concerned Secretary of the respective State Governments.

Shortfall in Matching Contribution by State Governments

90. The Margin money loan component of the financial package for rehabilitation was to be funded in the ratio 49:51 between the Centre and States/Union Territories. However, Audit has highlighted that the States' share of margin money was either not contributed or less contributed by States of Assam, Madhya Pradesh, Maharashtra, West Bengal, Andhra Pradesh, Bihar and Karnataka. On being asked to explain the steps taken by the Ministry to ensure that the share of margin loan money was contributed properly by the concerned State Governments, the Ministry have informed that the matter was constantly being pursued with the State Government concerned in their periodical meetings.

91. On being enquired that whether funds allocation could be brought upto 80 per cent from the Centre and 20 per cent from the States, the Secretary, Ministry of Urban Employment & Poverty Alleviations explained during evidence as under:—

"The problem is that we cannot commit it because it has to be taken up with the Planning Commission. The amount would be so small that it would not create any difference to motivate the State Government to monitor this Scheme."

92. The Committee also desired to know whether the State Governments concerned have now contributed their shares and also asked whether there is any possibility of converting the scheme to 100 per cent Centrally Sponsored Scheme. To this, the Ministry of Social Justice & Empowerment replied as under:—

"The share of the State Governments is very nominal *i.e.*, 51 per cent of 15 per cent of Margin Money loan of the project cost. Since sanitation is State subject, at least the marginal financial contribution should continue."

Outstanding Utilisation Certificates

93. The Ministry released grants-in-aid for the implementation of the Scheme to the agencies concerned through the State Governments up to 1996-97, and thereafter grants were released directly to the agencies themselves. State Governments and the Scheduled Castes Development Financial Corporations were required to submit utilisation certificates in respect of grants-in-aid released to them.

94. Audit review has revealed that as against release of grants-in-aid of Rs. 642.43 crore during 1991-2002, the Ministry had received utilisation certificates for Rs. 60.77 crore only (9 per cent of the total funds released).

95. When asked to state the reasons for non-submission of utilisation certificates by the State implementing agencies, the Ministry of Social Justice & Empowerment have replied that under the scheme, Central assistance was initially released to the State Governments. In case of scheme(s) where funds are directly released to the State Governments, utilisation certificates duly certified by the chartered accountant are not generally submitted by the State Governments. Subsequently, funds were directly released to SCDCs from 1996-97.

96. The Committee also desired to know whether the State Governments/SCDCs have since submitted the utilisation certificates. To this, the Ministry of Social Justice & Empowerment have replied that due to the constant persuasion by the Government SCDCs have started sending some utilization certificates.

Monitoring

97. The Scheme provides for the setting up of a network of Monitoring Committees. There should be a Central Monitoring Committee at the apex level, State-level Monitoring Committees, supported by District-level Monitoring Committees and the Town Committees or Mohalla Committees at the ground level. While the Central and State-level Committees were required to meet quarterly, no periodicity was prescribed for District and Town Committees. However, Audit scrutiny revealed that the Central Monitoring Committee met only once in February 1993 during 1992-2002, whereas it should have met at least forty times. The State-level Monitoring Committees in Assam, Gujarat, Haryana, Madhya Pradesh, Maharashtra, Rajasthan, Tamil Nadu and West Bengal met less than half the number of times required. In the States of Jammu & Kashmir and Orissa, they did not meet even once. In the States of Bihar, Jharkhand, Kerala, and Pondicherry, no State-level Committees were set up. District-level Committees were not set up in the States of Jammu & Kashmir, Kerala, Maharashtra and Pondicherry. In Haryana, Kerala, Madhya Pradesh, Pondicherry and Tamil Nadu no Town or Mohalla Committees were set up. Records of the proceedings of Committee meetings were not maintained in many of the cases.

98. The District-level, State-level and Central-level Monitoring Committees depends on reports generated at the operational level for evaluating the Scheme. Audit has also revealed that many of these committees were not constituted. Even when these were constituted, they did not meet to review the details of progress made. The absence of a comprehensive reporting standard, highlighted the failure of the Scheme on many fronts. There were incorrect/incomplete identification of beneficiaries, non-identification of skill requirements, lack of monitoring mechanism, lack of awareness among beneficiaries, lack of motivation for self-help and misutilisation of cash assistance by the beneficiaries. There was no evidence on record to suggest that during any of these evaluations, findings were considered at the appropriate levels to provide corrective and remedial measures.

99. The Committee wished to be apprised about the reasons for the shortfall in the number of meetings of Central Monitoring Committees, State level Monitoring Committees and District level Monitoring Committees. In reply, the Ministry of Social Justice and Empowerment stated that in regards to Government of Jammu & Kashmir,

it was reported that because of disturbed conditions in the State, the monitoring committee meetings could not be held regularly. The Government of Pondicherry informed that since there were no dry latrines in the UT of Pondicherry and hence, no such monitoring committees have been constituted in the UT so far. The Government of Rajasthan reported that the meeting was held at the level of Secretary concerned prior to 1999 and also informed that the State level Monitoring Committee met regularly under the Chairmanship of Chief Secretary and also the meeting of the District Level Scavengers Committee were held from time to time. Regarding the Government of Tamil Nadu, it was reported that the Committee met periodically once in three months and the District Level Monitoring Committee (DLMCs) met at least once in a year. Regarding the Government of Uttar Pradesh it was reported that the District units of UPSCDC were holding meetings once in a month. The Government of West Bengal informed that regular meeting of monitoring committees were not held. However, meetings were held, whenever there were issues for discussions and decisions. When asked by the Committee regarding the steps taken to ensure constitution of State Level Monitoring Committee in the States of Bihar, Jharkhand and Kerala, the Ministry responded that State Governments have been requested time and again to constitute it as envisaged under the Scheme. Besides this, at the time of calling proposals under the Scheme, State Governments/SCDCs have been requested to provide copies of the minutes of the meeting held in the recent past.

100. When enquired about the outcome of the meetings of the State level Monitoring Committees that took place in the last three years, the Ministry of Social Justice and Empowerment have informed that some of the important issues discussed in these meetings were:—

- effective enforcement of the Act;
- matter relating to issuance of notices to all individual dry latrine households for conversion into septic ones in a time bound period;
- low cost sanitation programme;
- meeting of the executive Committee on monthly basis;
- effective monitoring by District Collectors;
- training programme in professional courses for scavengers;
- implementation of the scheme of Sanitary Mart;
- education of the dependents of scavengers; and
- modern/cost effective technology in all cleaning operation to avoid manual operations.

101. As regards the existing monitoring mechanism available in the Ministry for monitoring the implementation of the Scheme, the Ministry have explained that as a sequel to Hon'ble Prime Minister's declaration on Independence Day, 2002, the Planning Commission prepared "National Action Plan for Total Eradication of Manual Scavenging by 2007". NSLRS have been transferred to the Ministry of Urban Employ-

ment & Poverty Alleviation in 2003, which have been made as the nodal Department at the Centre. However, as per the direction of the Cabinet Secretariat, a Central Monitoring Committee under the Chairmanship of Secretary (SJ&E) has been constituted to review the implementation of the National Action Plan. As the Ministry of Urban Employment & Poverty Alleviation have been made the nodal Department at the Centre, it was expected that the revised centralized set up would come a long way to cope up with all the difficulties in the implementation of the programme. They added that the nodal Department was also reviewing the progress of the implementation of the scheme.

102. In reply to a query as to how could to person who has nothing to do with the implementation, can be the Chairman of the Monitoring Committee the Secretary, the Ministry of Social Justice & Empowerment clarified the position during evidence as under:—

"That is because the Scheduled Caste Development is part of our Ministry also. We have a corporation named National Safai Karamchari Finance and Development Corporation. This Corporation given loans to the State Scheduled Caste Financial Development Corporation which in turn give it to the scavengers who are to be rehabilitated."

Observations and Recommendations

103. The Committee note that the 'National Scheme of Liberation and Rehabilitation of Scavengers and their Dependents' mark the convergence of several public initiatives over a period of four decades preceding its introduction in 1992. It was introduced by the Ministry of Welfare (now Ministry of Social Justice & Empowerment) on 22nd March, 1992 with the objective to provide alternative, dignified and viable occupation to them. The Centrally Sponsored Scheme was conceived to deal with three principal issues. Firstly, the identification of scavengers and their dependents through a time bound survey; secondly, imparting of training in their identified trades; and thirdly, providing subsidy, margin money and bank loan for their rehabilitation. While bifurcating the integrated scheme of Liberation and Rehabilitation of Scavengers in 1991, the liberation component was entrusted to the Ministries of Urban and Rural Development and the rehabilitation component was entrusted to the then Ministry of Welfare (now Ministry of Social Justice and Empowerment) along with the nodal responsibility for the Scheme. Undoubtedly, the Scheme was well intentioned with the objective to provide an alternate, dignified and viable occupation to scavengers and their dependents in a stipulated time span. However, the Committee are constrained to point out that it has failed to implement its operational parameters in a highly stratified society resisting change from a hereditary occupational structure even after 10 years of its implementation involving investment of more than Rs. 620 crore. It is a matter of national shame that anywhere between 5-8 lakh manual scavenger remain unrehabilitated. The scheme failed to deliver its social vision after ten years of continuous but regrettably half-hearted efforts. It failed in working out a coherent strategy for policy initiatives as it could not take advantage of an existing law that prohibited employment of Scavengers. Divorcing liberation from rehabilitation was an error of judgement that weakened the foundation of the Scheme and led to uncoordinated efforts without focus. It failed in enhancing or re-orienting

the skill-levels of the beneficiaries necessary for change of occupation. For the same reason, it failed in its mission of replacing the hereditary practice by skill-based choice of profession. Absence of base-line survey, non-involvement of district development authorities, commercialisation of the assistance patterns have led to a loss of focus of the monitoring aspect of the scheme.

104. The Committee observe that even at this stage of its implementation, the Scheme still continues to remain a prisoner of its own statistics. Absence of creditable database of targeted beneficiaries has robbed the scheme of its objectivity. The loss of links between liberation, training and rehabilitation has derailed the Scheme. The Scheme visualised the rehabilitation of all the 4 lakh scavengers and their dependents estimated by the Task Force in March 1991 by the end of the Eighth Plan period (1992-97). Against this, the Scheme claimed to have rehabilitated only 2.68 lakh. This did not, however, result in a reduction in the total number, as subsequent surveys conducted between 1994-95 and 2001-02 estimated the number as 7.87 lakh necessitating upward revision of the targets. Further, the Ministry of Social Justice & Empowerment, which was the then nodal Ministry for the Scheme, claimed to have rehabilitated 4.71 lakh scavengers during 1992-2002, while the Ministries of Urban and Rural Development projected that only 0.37 lakh scavengers had been liberated during the same period. In addition to this, there is no evidence to suggest the actual number of those liberated and the number which were in fact rehabilitated. The Scheduled Castes Financial Development Corporations responsible for implementation of the scheme at the State level have failed to deliver the positive results, which can be substantiated by the fact that there is no clear-cut indication in the occupational change of scavengers. Besides, training imparted is inadequate, impractical and disoriented. The Committee is of the view that it is the lack of purpose in aligning the parameters of the Scheme and lack of will in implementing it that led to the Scheme floundering on its own principles. The Committee's examination of some of the important dimensions on the issues reviewed by Audit highlights the fact that the implementation of the Scheme continues to be afflicted by serious shortcomings which are summed up in the succeeding paragraphs.

105. The major provision of the 'Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 1993, states that State Government may by notification, specify that no person shall engage in or employ for and permit to be engaged in or employed for any other person for manually carrying human excreta, or construct or maintain a dry latrine. However, the Committee note that the scheme suffered, because it was not calibrated to relate its parameters to the legal framework provided by the Act and continued to operate in a persuasive mode without the legal means to penalize for its violation. Although only 17 States have adopted this Act, yet its implementation aspects left much to be desired since these States have failed to analyse and substantiate with facts for its effective implementation. Some of the States have not even adopted the Act till date, and the Ministry has neither assessed the drawbacks in its enforcement nor has taken concrete steps to ensure its adoption and implementation. The law that prohibited the engagement of manual scavengers, this, could have provided a powerful instrument to the implementers of the Scheme. By adopting this Central Law and enforcing it in right earnest, the States could have

paved the way for the successful implementation of the Scheme and liberation of scavengers would have progressed in tandem with rehabilitation measures. The fact that this was not adopted and implemented by all the States is regretted. The Committee recommend that the Ministry should look not the grey areas experienced by the States in enforcing the Act and bring out clear cut steps to remove the bottlenecks and correlate the legal framework with the attainment of objectives of the Scheme. The Committee also hope that the Ministry will wake up to their responsibility and ensure that the Act is adopted by all the States which are yet to adopt it and at the same time, initiate urgent measures for its implementation in all the States.

106. For the success of the scheme proper identification of scavengers and their dependents was vital. However, various surveys for identification of scavengers and their dependents necessary to locate, specify and to give particularized training to the beneficiaries according to their needs were often not methodologically sound. The results varied widely. Even the definition of 'Scavengers' was not settled which resulted in the inclusion of ineligible persons in the list of beneficiaries. Even the Ministry of Welfare in 1996 received references from various State Governments about the exact definition of a Scavenger. Thus the absence of proper definition of 'Scavenger' led to different surveys by different agencies. As many as five different sets of figures were in the Ministry's possession. The Committee note that the baseline surveys conducted in the States suffered from a number of infirmities which resulted in non-availability of any reliable data with the Ministry even after a decade on the number of scavengers and their dependents which was essential to estimate the fund requirements, to facilitate the preparation of a well considered action plan. At this stage, the Committee cannot but over emphasise the need for fresh survey to be undertaken immediately so as to ensure the availability of a reliable data of the number of scavengers to be liberated and rehabilitated. For this, it is also essential to define the boundaries so as to make the out reach of the scheme only to the potential beneficiaries i.e. Scavengers as envisaged in the scheme and not to all the Safai Karamcharies engaged in cleaning and sweeping occupation as extension of benefit to them is construed as leakage of benefits to ineligible persons.

107. The Scheme had envisaged that the obnoxious occupation would come to an end if all those who were engaged in this occupation and their dependents were rehabilitated in alternative and dignified occupation. The liberation of the scavengers was possible only when the practice of using dry latrines was eliminated. The Committee are constrained to point out that the scheme failed to provide the necessary linkages amongst the implementing agencies and the Ministries administering the scheme encompassing the whole range of operations. Instead, the Ministry of Social Justice and Empowerment confined itself only to the aspects of identification, training and rehabilitation leaving the liberation issues to the Ministries of Urban Development and Rural Development who, separately, and independently implemented their own schemes for liberation under the "Low Cost Sanitation Scheme" and the "Rural Sanitation Programme" respectively. The Committee regret to observe that there was no coordination amongst the three Ministries nor had the scheme interfaces be mapped in any of the scheme documents to avoid overlapping and asymmetries. Another disquieting fact observed by the Committee is that the Low

Cost Sanitation Scheme carried out by the then Ministry of Urban Development for liberation of urban scavengers was a failure as they did not fix any physical or financial targets. The Committee recommend that a single national programme be formulated and implemented by the Ministry of Social Justice and Empowerment as a mission with the objective of eliminating this scourge within the next four-five years.

108. The Committee find that the Integrated Low Cost Sanitation Scheme was implemented through Housing Urban Development Corporation. The first objective was to convert dry latrines into twin pit pour flush units, and the second objective was to construct new toilets where no facility was available in order to liberate the persons involved in manual scavenging. The funding pattern, according to the Ministry, under Integrated Low Cost Sanitation Scheme is part subsidy and the part loan given by the HUDCO. The loan is availed by the Municipal Board or by the concerned agency and the subsidy element is taken away but the State Governments are wary of taking loans since HUDCO being a commercial organization, insists on State guarantees. The Committee also note that out of the subsidy aggregating to Rs. 480.22 crore sanctioned by the then Ministry of Urban Development, only Rs. 246.68 crore had been released upto 31 December, 2001 and loans aggregating to Rs. 583.51 crore sanctioned, only Rs. 278.60 crore were released and out of the 6 lakh identified scavengers in urban areas only 37340 i.e. 6.2 per cent were liberated. The low progress made by this scheme has been attributed by HUDCO to the time lag between the sanction and release of subsidy and loans to delays in documentation, non-availability of Government guarantees, belated submission of utilization certificates and slow physical progress. The Committee are constrained to point out that there was no evidence of the Ministry having initiated any remedial measures aimed at removal of these hurdles to enable the successful implementation of the scheme.

109. The Committee note that according to the Ministry of Rural Development, 20 States and Union Territories have no dry latrines and no manual sanitation was prevalent in rural areas. The Ministry have contended that only Karnataka, Madhya Pradesh, Manipur, Rajasthan and Sikkim had reported the practice of manual scavenging in rural areas. The Committee note that the Ministry had not fixed any targets for conversion of dry latrines into water-borne flush latrines, nor were separate allocations made for the purpose. The State Governments are stated to have been directed by the Ministry of Rural Development to utilise the funds allocated under the Central Rural Sanitation Scheme for conversion of dry latrines into pour flush latrines. Further, the 'Rural Sanitation Programme' had got dovetailed into the 'Total Sanitation Campaign' launched in 1999. The main objectives of the Total Sanitation Campaign was to accelerate the sanitation coverage by creating the felt need among the rural population about sanitation and also impart hygiene education to the people. It aimed at attaining this objective by focussing on intensive Information, Education and Communication and by providing cost effective and appropriate technologies through alternate delivery mechanism such as the Rural Sanitary Marts or Production Centres.

110. At present Total Sanitation Campaign is being implemented in 426 districts of the country, which is likely to be further scaled up to cover all the remaining districts in the country. According to the Ministry, 100.13 lakh individual toilets, 1.14 lakh school toilets, 17,606 Balwadi toilets and 3,862 community sanitary complexes have been constructed. Prior to launching of Total Sanitation Campaign, under Central Rural Sanitation Programme, 94.80 lakh individual household toilets had been constructed in rural areas. Concurrent evaluation of the campaign is essential. The Committee wishes that the Ministry of Rural Development to place the highest emphasis on this aspect.

111. The Committee feel that Liberation, meaning removal of the very cause and basis of manual scavenging, thereby allowing the beneficiary liberate from the stigmatised occupation, should have been the cornerstone of the Scheme as there could be no rehabilitation without liberation. Some half-hearted measures seem to have been taken in rural as well as in urban areas to convert dry latrines into wet latrines. A lot, however, needs to be done to liberate all the scavengers. For this, it is necessary that revised stipulated targets are refixed for conversion of dry latrines into wet latrines for which a time bound programme may be drawn up to achieve the revised targets. Lack of requisite funds should not come in the way of successful achievement of the objectives and therefore, the Ministry accordingly should take timely and effective steps to provide the necessary funds. The Committee would also like the Ministry to have close coordination with HUDCO and other implementing agencies in Urban as well as in Rural areas to accomplish the task. For this, proper monitoring of the physical and financial targets should be carried out at the highest level.

112. The Committee note that training to identified scavengers and their dependents, in the age group of 15 to 50 years, was expected to equip them with the requisite skills and expertise to successfully implement self-employment projects. The Committee have been informed that the scavengers are trained in the institutes run by the Centre and the State Governments and also by reputed voluntary organizations as per TRYSEM norms. The type of training imparted depended upon the aptitude, capability and inclination towards a particular trade. However, to their utter dismay, the Committee have found that only 2.02 lakh beneficiaries out of 5.38 lakh eligible beneficiaries were trained during the Eighth and Ninth Plan periods (1992-2002). The Committee regret to observe that targets for training were not communicated by the Ministry to the States which resulted either in targets not being prescribed by the States or in targets being determined only on *ad hoc* basis. Consequently, shortfall in training coverage was as high as 68 per cent and targets set for the Eighth Plan were not achieved even at the end of the Ninth Plan. No special curriculum was developed for training of scavengers though it was recognized that occupational shift in low-skill areas would require special measures.

113. The Committee desire that the Ministry should immediately lay down the requisite targets for training purposes of the scavengers liberated so that they do not relapse into their hereditary occupation. For this purpose, special training scheme should also be designed keeping in view their low skill level the focus being on the creation and upgradation of the skills for self-employment. The Committee further feel that the need for revitalizing the training infrastructure should also be looked

into a greater depth. For this, the Ministry should consider the feasibility of involving Non-Governmental Organisations, especially in certain selected training activities to bring about a fruitful training programme ensuring that their attitudinal behaviour, aptitude and educational standards are taken into consideration for the rehabilitation programme.

114. The Committee note the Rehabilitation Programme under the Scheme contemplated (i) a time bound survey to identify scavengers and their dependents and their aptitudes for alternative trades; (ii) identification of trades and preparation of a shelf of projects; and (iii) the imparting of training with stipend to identified beneficiaries in the identified trades. The Committee, however, note that against the target of 5.20 lakh scavengers to be rehabilitated from 1997-98 to 2001-2002, only 2.03 lakh scavengers were rehabilitated during this period. During 9th Plan only 39 per cent of the target could be met whereas in the 8th Plan 67 per cent of the targeted beneficiaries were rehabilitated. Thus, the number awaiting rehabilitated at the end of the 9th Plan period was more than twice the number at the close of the 8th Plan period. The Committee, however, regret to observe that more than 40 per cent of the beneficiaries remained unrehabilitated even after a decade of the implementation of the scheme. This, according to the Committee, was due to the fact that the resources were neither released nor applied judiciously, thereby leading to accumulated unspent funds and hasty release at the end of the financial year. But absence of reliable baseline data which could form the basis of target setting, led to incorrect projections and even more incorrect conclusions in regard to the outcome of the rehabilitation measures. The Committee would however, also like to point out that rehabilitation efforts were characterized by misapplication of resources, emphasis on low-cost projects for availing of cash benefits without income generation and mismatches between skills and occupations.

115. The Committee found that District Collectors were to act as key functionaries for coordinating with training institutes, financial institutions and various departments of State Governments executing welfare schemes. However, their role was confined largely to survey and identification of beneficiaries. The responsibility of the Scheme was transferred to Scheduled Castes Development Financial Corporations, which were not accountable to the District Collectors in the normal course of their functioning. These organisational mismatches adversely affected the implementation of the Scheme.

116. The Scheduled Castes Development Financial Corporations and banks which were responsible for the implementation of income generating rehabilitation schemes failed to deliver as there was no clear indication of the path of occupational change. Training in low skill alternative occupation was inadequate, impractical and disoriented. Factors of habitation cluster, aptitude, gender and motivation were ignored for the statistically visible loan-projects. There too the rejection percentage was as high as 74 per cent in Tamil Nadu and 47 per cent in Maharashtra. To Expect an illiterate and poor scavenger to comply with the rigours of project-financing by commercial banks, was to say the least, unimaginative. Instances of banks rejecting a large number of applications or adopting a cautious approach was also indicative of

the fact that the implementing agencies and Scheduled Castes Development Financial Corporations did not exercise sufficient care in the formulation of viable projects that could be financed by the banks. The Committee recommend that Ministry of Urban Employment and Poverty Alleviation should take up the matter with the State Governments to impress upon SCDCs that they should formulate technically and commercially viable projects to avoid rejection of loan applications by the banks. The bank should also be instructed through Ministry of Finance to be more compassionate while dealing with the loan applications of the scavengers. The Committee would like to be informed of the precise steps taken in this regard.

117. The Committee have been given to understand that against the budget estimate of Rs. 807.70 crore, the actual expenditure was Rs. 620.69 crore during the years 1997-2002. The funds released for the scheme during 2002-2003 and 2003-2004 have been Rs. 40.95 crore and Rs. 24.27 crore respectively, Reduction in funds released during the last two years has been explained by the Ministry by saying that this has been done due to accumulation of the unspent balances of the previous years with the State Governments. They have contended that the reduction in the flow of funds have not affected the achievement of targets. The Committee are constrained to point out that there has not been proper utilisation of funds by the State Governments for this vital scheme which is evident from the accumulation of the huge unspent balances at the end of each Financial Year. This in turn has contributed to the tardy progress of the implementation of the scheme. It is obvious that the Ministry have not been able to identify the precise reasons from the State Governments for this financial mismanagement. The Committee have taken a serious view of this state of this affairs and would like to emphasise the need to ensure full utilization of the funds released for the scheme by the States. The Committee would like the Ministry to step up monitoring efforts for the optimum utilization of funds by the States on a regular basis and should promptly take up the matter with that States where there are instances of poor utilization of allocated funds.

118. Another areas of concern in the financial management that came to the notice of the Committee is the failure on the part of the State Governments and SCDCs to submit the outstanding utilization certificate in 91 per cent of the total grants-in-aid of Rs. 642.43 crore released during 1991-2002 for the implementation of the Scheme. The Committee are constrained to point out that even after a lapse of 12 years, the Ministry have still not realized outstanding utilization certificate from the defaulting State Governments and the SCDCs. This clearly is indicative of casual approach and lack of urgency on the part of the those State Governments and SCDCs in effective utilisation of the funds. The inordinate delay on the part of the Ministry to evolve a viable and effective mechanism for the realization of such a huge financial corpus is unconscionable. The Ministry could not explain the reasons for non-submission of utilization certificates by the State Implementing Agencies and have not explained efforts being made by them in this regard. The Committee expect the Ministry to henceforth strictly monitor the norms regarding submission of the utilization certificates by the implementing agencies and take prompt measures at highest level to impress upon the States to act swiftly in this regard.

119. The Scheme provides for the setting up of a network of Monitoring Committee i.e. Central Monitoring Committee at the apex level, State-level Monitoring

Committees, supported by District-level Monitoring Committees and the town Committees or Mohalla Committees at the ground level. While the Central and State-level Committees were required to meet quarterly, no periodicity was prescribed for District and Town Committees.

120. The Committee are surprised to note that the Central Monitoring Committee met only once in February 1993 during 1992-2002, while it should have at least met 40 times. In some States, the State Level Monitoring Committee have not even met once. The Committee are also unhappy to note that in some States, the State Level Committee, District Level and Town Level Committees have not even been set up. Even the reporting system is faulty leading to incorrect/incomplete identification of beneficiaries, non-identification of skill requirements, lack of monitoring mechanism, lack of awareness among beneficiaries, lack of motivation for self-help and misutilisation of financial assistance by the beneficiaries. The Committee note that it was through the District Collector that interaction with banks, Urban local bodies, SCDCs, Training institutes and Monitoring Committees was sought to be achieved. It is however noticed that the role of the Collector was confined largely to survey and identification and that too not in all cases. The day-to-day implementation of the scheme was done by SCDCs. The State Governments passed the funds directly to the SCDCs and District Collector had no role to play. Hence, there was a lack of coordination in the operation of the scheme. In many cases, the district level Monitoring Committees Under the Chairmanship of Collectors were not formed. There was lack of coordination among the State level Departments as well as among the Central Ministries involved in the Scheme. Therefore, the Committee strongly recommend that the applications of scavengers for loans from the banks should be routed through the District Collectors office so that they can identify their needs and suggest viable project, so that their loan applications are not rejected by the banks out rightly. Even if the Central authority of loan disbursement remain with the SCDCs, still the loans to the individuals should be disbursed through the District Collectors office so that the role of district Collector become more effective and the monitoring of training and rehabilitation measures is done at district level effectively. The Committee, therefore, are inclined to conclude that there is a major deficiency in the monitoring system at all levels. They, therefore, desire the Ministry to put in place a suitable mechanism to ensure that the Central Level Committee and the Committees at the State Level must meet regularly to ensure a high vigil over the progress of the Scheme. As the scheme is implemented through District level officials, the District Collector should also be involved in finalisation of the projects and disbursement of funds. The Committee recommend that the Ministry should strive to ensure theadbare analysis of the reports submitted by the different Monitoring Committees at different levels. This would facilitate identification of bottlenecks in the implementation process for rectification. The Committee also recommend that the States, which are yet to set up various monitoring Committees should be asked to act immediately now.

NEW DELHI;
February, 2005
Magha, 1926 (Saka)

PROF. VIJAY KUMAR MALHOTRA,
Chairman,
Public Accounts Committee.

APPENDIX-I

CHAPTER-I OF THE REPORT OF C&AG OF INDIA FOR THE YEAR ENDED
31 MARCH, 2002 (CIVIL-PERFORMANCE APPRAISALS) NO. 3 OF 2003

National Scheme of Liberation and Rehabilitation of Scavengers and their dependents

The National Scheme of Liberation and Rehabilitation of Scavengers and their Dependents, implemented by the Ministry of Social Justice and Empowerment since 1992 has failed to achieve its objectives even after ten years of implementation involving investments of more than Rs. 600 crore. The Scheme was undoubtedly well-intentioned but ill conceived as it failed to harness its operational parameters to the complex structure of a highly stratified society resisting occupational reform. Nobility of purpose was not enough, as the scheme failed to deliver its social vision after ten years of continuous but regrettably half-hearted efforts. It failed in working out a coherent strategy for policy initiatives as it could not take advantage of an existing Law that prohibited employment of Scavengers. Divorcing liberation from rehabilitation was an error of judgement that weakened the foundation of the Scheme and led to uncoordinated efforts without focus. It failed in enhancing or re-orienting the skill-levels of the beneficiaries necessary for change of occupation. For the same reason, it failed in its mission of replacing the hereditary practice by skill-based choice. Absence of base-line survey, non-involvement of district development authorities, commercialisation of the assistance patterns and ruptures in the monitoring format led to a certain loss of locus. Achievements so far can at best be described as sporadic, uncoordinated and generally poor, without the strength required for catalysing the future course. It is the lack of purpose in aligning the parameters of the Scheme and lack of will in implementing it that led to the Scheme floundering on its own assumptions.

Highlights

The employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 1993 was adopted by sixteen States as of April 2002, but there was no evidence of its enforcement in any of the States. The Scheme did not even mention the existence of the Law.

Lateral support to the Scheme through liberation (i.e. conversion of dry latrines into water-borne ones) of scavengers was not aligned with the progress of rehabilitation measures.

Surveys for identification of scavengers and their dependents necessary to locate, specify and particularize the beneficiaries and their needs were often not methodologically sound and results varied widely. Even the definition of 'Scavenger' was not on any settled basis by the survey agencies of the States which resulted in inclusion of ineligible persons in the list of beneficiaries. Reliable base-line data were not available even after ten years of the implementation of the Scheme.

Targets for training were not communicated by the Ministry to the States which resulted either in targets not being prescribed by the States or in targets being determined only on *ad hoc* basis. Consequently, shortfall in training coverage was as high as 68 *per cent* and targets set for the Eighth Plan were not achieved even at the end of the Ninth Plan. No special curriculum was developed for training of scavengers though it was recognized that occupational shift in low-skill areas would require special measures.

The Ninth Plan efforts showed lesser rehabilitation numerically than the Eighth Plan period. The targeting exercise was largely hypothetical as it did not take into account the year-wise progress though there was 61 *per cent* shortfall in achieving targets for rehabilitation. Rehabilitation efforts were characterized by misapplication of resources, emphasis on low-cost projects for availing of cash benefits without income generation and mismatches between skills and occupations.

During 1999-2000, a new thrust area in the form of the Sanitary Mart Scheme was identified and Rs. 130.05 crore were released for the purpose. However, this scheme failed as only 14 *per cent* of the targeted Marts could be set up during the period.

District Collectors were to act as key functionaries for coordinating with training institutes, financial institutions and various departments of State Governments executing welfare schemes. However, their role was confined largely to survey and identification of beneficiaries. The responsibility of the Scheme was transferred to Scheduled Castes Development Financial Corporations, which were not accountable to the District Collectors in the normal course of their functioning. These organisational mismatches adversely affected the implementation of the Scheme.

During the Ninth Plan period, the initial budgetary commitment of Rs. 421.50 crore was scaled down to Rs. 249.15 crore representing a decrease of 41 *per cent*. Funds for implementation of the Scheme continued to flow to the Scheduled Castes Development Financial Corporations notwithstanding substantial unspent balances. Large quantum of funds was released at the very end of the financial year resulting in either hurried spending or notional spending for balancing the accounts. The desired financial support of State Governments was not available.

There was hardly any workable monitoring machinery at the Ministry, State and District levels. Monitoring Committees were either not formed or were not functioning properly.

Impact assessment of the Scheme by Audit revealed poor performance along all the critical parameters, i.e. identification of scavengers, training of beneficiaries, rehabilitation, monitoring and evaluation of progress of implementation of the Scheme.

1. The Scheme

1.1 Background

The 'National Scheme of Liberation and Rehabilitation of Scavengers and their Dependents' marks the convergence of several public initiatives over a period of four decades preceding its introduction in 1992. The first initiative taken by the erstwhile

State of Bombay resulted in the submission of a report on the living conditions of scavengers in 1952. The major recommendations contained in the report were circulated by the Government of India to the State Governments for wider application in 1955. In its report submitted in 1955, the first Backward Classes Commission also recommended measures for the alleviation of the sub-human living conditions of scavengers. These recommendations were again brought to the notice of the State Governments in 1956. The Government of India also constituted a Central Advisory Board of Harijan Welfare in 1956, which had reviewed the working and living conditions of scavengers in the country and had recommended that the Government introduce a Centrally Sponsored Scheme for the alleviation of their condition. A Centrally Sponsored Scheme was accordingly introduced in the Third Five Year Plan in pursuance of various recommendations. This scheme, however, failed primarily because it merely sought to shift the mode of carrying night soil from the head to a wheel-barrow and the handling of the wheel-barrow proved impractical. The scheme was discontinued during the Fifth Five Year Plan following the realisation that the practice of scavenging was inextricably linked with the evils of a stratified social structure.

A Committee was then appointed in 1965 by the Government of India to examine the question of abolition of customary rights of the scavengers. In its report, the Committee recommended the dismantling of the customary rights structure under which non-municipalized cleaning of private latrines was passed on from generation to generation of scavengers in the form of a hereditary right. The recommendations of the Committee though circulated to the State Governments failed to evoke any response.

Thereafter, the National Commission on Labour recommended in 1968-69 a comprehensive legislation for regulating the working, service and living conditions of scavengers. During the Gandhi Centenary Year (1969), a special programme for converting dry latrines to water-borne flush latrines was undertaken. A pilot project with the same objective was undertaken during the Fifth Five Year Plan. The conversion scheme failed principally because it had no element of subsidy and the State Governments failed to generate the necessary internal resources. The scheme was, therefore, deleted from the Sixth Five Year Plan.

The first major initiative in the direction of consolidating and spearheading a concrete proposal was taken in 1980 with the Ministry of Home Affairs introducing a scheme for conversion of dry latrines into sanitary latrines and rehabilitation of liberated scavengers and their dependents in dignified occupations in selected towns. The scheme was dovetailed into the then existing Centrally Sponsored "Implementation of the Protection of Civil Rights Act" Scheme as one of the measures for the removal of untouchability. The thrust was urban and the central grant was dependent on a matching grant being provided by the State Governments.

The scheme was taken up in two towns of **Bihar** initially and was subsequently extended to **Andhra Pradesh, Assam, Kerala, Maharashtra, Rajasthan, Tamil Nadu, Tripura** and **Uttar Pradesh**. The scheme was operational in sixteen States by the end of the Sixth Five Year Plan period. The scheme succeeded in converting about one lakh

dry latrines into water-borne flush latrines and rehabilitated 5,000 scavengers in alternative employment in seventy towns. The scheme was thereafter transferred from the Ministry of Home Affairs to the Ministry of Welfare in 1985. A task force constituted by the Planning Commission in July 1989 estimated that there were 76 lakh dry latrines in the country. By 1991, Rs. 82.00 crore had been released as central assistance for implementing the scheme in 490 towns. The efforts resulted in the conversion of 10 lakh dry latrines into water borne sanitary latrines and around 17,000 unemployed scavengers were rehabilitated in alternative trades and occupations. Following a review of the working of the scheme in 1991, the Planning Commission decided to bifurcate the scheme: the Ministries of Urban Development and Rural Development being made responsible for conversion of dry latrines and the Ministry of Welfare being made responsible for the rehabilitation of scavengers. The Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act was introduced in 1993. Under the Act, the States could formulate schemes to further the objectives of the law, but no reference to the national scheme was made.

The 'National Scheme of Liberation and Rehabilitation of Scavengers and their Dependents' presently under review, was introduced by the Ministry of Welfare on 22 March 1992 after the bifurcation, but before the enactment of the law. In May 1999, the Ministry of Welfare was renamed the Ministry of Social Justice and Empowerment.

1.2 Main Components of the Scheme

The National Scheme of Liberation and Rehabilitation of Scavengers and their Dependents has the following main components:—

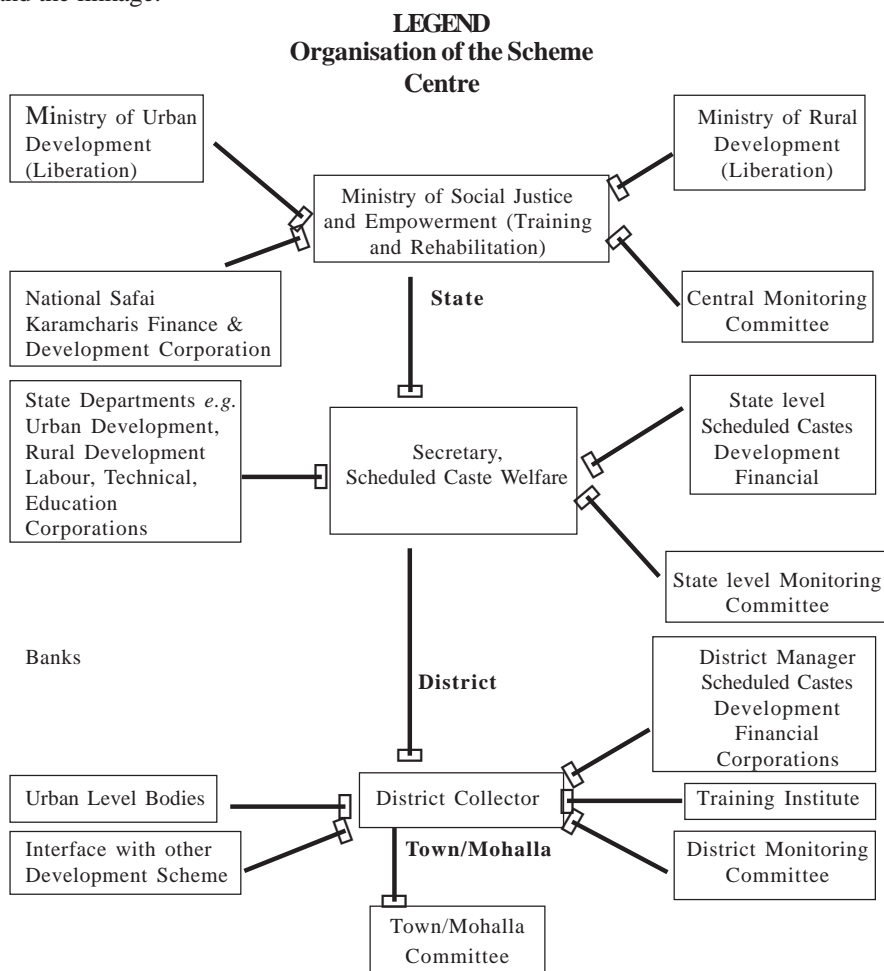
- Formulation of a time-bound programme for identification of scavengers and their dependents and their aptitude for alternative trades through a survey.
- Provision of training in the identified trades for scavengers and their dependents at the nearest local training institutes of various departments of State Governments, Central Government and other semi-Government and non-Government organisation.
- Rehabilitation of scavengers in various trades and occupations by providing subsidy, margin money loan and bank loan.
- It would be observed that the Liberation Component, despite the title, was not directly addressed in the Scheme. Liberation, as discussed later constituted the lateral support provided by removing the condition conducive to the employment of manual scavengers.

1.3 Objective of the Scheme

The principal objective of the scheme was to provide an alternative, dignified and viable occupation to scavengers and their dependents in a time span of five years (1992—97). It envisaged the rehabilitation of all the identified scavengers during the Eighth Plan period.

1.4 Organisation of the Scheme

The accompanying legend provides an overview idea of the organisational structure and the linkage.



2. Scope of review

2.1 Coverage

The implementation of the Scheme during the period from 1992-93 to 2001-02 was reviewed in audit with particular reference to its implementation during the period 1997-98 to 2001-02.

2.2 Sample size

Records, data and information relating to the Eighth and Ninth Plan periods (1992-93 to 2001-02) were generally examined in the Ministry. A test check was also carried out in 19 States/Union Territories covering 128 districts for the period from 1997-98 to 2001-02. Relevant details are contained in **Annex-I**.

2.3 Audit Objectives

The Scheme is in many ways a very sensitive and vulnerable one as it addresses the lowest occupational class mired in the vicious cycle of a hereditary system unmitigated

by economic change or social reform. If it is the hereditary system that consigns the scavengers to a damning occupation, it is poverty combined with lack of skills and opportunities that force them to continue in it. The primary objective of Audit has been to seek out the areas of "disconnect" between the rehabilitation efforts expected to be made under the Scheme and the efforts actually made, goals sought to be achieved and the extent to which these were met. The Audit review seeks to examine a host of related factors that could impinge critically on the implementation of the Scheme, like the enforcement of the law prohibiting employment of manual scavengers, adequacy of liberation measures, training efforts, success of special targeting exercises, the effect of the role played by spearhead agencies, viability of self-employment projects and the quality of monitoring standards.

3. Results of review

The results of the review are set out in the five sub-sections that follows. The findings of Audit in the sample units test-checked have been calibrated along the Scheme parameters to arrive at certain conclusions which are indicative of broad trends, and State-level features of implementation have been highlighted to substantiate the conclusions. It will be relevant to mention that sub-sections 3.1 and 3.2 which deal with matters relating to the enforcement of the Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act and liberation of scavengers through conversion of dry latrines and construction of water-borne flush latrines, as well as community latrines, structurally do not fall within the ambit of the Scheme. These issues have nevertheless been highlighted in order to show how the scheme missed out on vital coordinates and support structures which could have contributed to greater strength and comprehensiveness. The treatment of the theme of 'rehabilitation' in the review, which is also the central focus of the Scheme, includes all matters incidental to rehabilitation.

3.1 The law

The Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 1993 was adopted by 16 States by April 2002; it was however, not enforced in any State.

The Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 1993 could not have been enacted at a more opportune time. The Scheme had just begun and it had to target a hereditary occupational structure where the user of the service was the perpetrator of the evil practice. While the provider of the service could not be uprooted from the deeply embedded customary practice without an alternative occupation, the user could be prevented from allowing the service in his own premises, thereby eliminating the occupation itself. The law that prohibited the engagement of manual scavengers, thus, could have provided a powerful instrument to the implementers of the Scheme. By adopting this Central Law, and enforcing it in right earnest, the states could have paved the way for the Scheme and liberation of scavengers would have progressed in tandem with rehabilitation measures. However, by April 2002, only sixteen States (**Andhra Pradesh, Assam, Bihar, Goa, Gujarat, Haryana, Jharkhand, Karnataka, Madhya Pradesh, Maharashtra, Orissa, Punjab, Tamil Nadu, Tripura, Uttar Pradesh and West Bengal**) had adopted the Act.

Rajasthan and **Delhi** are yet to adopt the Act: the matter is currently under legislative processing in **Rajasthan** and it is pending Cabinet approval in **Delhi**. A close scrutiny of the provisions of the Act showed that enforcement of the Act could have an impact on the Scheme in the following areas:—

- By appointing executive authorities for the implementation of the law, which also includes administration of schemes created under it, the States and Union Territories could have created a network of legal authorities for the implementation of the Central Scheme.
- Under the Act, the States and Union Territories could have formulated their own schemes to supplement the Central Scheme.
- By appointing inspectors to oversee the implementation of the Scheme, the States and Union Territories could have created an effective administrative machinery for supervision.
- The Central Government itself could have created Project Committees and Monitoring Committees under the Act which would have provided the much needed impetus to the implementation of the Scheme.
- The State Government could have established coordination committees for the strict enforcement of the Act which would have facilitated the implementation of the Scheme.
- Had the Act been enforced strictly, registration of the manual scavengers and their rehabilitation would have been legally enforceable instead of leaving it to the initiatives under the Scheme.
- Had the penal provisions been invoked, all persisting cases of employment of scavengers could have been brought to book, thereby assisting the Scheme in its rehabilitation endeavour.

The Scheme, by failing to relate itself to the law, continued to operate in a persuasive mode without the legal means to penalize violations. Ideally, it should have been reviewed after the promulgation of the Act to correlate the legal framework to the Scheme's parameters.

The Scheme suffered due to absence of linkage with the law.

3.2 Lateral support through liberation

Without employing the expression 'liberation', the Scheme envisaged that the obnoxious occupation would come to an end if all those who were engaged in this occupation and their dependents were rehabilitated in alternative and dignified occupations. Going by the declarations of this Scheme as well as the schemes implemented by the Ministries of Urban and Rural Development, such liberation would become possible only when the practice of using dry latrines itself is eliminated, thereby eliminating the very need for employing manual scavengers. An appropriate scheme of rehabilitation would provide the liberated scavengers with trades and occupations that would enable them to

Though the rehabilitation of scavengers was to go in tandem with their liberation, the Scheme failed to provide necessary networking

amongst agencies responsible for Liberation and Rehabilitation Schemes.

earn their livelihood honourably thereby preventing them from relapsing into the scavenging occupation. Thus 'Liberation' and 'Rehabilitation' are mutually intertwined, without which the Scheme would not be complete. The Scheme, however, failed to provide the necessary linkages amongst the implementing agencies and the Ministries administering the Scheme encompassing the whole range of operations. Instead, if confined itself only to the aspects of identification, training and rehabilitation leaving the liberation issues to the Ministries of Urban Development and Rural Development who, separately and independently, implement their own schemes for liberation under the 'Low Cost Sanitation Scheme' and the 'Rural Sanitation Programme', respectively. There was no coordination amongst the three Ministries, nor had the Scheme interfaces been mapped in any of the Scheme documents to avoid overlaps and asymmetries. This "disconnect" resulted in insulating the Scheme within the Ministry of Social Justice and Empowerment. This aspect was also not taken into account while bifurcating the integrated scheme of Liberation and Rehabilitation of Scavengers in 1991, as a result which the liberation component was entrusted to the Ministries of Urban and Rural Development and the rehabilitation component was entrusted to the then Ministry of Welfare (now Ministry of Social Justice and Empowerment) along with the nodal responsibility for the Scheme. While accepting the deficiency, the Ministry stated (July 2002) that it had initiated a proposal to set up a unified authority in the Mission Mode.

Low cost sanitation Scheme' for liberation of urban scavengers proved to be a failure.

Audit reviewed the performance of the two liberation schemes ('Low Cost Sanitation Scheme' implemented by the Ministry of Urban Development and Poverty Alleviation and the 'Rural Sanitation Programme' implemented by the Ministry of Rural Development) during the period from 1991-92 to 2001-02. Examination of records in the Ministries and the replies furnished by them revealed that both the schemes had no credible links with the Scheme implemented by the Ministry of Social Justice and Empowerment. The Urban Development Ministry admitted that the scheme had not produced the desired results. On the other hand, the Rural Development Ministry contended that 20 States and Union Territories had no dry latrines and no manual scavenging was prevalent in rural areas. The Ministry contended that only Karnataka, Madhya Pradesh, Manipur, Rajasthan and Sikkim had reported the practice of manual scavenging in rural areas. The Ministry did not fix any targets for conversion of dry latrines into water-borne flush latrines, nor were separate allocations for the purpose made. The State Governments were directed by the Ministry to utilise the funds allocated under the Central Rural Sanitation Scheme for conversion of dry latrines into flush latrines. No separate data could be obtained from field audits in the State as the allocation-based approach had been replaced by a 'demand driven approach' and alternate delivery mechanism with beneficiary participation had apparently taken away

the initiative from the Government to the beneficiaries themselves. Further, the 'Rural Sanitation Programme' had got dovetailed into the 'Total Sanitation Campaign' launched in 1999. At the time of initiation of the Scheme in 1992, 17 per cent of all scavengers estimated by a Task Force constituted by the Planning Commission were in rural areas. By 1998, a baseline survey carried out by the Indian Institute of Mass Communication placed the number at 8 per cent of the service units. The figures were neither comparable, nor were the baselines adopted in 1992 and in 1999 in any manner susceptible of verification. The fact remains that liberation of scavengers through conversion of dry latrines into flush latrines in rural areas has not been adequately calibrated in the comprehensive sanitation format and the obnoxious practice continues.

The failure of the 'Low Cost Sanitation Scheme' which contained the prime element of conversion of dry latrines into flush latrines in urban areas is however, a different proposition. The Scheme had estimated in 1992, that of a total population of 4 lakh scavengers, 3.34 lakh (83 per cent) were in urban areas. In 1997, the total number of scavengers was raised to 7.87 lakh based on a rapid survey but the rural-urban configuration was unavailable. Based on the 1992 ratio, the number of urban scavengers could be placed at 6.5 lakh. Audit examination of the scheme in the Urban Development Ministry revealed the following:—

- The Ministry did not fix any physical or financial targets. The scheme was operated through Housing and Urban Development Corporation as a demand driven scheme and no initiatives were in the hands of the sponsoring Ministry.
- The Ministry did not directly monitor the implementation of progress of the scheme. It was monitored by Housing and Urban Development Corporation, which sent its reports to the Ministry. Audit scrutiny of the reports brought out that these reports were neither current nor followed any schedule prescribed for the purpose. For instance, the status of conversion of dry latrines and construction of flush latrines under the Low Cost Sanitation Scheme as at the end of March 2002 was based on reports of 2000 in a majority of the States. On the other hand, in **Karnataka** and **Haryana**, the reports pertained to the position as on 31 December 1996 and 30 June 1998 respectively. Evidently, the Ministry continued to accept reports that were not current and no attempt was also ever made to verify the progress reported by Housing and Urban Development Corporation. The Ministry stated that the liberation and rehabilitation components of the Scheme were being looked after by the Ministry of Social Justice and Empowerment. However, it was the Ministry of Urban Development which was responsible for the liberation component of the scheme in urban areas.
- Of the subsidy aggregating to Rs. 480.22 crore sanctioned by the Ministry, only Rs. 246.68 crore had been released up to 31 December 2001. Similarly, of loans aggregating to Rs. 583.51 crore sanctioned, only Rs. 278.60 crore were released up to 31 December 2001. The Ministry cited in this context a report of

Housing and Urban Development Corporation, which attributed the time lag between the sanction and release of subsidy and loans to delays in documentation, non-availability of government guarantees, belated submission of utilization certificates and slow physical progress. There was however, no evidence of the Ministry having initiated any remedial measures aimed at removing these hurdles to enable the successful implementation of the scheme.

- As against 6 lakh scavengers identified in the urban areas, the Ministry reported having liberated only 37,340 (6.2 per cent). While admitting that the scheme had not achieved the desired results, the Ministry cited the following reasons for its poor progress:—
 - Slow generation of schemes by the States and Local Bodies.
 - Lack of awareness among the people about the benefits of the Low Cost Sanitation Scheme.
 - Unwillingness of the beneficiaries to bear the burden of their contribution and subsequent repayment of loans.
 - Absence of a proper monitoring system for effective implementation of the programme at the State level.
 - Delay in providing guarantees by the State Governments to Housing and Urban Development Corporation Limited in respect of the loan assistance to be provided.

The following table presents details of the status of the scheme in different States in relation to the units sanctioned for conversion of dry latrines into water-borne ones, construction of flush latrines and provision of community toilets as of March 2002:—

Sl. No.	State	Conversion of dry latrines			Construction of flush latrines			Community Toilets		
		No. of units sanctioned	No. of units completed	No. of units in progress	No. of units sanctioned	No. of units completed	No. of units in progress	No. of units sanctioned	No. of units completed	No. of units in progress
1	Andhra Pradesh	54706	26657	1491	568742	320310	46888	158	40	50
2	Assam	87014	3904	747	3826	807	280	Nil	Nil	Nil
3	Bihar	4165	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
4	Haryana	91648	Nil	Nil	108576	Nil	Nil	Nil	Nil	Nil
5	Jammu & Kashmir	Nil	Nil	Nil	16927	Nil	Nil	Nil	Nil	Nil
6	Jharkhand	779	Nil	Nil	Nil	Nil	Nil	Nil	Nil	Nil
7	Karnataka	30652	12293	Nil	147037	57358	Nil	117	Nil	Nil
8	Kerala	Nil	Nil	Nil	14540	13325	1087	Nil	Nil	Nil
9	Madhya Pradesh	291377	71592	23184	Nil	Nil	Nil	Nil	Nil	Nil
10	Maharashtra	75133	71724	1161	124333	22698	Nil	2809	2663	120
11	Orissa	11788	8228	Nil	39809	14084	Nil	10	10	Nil
12	Punjab	149350	121576	741	72772	55012	354	Nil	Nil	Nil
13	Rajasthan	166385	97992	64608	257562	93542	159606	Nil	Nil	Nil
14	Tamil Nadu	72850	47980	Nil	82711	47459	68	372	269	15
15	Uttar Pradesh	491042	66546	Nil	284071	46732	195	100	Nil	Nil
16	West Bengal	218925	118226	9526	75743	13589	2571	400	Nil	Nil
Total		1745814	646718	101458	1796649	684916	211049	3966	2982	185

- As against 17,45,814 units sanctioned for conversion, only 37 per cent could be converted as of March 2002. While in **Jammu & Kashmir** and **Kerala**, conversion of dry latrines was not sanctioned, in **Bihar, Haryana** and **Jharkhand**, no conversion had taken place at all though this had been sanctioned. The pace of conversion was slow in **Assam** (5 per cent), **Uttar Pradesh** (14 per cent), **Madhya Pradesh** (33 per cent) and **Karnataka** (40 per cent). It will be relevant to mention in this context that 50 per cent of the total number of scavengers were concentrated in those States in which no dry latrines were converted or where the pace of conversion was tardy.
- As against the sanction for construction of 17,96,649 units of flush latrines, only 38 per cent were constructed as of March 2002. While construction of flush latrines was not sanctioned in **Bihar, Jharkhand** and **Madhya Pradesh**, none was constructed in **Haryana** and **Jammu & Kashmir** though construction of 1,08,576 units and 16,927 units respectively was sanctioned in these two States.
- The construction of community toilets was not undertaken by the majority of the States. Though 117, 100 and 400 units respectively were sanctioned in the States of **Karnataka, Uttar Pradesh** and **West Bengal**, no community toilets were constructed.

3.3 Rehabilitation Measures

3.3.1 Survey and Identification

Identification of scavengers and their dependents and their aptitude for alternative trades was one of the most important components of the Scheme. The Task Force constituted by the Planning Commission having estimated in its report of March 1991 that there were 4,00,999 scavengers and their dependents, the survey and identification exercise was intended to locate, specify and particularize the beneficiaries and their needs.

The Scheme envisaged identification of scavengers through a survey which was to be completed well before June 1992. The District Officers/District Collectors were responsible for carrying out these surveys. The survey in urban local bodies was to be carried out through their officers and employees, District Social Welfare Officers, District level Scheduled Castes and Scheduled Tribes Development Corporations, etc. The Scheme envisaged that the survey would be based on a proforma prescribed for the purpose, which was to include details such as heads of families, name and age of each member of the family, educational qualification, annual income, aptitude for specific alternative occupation, etc. None of the States, however, completed and communicated results of the surveys to the Ministry in accordance with the schedule stipulated. Four States (**Bihar, Madhya Pradesh, Jammu & Kashmir** and **Pondicherry**) communicated the number of identified scavengers after delays ranging from one to four years. Fourteen other States (**Andhra Pradesh, Assam, Gujarat, Haryana, Karnataka, Kerala, Maharashtra, Orissa, Punjab, Rajasthan, Tamil Nadu, Uttar Pradesh, West Bengal** and **Delhi**) did so after delays ranging from six to ten years. A comparison of the State-wise number of scavengers estimated by the Task Force of the Planning Commission

and identified in the surveys conducted in four States (**Bihar, Delhi, Madhya Pradesh** and **Uttar Pradesh**) revealed significant variations as indicated in the following table:—

State	No. of scavengers estimated by the Task Force	No. of scavengers identified in surveys by State Government
Bihar	22,398 (5.59)	12,226 (1.81)
Delhi	34,022 (8.48)	17,420 (2.57)
Madhya Pradesh	36,894 (9.20)	80,072 (11.84)
Uttar Pradesh	62,029 (15.47)	1,49,202 (22.07)

Note: Figures within parentheses represent percentage of total scavenger population in the country.

Ministry suspected the reliability of survey results.

Further, according to the records of the Ministry, the number of scavengers identified was 8,01,839. In its Ninth Five Year Plan proposals submitted to the Planning Commission in 1996-97, the Ministry indicated that 7.87 lakh scavengers had been identified. However, during examination of its grants for the year 1997-98, the Ministry had informed the Parliamentary Standing Committee that 8,25,572 scavengers had been identified. Consequently, as many as five different sets of figures were in the Ministry's possession. While explaining the reasons for the variations the Ministry informed the Standing Committee that the State Governments had reported a higher number of scavengers in certain cases. Subsequently, the Ministry had requested the Chief Secretaries of State Governments and the Administrator of Union Territories in June 2001 to conduct a month-long survey in July 2001 to identify scavengers and their dependents. While the results of this survey were awaited as of May 2002, scrutiny in audit of the survey and identification processes in the States brought out certain significant findings having a bearing on the very assumptions underlying the Scheme. These are discussed in the following paragraphs:—

Andhra Pradesh

Methodology adopted for survey/re-surveys was not credible.

Whereas the survey conducted in 1992 identified 7,938 beneficiaries of whom 5,537 were rehabilitated by 1995-96 leaving a balance of 2,401, the 1996 survey identified 7,448 beneficiaries representing an increase of 5,047. According to the records of the State Government, 6,493 of the 7,448 identified beneficiaries were rehabilitated during 1996-2000, thus leaving only 955 beneficiaries to be rehabilitated. Surprisingly, the survey of August 2000 identified 30,921 beneficiaries (scavengers: 8,402; dependents: 22,519). This appeared to indicate that none of the surveys could provide reliable baseline data and that the methodology adopted not credible.

Assam

Three surveys were conducted between January 1994 and March 1997. While that conducted in January 1994 identified 11,873 beneficiaries, the January 1995 survey projected the number as 16,877 and the March 1997 survey as 40,413. During this period, only 574 beneficiaries were rehabilitated.

Identified scavengers increased three-fold between January 1994 and March 1997 in Assam.

Delhi

Between September 1992 and May 1993, four independent agencies (the Delhi Scheduled Castes Finance and Development Corporation, the Marketing and Research Group, the Bureau of Economics and Statistics and the Delhi School of Social Work) were commissioned by the State Government to conduct surveys without clearly spelling out the areas to be covered by them. While the Delhi Scheduled Castes Finance and Development Corporation identified 505 scavengers, the Marketing and Research Group placed the number at 500. On the other hand, the number of scavengers identified by the Bureau of Economic and Statistics and the Delhi School of Social Work was 7,988 and 8,427 respectively. Instead of ascertaining the reasons for these variations, the State Government adopted the number as 17,420, representing the sum of the results of these four surveys. It would appear *prima facie* that the same area was covered by more than one agency, resulting in overlap and duplication.

Gujarat

A survey conducted in Gujarat in 1994 had identified 32,402 scavengers and 31,793 dependents. Scrutiny by Audit of the data separately available with the State Government in this regard, however, revealed that only 974 dry latrines were stated to exist in the State as against the 32,402 scavengers identified. It would, therefore, appear that the survey results were not reliable.

Number of beneficiaries identified in Gujarat bore no relation to the number of dry latrines in the State.

Haryana

The survey was completed by June 1992 as stipulated but its results were communicated to the Central Government only in March 1993. This placed the number of beneficiaries at 18,438. Another survey conducted by the Scheduled Castes Development Financial Corporation in 1995 at the instance of the State Level Monitoring Committee showed that there were 6,841 more beneficiaries to be included in the list. Thus, there were 25,279 beneficiaries to be targeted by the Scheme by 1995. At the instance of the National Commission for Safai Karamcharis, yet another survey was taken up in January 1997, which showed that 11,083 more beneficiaries were required to be catered to raising the total number of beneficiaries to 36,362.

Karnataka

The survey report of the Government placed the number of beneficiaries at 14,555. This was, however, not supported by district-wise and location-wise lists of beneficiaries. The State Government could not produce either the survey report or the relevant file to Audit. Examination of the records of Scheduled Castes Scheduled

Tribes Development Corporation revealed that survey data in regard to the existence of dry latrines in the State were not available. The State Government stated (July 2002) that the survey was in progress.

Madhya Pradesh

The survey was completed in September 1993 and it placed the number of beneficiaries as 80,072. Another survey carried out in 1996 raised this number to 93,394. Nevertheless, the records of the Government of India continued to rely only on the results of the 1993 survey.

Maharashtra

The Government of India had stipulated that the survey should be conducted through the personnel of implementing agencies, State Government, local bodies, etc. However, the services of two private agencies were employed by the State Government on grounds of urgency. The survey conducted during 1992-93 estimated that 42,563 beneficiaries would require to be covered by the Scheme notwithstanding the fact that only 5,102 of these were scavengers and their dependents. A second survey was conducted during 1996-97 by engaging Government officials and the beneficiary population was placed at 2,32,527. The steep increase was attributed by the State Government to the inclusion of sewage sweepers in the list. The department stated (June 2002) that the complete list of potential beneficiaries was under compilation.

Punjab

The survey in Punjab conducted in June 1992 identified 33,232 beneficiaries. A subsequent survey conducted in September 2001 placed the figure at 531 thereby giving the impression that 32,701 beneficiaries had been rehabilitated. Audit scrutiny of the details of rehabilitation revealed that only 2,904 beneficiaries had been rehabilitated between June 1992 and September 2001.

Tamil Nadu

The State Government conducted the survey in September-November 1992 in all districts other than Chennai through Non-Governmental Organisations and identified 35,561 beneficiaries. On the State Government expressing the view in November 1995 that certain eligible beneficiaries had been excluded, the Government of India directed the State Government in October 1995 that a rapid survey may be undertaken within the next two months. It could not be ascertained if this was ever completed.

Uttar Pradesh

Though all scavengers were stated to have been rehabilitated by State Government in 2001, a survey conducted thereafter

Surveys in the State were conducted in 1992, 1996 and 2001. While the first survey identified 2,46,116 scavengers, the number identified in second survey was only 48,588. The State Government attributed the decrease in 1996 to the exclusion of sanitary workers from the category of scavengers based on a clarification of the Government of India.

Further, all the 48,588 scavengers were shown as having been rehabilitated by the State Government by 2001. However, the third

survey conducted in 2001 identified 38,253 more scavengers as still having to be rehabilitated as the fresh number due for rehabilitation. In response to an audit query, Uttar Pradesh Scheduled Castes Finance and Development Corporation, replied that it was not possible to liberate and rehabilitate all scavengers without conversion of all dry latrines.

revealed that 38,253 scavengers were still to be rehabilitated.

West Bengal

Municipalities had undertaken a survey of the dry latrines in the State earlier during 1992-93. Survey results finalized as of March 2002 by the West Bengal Scheduled Castes and Scheduled Tribes Development and Finance Corporation placed the number of beneficiaries at 21,189. The survey had, however, been restricted to only 81 of the 122 urban local bodies and 17 of the 341 blocks. Consequently, the survey was incomplete. Besides, 11,449 prospective beneficiaries had also been excluded from the survey results on account of failure to treat each dependent as a separate unit.

Thus, the baseline surveys conducted in the States suffered from a number of infirmities. This resulted in non-availability of any reliable data with the Ministry even after a decade on the number of scavengers and their dependents, which was essential to estimate the resource requirements to facilitate the preparation of a well considered Action Plan. In an appraisal undertaken in June 2001, the Project Appraisal and Management Division of the Planning Commission had also maintained that the Scheme had suffered because of incorrect and incomplete identification of beneficiaries besides other factors.

3.3.2 Training

Lack of Systematic Efforts

Training to identified scavengers and their dependents, in the age group of 15 to 50 years, was expected to equip them with the requisite skills and expertise to successfully implement self-employment projects. The duration of training could vary from one to six months for 85 trades under the Scheme classified broadly under agriculture and allied sectors, small industries sector, service sector and business sector. The implementing agencies at the District and State levels were required to utilize for the purpose the training centres, facilities and infrastructure set up by the Central Government and State Governments as well as by other semi-government and non-governmental organizations and organise special training programmes for scavengers. No systematic effort in this direction was, however, made in any State.

No Special Curriculum Developed

Special training schemes were required to be designed for scavengers keeping in view their low skill level, the focus being on the creation and upgradation of skills for self-employment. The Ministry was required to issue guidelines in this regard to the departments of the Central Government and State Governments concerned. However, no special curriculum was designed or developed nor were any instructions issued by the Central Government. A serious consequence of this lapse was that the identified training modules in the training institutions that

No special curriculum was designed.

were based on pre-determined levels of skill requirements could hardly accommodate the totally unskilled and illiterate scavengers without diluting the rigour of the training programme. The Ministry admitted the shortcoming in June 2002.

Shortfall in achievement of targets

Training target envisaged for the Eighth Plan could not be achieved even in the Ninth Plan.

The Scheme visualized that the training programmes in respect of 3.50 lakh eligible scavengers and their dependents, estimated on the basis of the Report of the Planning Commission Task Force Report, would be completed by the year 1995-96 to facilitate rehabilitation of all the identified scavengers by the end of the Eighth Plan period (1992-97). However, according to the information furnished by the Ministry in May 2002, training was imparted only to 1.11 lakh scavengers (32 per cent) up to 1996-97.

Non-communication of targets for training resulted in their being fixed on *ad hoc* basis by the States.

On receipt of the survey results from the States, the Ministry fixed the targets for training during the Ninth Plan period (1997-2002). These targets were not communicated to the States and, as a result, the States either did not fix any targets or fixed only *ad hoc* targets unrelated to the targets of the Government of India. The following table presents the overall picture:—

Year	Scavengers targeted to be trained	No of scavengers trained	Shortfall	
			Number	Percentage
1997-1998	1,00,000	15,493	84,507	85
1998-1999	1,00,000	7,981	92,019	92
1999-2000	1,00,000	7,539	92,461	92
2000-2001	50,000	10,252	39,748	80
2001-2002	50,000	49,766	234	-

During the Eighth and Ninth Plan periods (1992-2002), only 2.02 lakh beneficiaries were trained with the result that the target set for the Eighth Plan could not be achieved even by the end of the Ninth Plan period. The Ministry neither made any special efforts to accelerate the pace of training nor revised its target for the succeeding year to make good the shortfall in achievement during the previous year. If the performance during the Ninth Plan period is any indication, the target of training of all eligible scavengers

and their dependents is unlikely to be met early. The following table contains the comprehensive picture in respect of 14 States during 1997-2002:—

State	No. of scavengers identified for training	Target fixed	Trained	Shortfall in training with reference to target	
				Number	Percentage
Assam	40,413	N.F.	2397	-	-
Delhi	N.F.	1000	671	329	33
Bihar	4,508	462	NIL	462	100
Gujarat	16,731	N.F.	NIL	NIL	-
Haryana	32,227	8250	1589	6661	81
Jammu & Kashmir	3,517	N.F.	60	-	-
Kerala	777	777	NIL	777	100
Madhya Pradesh	50,485	45,721	5632	40,089	88
Maharashtra	N.A.	10,000	3194	6,806	68
Orissa	N.A.	15,000	2782	12,218	81
Punjab	9760	6000	NIL	6000	100
Rajasthan	N.A.	N.F.	2290	-	-
Uttar Pradesh	N.A.	44,703	14,641	30,062	67
West Bengal	11,809	3300	82	3218	98

NF: Not fixed

No training was conducted in States of Bihar, Gujarat, Kerala and Punjab and no targets were fixed in Assam, Gujarat, Jammu & Kashmir and Rajasthan.

Absence of inter-face

The Scheme sought to use the existing training facilities available with both the Central and the State Governments as well as the autonomous bodies. This entailed the development of a series of positive interfaces between the institutions, the Government departments and the scheme administrators. It was noticed in audit that these interfaces did not materialize principally due to a lack of initiative on the part of the parties concerned and the unbridged gaps between the assessed needs and area-specific resource configuration. Audit could not locate any worthwhile evidence of either skill-level assessment or meaningful contacts with training institutions with a view to utilizing the available training facilities. The list of trades was lifted from the Handbook of small scale industries compiled for an entirely different set of objectives. No survey of location of or slots available with training institutions was carried out.

Even a pre-determined interface with the familiar scheme of Training of Rural Youth for Self-employment (TRYSEM) could not be successfully worked out. Toolkits required to be provided under TRYSEM were not provided to the scavenger trainees in **Assam, Haryana, Karnataka, Madhya Pradesh, Pondicherry, Tamil Nadu and West Bengal**. In **Delhi**, only 10 of the 131 trainees received the toolkits. The main cause of failure of the TRYSEM linkage continues to remain uninvestigated, but it is apparent that the isolation of a separate target group for separate focus within TRYSEM was unworkable.

The picture that emerges is one of uncoordinated efforts, which were unrelated to the specific low skill requirement of the beneficiaries. Absence of any systematic

assessment of the quality of infrastructure, desired linkages and half hearted measures resulted in the beneficiaries being deprived of the intended benefits of the training effort.

3.3.3 Occupational rehabilitation

The Rehabilitation Programme under the Scheme contemplated (i) a time-bound survey to identify scavengers and their dependents and their aptitudes for a alternative trades; (ii) identification of trades and preparation of a shelf of projects; and (iii) the imparting of training with stipend to identified beneficiaries in the identified trades. The programme sought to adopt the strategy of phased coverage. Funding under the programme combined elements of subsidy, margin money loan and bank loan aimed at generating self-employment. The success of the programme rested upon the availability of complete information in regard to the number employed in the scavenging occupation, their aptitudes for alternative occupations and the availability of resources. However, as brought out, resources were neither released nor applied judiciously, thereby leading to accumulated unspent funds and hasty release at the end of the financial year. The absence of reliable baseline data which could form the basis of target setting, led to incorrect projections and even more incorrect conclusions in regard to the outcome of the rehabilitation measures. Review by Audit of the rehabilitation programmes disclosed the following:—

Results of rehabilitation efforts in the Ninth Plan Period were poorer numerically than those achieved in Eighth Plan.

(a) In March, 1992, the Scheme had set a target of rehabilitating four lakh scavengers and their dependents by the end of the Eighth Plan period (1992-97). However, only 2.68 lakh beneficiaries were rehabilitated by 1997. While formulating the proposals for the Ninth Plan period, the Ministry projected coverage of 7.87 lakh beneficiaries based on subsequent surveys. Interestingly, this included 2.68 lakh beneficiaries claimed to have been rehabilitated already. The year-wise targets fixed, thus, added upto 5.2 lakh beneficiaries. Evidently, this was an arithmetical exercise unrelated to ground realities. By the end of the Ninth Plan period, the number rehabilitated was 2.03 lakh, leaving a backlog of around 3 lakh beneficiaries. This analysis establishes that (i) the results of the rehabilitation efforts in the Ninth Plan period were poorer numerically than those achieved in the Eighth Plan period; and (ii) the clearance being less than the backlog there was a progressive acceleration, in net terms, of numbers. In other words, when there were 1.32 lakh beneficiaries still awaiting rehabilitation at the end of the Eighth Plan period, the number of such potential beneficiaries increased to 3.17 lakh at the end of the Ninth Plan period.

(b) The targets set for each of the years of the Ninth Plan period and the achievements there against are tabulated below:—

Year	Target for rehabilitation as fixed by Ministry	Number of Scavenges rehabilitated during the year	Shortfall in achieving target	
			Numbers	Per cent
1997-98	1,50,000	32,540	1,17,460	78.31
1998-99	1,50,000	36,559	1,13,441	75.63
1999-2000	1,50,000	26,538	1,23,462	82.31
2000-2001	50,000	30,312	19,688	39.38
2001-2002	20,000	76,840	-	-

It will, therefore, be seen that the five-year targeting exercise was largely hypothetical because it did not take into account the year-wise progress. An adverse consequence of such targeting was that the poor performance in a particular year was not taken into account in suitable increasing the target for the subsequent year. While the shortfalls ranged from 75 per cent to 82 per cent in the first three years of the Scheme during the Ninth Plan period, it improved to 39.38 per cent in the fourth year and close to four times the target set for the fifth year. This improvement was, however, not attributable to the outcome of the rehabilitation measures being higher but to the whittling down of the target to one third or less of the previous years in 2000-01. The overall targeting exercise was, thus, deficient and inaccurate. Despite receiving periodic information in this regard from the States and obtaining evaluations at its own level the Ministry did not revise the targets upwards. These targets not having been communicated to the implementing agencies in the States, the States fixed their own targets, which varied widely from those set by the Ministry.

Despite receiving periodic information from the States, the Ministry never revised its targets upwards.

(c) Details of the rehabilitation targets fixed year-wise by the States and by the Ministry are contained in the following table:

Sl. No.	State	1997-98	1998-99	1999-2000	2000-01	2001-02
1.	Andhra Pradesh	1,027	1,346	1,350	1,438	20,000
2.	Assam	No year-wise target was fixed by State Government				
3.	Bihar	4,000	4,000	4,000	4,000	4,000
4.	Delhi	3,000	2,200	2,000	2,000	2,000
5.	Gujarat	10,000	10,000	10,000	5,000	5,000
6.	Haryana	6,000	2,500	3,000	2,000	2,000
7.	Jammu & Kashmir	No year-wise target was fixed by State Government				
8.	Karnataka	No Year-wise target was fixed by State Government				
9.	Kerala	Not Available				
10.	Madhya Pradesh	15,000	9,085	15,000	5,296	5,525
11.	Maharashtra	3,000	3,000	3,000	3,000	3,000
12.	Orissa	5,000	5,312	6,646	6,815	6,740
13.	Punjab	2,000	2,000	2,000	531	Not fixed
14.	Rajasthan	4,559	3,705	6,700	3,741	1,810
15.	Tamil Nadu	4,079	4,850	4,850	4,850	4,850
16.	Uttar Pradesh	14,000	15,500	19,088	19,905	9,000
17.	West Bengal	1,700	800	900	1,000	1,500
18.	Pondicherry	No Year-wise target was fixed by State Government				
	Total	73,365	64,298	78,534	59,576	65,425
	Ministry	1,50,000	1,50,000	1,50,000	50,000	20,000

It will be seen that no annual targets were fixed in **Assam, Jammu & Kashmir, Karnataka** and **Pondicherry**. **Kerala** could not furnish any evidence of having fixed targets. The targets fixed by the State Governments were about 50 per cent of those set

by the Ministry. Further, while the Ministry had scaled down the targets substantially, the States had more or less retained those adopted earlier.

The following table sums up the achievement of the Scheme in terms of number rehabilitated with reference to the targets set and backlog.

Period	Trageted beneficiaries	Number awaiting Rehabilitation	Number rehabilitated	Backlog
1992-93 to 1996-97 8th Plan Period	400,000	1,32,000	2,68,000	1,32,000
1997-98	1,50,000	1,32,000+	32,540	4,86,460
		3,87,000@		
1998-99	1,50,000	4,86,460	36,559	4,49,901
1999-2000	1,50,000	4,49,901	26,538	423,363
2000-01	50,000	4,23,363	30,312	3,93,051
2001-02	20,000	3,93,051	76,840	3,16,211
1997-98 to 2001-02 9th Plan Period	5,20,000	3,16,211	2,02,789	3,16,211

@ 3,87,000 added to the total number as per Ninth Plan Proposals.

It will be observed that:

- The number awaiting rehabilitation at the end of the Ninth Plan period was more than twice the number at the close of the Eight Plan period;
- barely 39 per cent of the target could be met during the Ninth Plan period; and
- more than 40 per cent of the estimated beneficiaries remained unrehabilitated even after a decade of the implementation of the Scheme.

(d) Apart from the unreliable surveys and the consequential non-availability of baseline data, some of the basic postulates of the Scheme suffered because of unimaginative management. These basic postulates were as follows:

- Assistance would be delivered only to eligible beneficiaries.
- Beneficiaries would be encouraged to avail of a higher financial package up to Rs. 50,000 in the project mode, so as to avoid the low cost occupational trap. This was based on the experience that smaller financial packages failed to generate sustainable income.
- Training and employment would be so matched as to ensure vocational or occupational rehabilitation.
- Banks would play a crucial role in providing the required assistance in the form of loans, supplementing the efforts of the Government.
- Women, being the most oppressed segment in this class of beneficiaries, would be specially targeted.

- The cluster approach would be adopted as a strategy to generate economic bonding amongst beneficiaries in groups.
- Sanitary Marts in the cooperative format would attract beneficiaries.

Misapplication of resources

In **Andhra Pradesh, Assam, Madhya Pradesh, Maharashtra and West Bengal**, instances of misapplication of resources were noticed. In **Andhra Pradesh**, a joint inspection by Audit with the **Enforcement Directorate of District Societies** revealed that 24 of the 28 rehabilitation units in Cuddapah district, which were financed during 1997-98 at a unit cost of Rs. 80,000 to Rs. 1 lakh, were non-existent. Similarly, in Kurnool district, 3 of the 4 shops set up under the rehabilitation package were non-existent. In **Assam, Madhya Pradesh and West Bengal**, the beneficiaries who were assisted under the Scheme were not listed in the survey records.

Higher Project package not availed of

The Scheduled Castes Development Financial corporations entrusted with the responsibility of sanctioning projects generally continued to sanction low cost projects. There was hardly any evidence of evaluation of the commercial viability of a project. The Scheme envisaged a maximum assistance of Rs. 50,000 per project per beneficiary. In Haryana the average financial assistance for the rehabilitation of 6,327 beneficiaries during 1997—2002 was Rs. 21,279. While it was Rs 16,279 in **Orissa** and barely Rs 2,000 in **Pondicherry**. In six districts of **Tamil Nadu**, the project cost in respect of 1,431 projects ranged between Rs 3,500 and Rs. 20,000. In **West Bengal**, 353 of the 373 beneficiaries in 20 municipalities and 9 blocks got assistance of less than Rs. 20,000. In **Uttar Pradesh**, only 970 of the 18,674 projects were provided assistance of more than Rs. 20,000. While no recorded reasons for the Scheduled Castes Development Financial Corporations' preference for low cost projects were available, the basic hurdle appeared to be the complexity of project formulation and estimation of its viability. The level of education of the beneficiaries, their indigent circumstances and the lack of initiative on the part of the implementing agencies could have contributed to the low cost mode of financing projects being accepted as an easier alternative.

Instead of encouraging beneficiaries to avail of higher financial packages, Scheduled Castes Development Financial Corporations preferred to sanction low cost projects.

Training and employment mismatches

Training, which was a pre-requisite for successful rehabilitation, remained the weakest link in the entire programme. Test check of records revealed that adequate attention was not paid towards this aspect even in the Ninth five year plan period (1997—2002) and this hampered the rehabilitation process, as would be evident from the instances of mismatch between training and rehabilitation mentioned below:—

In **Andhra Pradesh and Gujarat**, 19,521 and 7,317 scavengers respectively were stated to have been rehabilitated without any training. In **Andhra Pradesh**, the failure of Corporations and district societies to

Untrained scavengers were rehabilitated while trained scavengers were not rehabilitated. Trades for rehabilitation were not in consonance

with those in which beneficiaries were trained. impart any training resulted in most of the scavengers rehabilitated not continuing their new trades rendering the expenditure on their rehabilitation largely unfruitful.

In four districts of Assam, 53 scavengers who were rehabilitated were either untrained or rehabilitated in trades other than those in which they were trained.

In **Madhya Pradesh**, 12,966 scavengers were rehabilitated without any training. On the other hand, 3,647 scavengers, who had been trained, were not rehabilitated. Of the 3,783 scavengers trained at a cost of Rs 139.58 lakh during 1997—2002, only 136 were rehabilitated.

In **Maharashtra**, mismatches were noticed between the training imparted to 50 beneficiaries and the trades in which they were rehabilitated in the districts of Pune and Dhulia.

In Punjab, only 66 of the 114 scavengers had taken to the trades in which they were imparted training.

In Rajasthan, of the 620 scavengers who received training up to March 2002 in two districts (Ajmer: 269; Jaipur: 351), only 382 could be rehabilitated. While 1,398 scavengers received training in other districts, 4,649 scavengers were rehabilitated, resulting in 3,251 scavengers being rehabilitated without training.

In five districts of Tamil Nadu (Coimbatore, Cuddalore, Kancheepuram, Madurai and Thanjavur), of the 293 trained scavengers, only 16 were rehabilitated in two districts.

In eight districts of West Bengal, 763 scavengers were rehabilitated; of these, only 36 scavengers were trained before their rehabilitation.

Apart from the necessity of training for development of skills in alternate trades and occupations, it is equally important to promote awareness amongst the identified scavengers about various avenues available to them for rehabilitation. Thus, rehabilitation of untrained scavengers or rehabilitation of trained scavengers in trades other than those in which they were trained is suggestive of a casual approach of the implementing agencies towards the rehabilitations process.

Role of Banks

Banks have a crucial role to play in providing financial assistance for rehabilitation of beneficiaries under the Scheme. Scheduled Castes Development Financial Corporations recommend the applications of beneficiaries for sanction of loans by banks. However, banks were cautious in providing loans to the recommended scavengers resulting in a large number of applications being rejected. The position in some of the States is mentioned in the following paragraphs:—

In **Maharashtra**, the Scheduled Castes Development Financial Corporation received 12,726 applications for rehabilitation projects during 1998-2002. Of these, 12,666 proposals were recommended to the banks. However, the banks rejected 3,806 proposals

and 4,530 proposals were pending with them as of March, 2002. Thus, the rate of rejection of proposals for loan by banks was as high as 47 *per cent*. Scheduled Castes Development Financial Corporation attributed the rejection to the non-viability of the projects and poor record of past recoveries.

In **Orissa**, Scheduled Castes Development Financial corporation attributed the shortfall in achieving rehabilitation targets to the banks not sanctioning loans (a) to other members in the event of default by one of the members of a family; (b) on the ground that the beneficiaries were non-existent following the conversion of dry latrines into water-borne ones; and (c) poor rate of recovery.

In **Pondicherry**, the banks had rejected 22 of the 109 applications forwarded to them by the Adi Dravidar Development Corporation. In October 1997, the Corporation reported to the Government of Pondicherry that these applicants would be contacted in person and necessary action taken to recommend alternative viable projects to the banks. Further action was, however, not taken to resubmit their cases to the banks for sanction of loans.

In **Rajasthan**, Scheduled Castes Development Financial Corporation attributed the shortfall in achieving the rehabilitation targets to the non-cooperation of banks.

Rate of rejection of loan applications by banks was as high as 74 per cent.

Of the 3,870 proposals recommended in four districts of **Tamil Nadu** during 1997-2000, 2,862 applications (74 *per cent*) were rejected.

Instances of banks rejecting a large number of applications or adopting a cautious approach was also indicative of the fact that the implementing agencies Scheduled Castes Development financial Corporations did not exercise sufficient care in the formulation of viable projects that could be financed by the banks.

Women not specially targeted

Women of the scavenging community constitute the most oppressed section. Even after men of the family shift to more dignified professions, women continue to remain engaged in manual scavenging. The revised guidelines of the Scheme, issued in 1996, stressed the special targeting of women scavengers in rehabilitation programmes, besides formulation of specific women-oriented schemes. Special attention was to be given to women beneficiaries in providing post-assistance support. Awareness camps focussing attention on women were also required to be regularly organized in the scavenger colonies. This was not done. Review by Audit brought out the following:

- No women-oriented scheme was formulated by the Ministry.
- Implementing agencies in **Andhra Pradesh, Gujarat, Madhya Pradesh, Punjab, Rajasthan, Tamil Nadu** and **West Bengal** did not formulate any specific women oriented schemes.
- Of the 6,244 scavengers rehabilitated in seven districts of **Andhra Pradesh**, women constituted only 39 *per cent*. In six districts of **Assam**, women

constituted 49 per cent of 1,266 scavengers rehabilitated. In **Delhi**, separate details of the women scavengers were not maintained. Of the 14,674 women scavengers identified for training in Punjab 8,212 opted to receive training; of these, only 1,396 women (17 per cent) could be rehabilitated as of march 2002. In the East Godavari district of **Andhra Pradesh**, 181 women scavengers were provided financial assistance of Rs 8,000 each for establishing kirana, cloth business, etc. However, the units failed very soon. According to the District Society, these women scavengers did not also give up their earlier profession of scavenging. This is illustrative of the lack of post-assistance support to rehabilitated women scavengers, which was contemplated in the revised guidelines of the Scheme.

- In six districts of **Tamil Nadu**, however, of the 2,754 scavengers rehabilitated, 1,750 (64 per cent) were women.
- In **Karnataka**, the SC/ST Development Corporation did not provide any information on the male and female scavengers rehabilitated. However, in the test checked districts other than Gulbarga, 2,502 female scavengers were rehabilitated as against 2,384 male scavengers.
- In **Gujarat**, the Gujarat Scheduled Castes Development Corporation had no information on the organization of awareness camps for women; on the other hand, in **Madhya Pradesh** awareness camps were organized only in Bhopal district.
- In **Rajasthan**, the implementing agency was not aware of the guidelines relating to the rehabilitation of women scavengers through specially focused activities.

Thus, the directives in regard to special focus on women contained in the revised guidelines did not receive much attention from the Ministry or the State-level implementing agencies. **Tamil Nadu** and **Karnataka** showed impressive results without specially focused schemes, which, however, were exogenous to the Scheme.

Cluster approach not adopted

The revised guidelines of 1996 envisaged that the Scheduled Castes Development Financial Corporation should adopt a cluster approach in training and rehabilitation programmes. All scavengers eligible for benefits under the Scheme in a *basti* were to be rehabilitated together. Scheduled Castes Development Financial Corporation was to encourage formation of group projects so as to pool together subsidy and margin money loans.

Scrutiny of records revealed that the cluster approach was not adopted in any State. Though in **Andhra Pradesh, Gujarat, Karnataka, Madhya Pradesh, Maharashtra, Orissa, Tamil Nadu, Uttar Pradesh** and **West Bengal** group projects in the form of Sanitary Marts were adopted for rehabilitating scavengers, no other project following the cluster approach was formulated or implemented. In States like **Assam, Haryana** and **Punjab**, the cluster approach was not implemented at all. Keeping in view the limited success of the Sanitary Mart project and the absence of any other project for

training and rehabilitation of scavengers in the cluster approach, the revised guidelines in this regard remained unimplemented.

Failure of Sanitary Mart Scheme

The concept of rehabilitation of scavengers through the establishment of Sanitary Marts was included in the Scheme in January 2000. A Sanitary Mart is a shopping place where the sanitary needs of the common man could be met and materials and equipment such as pans, traps etc. would be produced at its production centre. Under the scheme, the implementing agencies had to steer the formation of co-operatives, ideally of 20-30 scavengers, and these cooperatives would run the sanitary marts. The main goal of the scheme was to erase the need for scavenging by converting dry latrines to wet latrines and subsequently, the need of engaging the scavengers.

The success of this scheme was largely dependent on the commitment of the implementing agencies in (a) motivating scavengers to set up sanitary marts; and (b) planning for information, education, and communication so as to generate demand for items and services available with the sanitary marts. Test-check of records, however, revealed that the scheme failed at the initial stage itself, despite release of Rs. 130.05 crore, representing 93 *per cent* of the total funds released, by the Ministry during 1999—2002. As against a target of setting up of 4,606 Sanitary Marts for rehabilitation of 1,15,150 scavengers in fourteen States, the implementing agencies could set up only 636 Sanitary Marts rehabilitating 4,107 scavengers.

Sanitary Mart Scheme proved, to be a failure, despite release of Rs. 130.05 crore.

In **Delhi, Haryana, Jammu & Kashmir, Punjab, Kerala**, the scheme was not implemented. It is also interesting to note that the Sanitary Mart Scheme under the National Scheme could be implemented only with limited success in **West Bengal** though it was a complete success as a State Scheme. The failure was attributed mainly to the absence of the subsidy element to the customers of these marts, which was provided in the **West Bengal** Government's scheme. **Haryana** and **Punjab** did not implement the scheme as it was not viable.

3.4 Organisational Mismatches

The Scheme was organised with a four-tier structure going down vertically from the programme implementing Ministry of the Central Government to the town or mohalla level. Organisationally, the Scheme did not contemplate a network at the rural level presumably on the assumption that the practice of scavenging was not predominately a rural phenomenon. The 'Rural Sanitation Programme', however, addressed itself to the liberation of scavengers. Thus, it was necessary to have a rural link down the line below the district level, which was not available in the Scheme. The District became the control unit with the towns and mohallas integrated to the structure of implementation and the District Collector the key functionary in the structure. It was through the Collector that interaction with banks, urban local bodies, Scheduled Castes Development Financial Corporation, training institutes and the

Organisational mismatches were noticed at implementation level of the scheme.

monitoring committees was sought to be achieved. It is also through the district authority that the interfaces with other development schemes can be worked out. It was, however, seen in audit that the role of the district administrative head was confined largely to survey and identification and that too not in all cases. Day to day implementation of the Scheme was transferred to the Scheduled Castes Development Financial Corporations. It is for this reason that consolidated figures were often not available with the District Collector and information had to be collected from Scheduled Castes Development Financial Corporations. This resulted in a lack of coordination in the operation of the Scheme. There was no evidence in the test checked districts of any initiative taken by the District Authorities in identification of training institutes and development of a portfolio of vocations. The State Governments passed on funds directly to the Scheduled Castes Development Financial Corporations and the District Collector had no role to play.

Coordination between the District collector and the nodal department of the State was insignificant except that periodic reports were generated at the Collectorate on the basis of information obtained from Scheduled Castes Development Financial Corporations. In many cases, the district level monitoring committees under the Chairmanship of collectors were not formed. There was no coordination between the Secretary of the implementing department at the State level with the State Departments handling urban Development, Rural Development, Labour and Technical Education, as required. The Central Ministry of Social Justice and Empowerment also had no coordination with the Ministries of urban Development and rural Development. Its relationship with the National Safai Karamcharies Finance Development Corporation was only visible in the area of Sanitary Marts.

These organisational mismatches and failure in coordination adversely affected the implementation of the Scheme.

3.5 Deficiencies in Financial Management

3.5.1 Flow of Funds

During the Eighth Plan period, funds required for training and rehabilitation under the Scheme were estimated at Rs. 563.80 crore, whereas only Rs. 386.20 crore were provided and expenditure of Rs. 384.67 crore incurred. Though the Scheme was to be completed by the end of the Eighth Plan period, it continued during the Ninth Plan period. Details of the fund allocations *vis-a-vis* the actual expenditure during the Eighth and Ninth Plan periods are tabulated below:—

(Rupees in crore)

Year	Budget Estimates	Revised Estimates	Reduction at Revised Estimates Stage	Actual Expenditure
<i>VIII Plan Period (1992—1997)</i>	386.20	386.20	—	384.67
1997-1998	120.0	90.00	30.00	90.00
1998-1999	90.0	20.00	70.00	5.90
1999-2000	70.00	70.00	—	70.00
2000-2001	67.50	69.94	6.56	60.92
2001-2002	74.00	8.21	65.79	9.20
<i>IX Plan Period (1997-02)</i>	421.50	249.15	172.35	236.02
Grant Total	807.70	635.35	172.35	620.69

During the Ninth Plan period (1997-2002), the initial budgetary commitment of Rs. 421.50 crore was scaled down to Rs. 249.15 crore which amounts to an overall reduction of almost 41 per cent.

The Ministry attributed the reduction in budgetary support to the Scheme in the Revised Estimates to the amounts lying unspent with State Scheduled Castes Development Financial Corporations and the disinclination of the Planning Commission to revise the Scheme in 2001-02.

3.5.2 Release of grant despite retention of heavy unspent balances

Scrutiny of the records in the Ministry revealed that grant-in-aid was released to such Scheduled Castes Development Financial Corporations which had heavy unspent balances. The utilization of funds by them had been poor as would be evident from the details contained in Annexure-II.

Funds were released to Scheduled Caste Development Financial Corporations despite huge unspent balances.

The Ministry stated (May 2002) that the State Government / Scheduled Castes Development Financial Corporations were regularly pursued for timely utilization of funds under the Scheme.

3.5.3 Rush of disbursements in March

A significant portion of the disbursements during the year was made in the last quarter of the financial year as well as in the month of March as shown below:—

(Rupees in crore)

Year	Total disbursement during the year	Disbursement during last quarter	Percentage of disbursement during last quarter	Disbursement during March	Percentage of disbursement during March
1997-1998	90.00	20.56	23	11.46	13
1998-1999	5.90	5.90	100	5.90	100
1999-2000	70.00	70.00	100	70.00	100
2000-2001	60.92	60.92	100	69.92	100
2001-2002	9.20	2.25	24	2.25	24

In the year 2000-01 and 2001-02, demand drafts for release of grants were despatched to the implementing agencies in the subsequent financial years. Release of funds at the fag end of the financial year was indicative of poor financial management and was aimed to avoid lapse of budgetary grants.

The Ministry stated (May 2002) that the approach paper on the concept of Sanitary Marts inviting proposals from States/Scheduled Castes Development Financial Corporations was circulated on 30 January 2000 and proposals were received in the month of March for the year 1999-2000 and that sanction for 2000-2001 was delayed due to delay in obtaining the approval of the Ministry of Finance as some Scheduled Castes Development Financial Corporations had huge unspent balances. The reply furnished by the Ministry only reinforces the audit observation.

3.5.4 Utilisation of funds by State Governments/Scheduled Castes Development Financial Corporations

State-wise position of funds released during 1997-2002 and expenditure incurred there against is presented below:—

(Rupees in crore)

Sl. No.	State/ Union Territory	Opening Balance	Central release	State contri- bution/ bank loan NSKFDC Loan	Total Funds spent funds(1997—200) available	Unutilised Funds as on 31.3.2002			
						Amount	Percentage		
1.	Andhra Pradesh		3.42	14.10	13.25	30.77	53.60	-	Nil
2.	Assam		1.65	3.72	1.93	7.30	1.70	5.60	77
3.	Bihar		6.13	4.64	Nil	10.77	1.56	9.21	86
4.	Delhi		4.70	Nil	0.33	5.03	1.80	3.23	64
5.	Gujarat		0.42	20.51	Nil	20.93	3.28	17.65	84
6.	Haryana		11.49	Nil	7.51	19.00	13.72	5.28	28
7.	Jammu & Kashmir		1.51	0.35	1.96	3.82	1.88	1.94	51
8.	Jharkhand		Nil	10.85	Nil	10.85	-	10.85	100
9.	Karnataka		3.09	10.63	Nil	13.72	8.12	5.60	41
10.	Kerala		0.42	Nil	Nil	0.42	*	0.42	100
11.	Madhya Pradesh		4.63	33.34	47.79	85.76	67.40	18.36	21
12.	Maharashtra		7.89	21.35	7.33	36.57	9.20	27.37	75
13.	Orissa		6.98	6.96	Nil	13.94	9.92	4.02	29
14.	Pondicherry		0.05	Nil	Nil	0.05	0.01	0.04	80
15.	Punjab		1.58	Nil	Nil	1.58	0.61	0.97	61
16.	Rajasthan		17.81	19.35	Nil	37.16	3.73	33.43	90
17.	Tamil Nadu		23.55	22.53	7.82	53.90	18.38	35.52	66
18.	Uttar Pradesh		36.89	44.46	3.06	84.41	65.46	18.95	23
19.	West Bengal		4.51	Nil	0.37	4.88	1.50	3.38	69
Total			136.72	212.79	91.35	440.86	261.87	201.82	

*The expenditure in Kerala being negligible (Rs. 13,000) has been rounded off to zero.

In 14 States more than 40 per cent of funds were not utilised.

As against funds aggregating to Rs. 440.86 crore available during 1997-2002, actual expenditure was only Rs. 261.87 crore. This constituted 59 per cent of the total funds available. Analysis of the State-wise position revealed that more than 40 per cent of the funds remained unutilised in 14 States. The entire amount released to Kerala and Jharkhand remained unutilised. The percentage of unutilised funds in Bihar, Gujarat, Pondicherry and Rajasthan varied between 80 to 90 per cent. The position of utilisation of funds was also dismal in Assam, Delhi, Jammu & Kashmir, Karnataka, Maharashtra, Punjab, Tamil Nadu and West Bengal as the percentage of unutilised funds in these States

varied between 41 and 77. Underutilisation of funds was generally attributed to the indifferent attitude of banks in sanctioning loans to scavengers, non-availability of technical manpower, delay in finalisation of projects, rejection of applications at the district level and non-availability of projects.

Scheduled Castes Development Financial Corporations in the States of Assam, Bihar, Delhi, Haryana, Jharkhand, Madhya Pradesh, Orissa, Punjab and West Bengal utilised interest earnings of Rs. 16.43 crore to meet expenditure on pay and allowances and establishment as detailed below:-

(Rupees in crore)

State	Amount
Assam	0.22
Bihar	3.45
Delhi	3.56
Haryana	4.03
Jharkhand	0.71
Madhya Pradesh	1.23
Orissa	0.26
Punjab	0.65
West Bengal	2.32
Total	16.43

3.5.5 Retention of Central assistance by State Governments

Central assistance of Rs. 11.84 crore was retained by the State Governments without being disbursed as under:

In Madhya Pradesh, the State Government retained Central assistance of Rs. 9.29 crore during 1992-96 and the amount had not been transferred to the implementing agency till March 2002. During 1997-2002, Madhya Pradesh Scheduled Castes Development Corporation received Central assistance of Rs. 33.34 crore under the Scheme. Had the State Government not retained Central assistance of Rs. 9.29 crore, the requirement of funds by the Corporation would have been lesser by an equal amount.

In Punjab, the State Government retained Central assistance of Rs. 2.55 crore released during 1995-96 even as of March 2002. The Ministry had also not pursued the matter with the State Government to obtain refund of the amount as of August, 2002.

3.5.6 Shortfall in Matching Contribution by State Governments

The margin money loan component of the financial package for rehabilitation was to be funded in the ratio of 49:51 between the Centre and States/Union Territories. The

States' share of margin money loan was either not contributed or contributed short in seven States as indicated below:

Sl. No.	State	Shortfall in contribution (Rupees in lakh)
1.	Assam	42.07
2.	Madhya Pradesh	141.39
3.	Maharashtra	313.08
4.	West Bengal	27.64
5.	Andhra Pradesh	Not Contributed
6.	Bihar	Not Contributed
7.	Karnataka	Not Contributed

3.5.7 Outstanding Utilisation Certificates

Utilisation Certificates in respect of 91 percent of total releases were still pending

The Ministry released grants-in-aid for the implementation of the Scheme to the agencies concerned through the State Governments up to 1996-97, and thereafter grants were released directly to the agencies themselves. State Governments and the Scheduled Castes Development Financial Corporations were required to submit utilisation certificates in respect of grants-in-aid released to them. However, it was observed that as against release of grants-in-aid of Rs.642.43 crore during 1991-2002, the Ministry had received utilisation certificates for Rs. 60.77 crore only (9 per cent of the total funds released). State-wise details of pending utilisation certificates are contained in Annexure-III. These certificates were due in some cases since 1991-92.

3.6 Inadequate Monitoring

Non-constitution of monitoring committees/non-functioning of these Committees affected the periodic evaluation of implementation of the scheme.

The Scheme provides for the setting up of a network of Monitoring Committees: Central Monitoring Committee at the apex level, State-level Monitoring Committees, supported by District-level Monitoring Committees and the Town Committees or Mohalla Committees at the ground level. While the Central and State-level Committees were required to meet quarterly, no periodicity was prescribed for District and Town Committees. Audit scrutiny revealed that the Central Committee met only once in February 1993 during 1992-2002, while it should have met at least forty times. The State-level Monitoring Committees in some States (**Assam, Gujarat, Haryana, Madhya Pradesh, Maharashtra, Rajasthan, Tamil Nadu** and **West Bengal**) met less than half the number of times required; they did not meet even once in other States where these Committees were constituted (**Jammu & Kashmir** and **Orissa**). In **Bihar, Jharkhand, Kerala, and Pondicherry**, no State-level Committees were set up. District-level Committees were not set up in the States of **Jammu & Kashmir, Kerala, Maharashtra** and **Pondicherry**. In **Haryana, Kerala, Madhya Pradesh, Pondicherry** and **Tamil Nadu** no Town or Mohalla Committees were set up. Records of the proceedings of Committee meetings were not maintained in most cases.

The District-level, State-level and Central-level Monitoring Committees depended on reports generated at the operational level for evaluating the Scheme. The linkage theoretically was such that reports generated at the town-level would feed the district-

level reports, the district-level reports would feed the State reports and finally the State reports would feed the Central reports. Any breach in the channel would automatically impair the information chain. This is exactly what happened: many of these committees were not constituted. Even when these were constituted, they did not meet to review progress and details of progress made could not be compiled even when some of these Committees met. Sporadic efforts were made to evaluate the Scheme at the post-implementation stage, as in **Orissa, Uttar Pradesh, Rajasthan and Delhi**, and the findings, despite the absence of a comprehensive reporting standard, highlighted the failure of the Scheme on many fronts: incorrect/incomplete identification of beneficiaries, non-identification of skill requirements, lack of monitoring mechanism, lack of awareness among beneficiaries, lack of motivation for self-help, and misutilisation of cash assistance by the beneficiaries. There was no evidence on record to suggest that any of these evaluation findings were considered at the appropriate levels to provide corrective and remedial measures.

4. Conclusion:

- The Scheme began, and continues to remain until now, a prisoner of its own statistics. Absence of credible baseline census of targeted beneficiaries has robbed the Scheme of its objectivity. Different sources have estimated the number differently employing *ad hoc* yardsticks and methods. The Scheme visualised the rehabilitation of all the 4 lakh scavengers and their dependents estimated by the Task Force in March 1991 by the end of the Eighth Plan period (1992-97). Against this, the Scheme claimed to have rehabilitated only 2.68 lakh. This did not, however, result in a reduction in the total number, as subsequent surveys conducted between 1994-95 and 2001-02 estimated the number as 7.87 lakh necessitating upward revision of the targets.
- Loss of link between 'liberation' and 'rehabilitation' defocussed the scheme. Liberation, interpreted to mean removal of the very cause and basis of manual scavenging, thereby allowing the beneficiary release from the stigmatised occupation, should have been the cornerstone of the Scheme as there could be no rehabilitation without liberation. Lack of correspondence between 'liberation' and 'rehabilitation' was vividly demonstrated by the fact that the Ministry of Social Justice and Empowerment, the nodal Ministry for the scheme claimed to have rehabilitated 4.71 lakh scavengers during 1992-2002 while the Ministries of Urban and Rural Development projected that only 0.37 lakh scavengers were liberated during the period. There was no evidence to suggest if those liberated were in fact rehabilitated.
- The most serious lapse in the conceptualization and operationalisation of the scheme was its failure to employ the law that prohibited the occupation. The law could have been invoked to ensure that the condition and circumstance of occupational entrapment were not created. As a matter of fact, the law itself expected that the schemes implemented by the both the State and Central Governments would draw their strength from it. The law was rarely used.
- The Scheduled Castes Development Financial Corporations and banks which were responsible for the implementation of income-generating rehabilitation schemes failed to deliver as there was no clear definition of the path of occupational change. Training in low skill alternative occupation was

inadequate, impractical and disoriented. Factors of habitation, cluster, aptitude, gender and motivation were ignored for the statistically visible loan-projects. There too the rejection percentage was as high as 47 per cent in **Maharashtra** and 74 per cent in **Tamil Nadu**. To expect an illiterate and poor scavenger to comply with the rigours of project-financing by commercial banks, was to say the least, unimaginative.

The matter was referred to the Ministry in October 2002, their reply was awaited as of January 2003.

APPENDIX I

ANNEXURE-I

(Refers to Paragraph 2.2)

State-wise details of sample districts selected for audit

Sl. No.	State/ Union Territories	No of districts covered	Districts test- checked	Name of districts test-checked
1.	Andhra Pradesh	23	7	Cuddapah, East Godavari, Karimnagar, Krishna, Kurnool, Nizamabad and Warangal
2.	Assam	23	6	Kamrup, Sonitpur, dhubri, Nagaon, Dibrugarh, Tinsukia
3.	Bihar	37	10	Bhagalpur, Gaya, Jehanabad, Katihar, Motihari, Munger, Muzaffarpur, Nalanda, Nawada, Rohtas
4.	Delhi	9	9	Central, South, South-West, West, North-West, North, North-East, East, New Delhi
5.	Gujarat	25	7	Ahmedabad, Godhra, Himatnagar, Jamnagar, Junagarh, Rajkot and Vadodara
6.	Haryana	19	5	Gurgaon, Hissar, Jind, Karnal, Yamuna Nagar
7.	Jammu & Kashmir	6	4	Jammu, Kathua, Udhampur, Srinagar
8.	Jharkhand	18	5	Bokaro, Dhanbad, Hazaribag, Jamshedpur, Ranchi
9.	Karnataka	20	7	Bangalore (Rural), Gulbarga, Raichur, Bellary, Shimoga, Mysore and Mandya
10.	Kerala	14	3	Tiruvananthapuram, Kollam, Thrissur
11.	Madhya Pradesh	45	11	Bhopal, Chhattarpur, Gwalior, Indore, Jabalpur, Khargone, Morena, Rewa, Satna, Shahdol, Ujjain
12.	Maharashtra	31	6	Mumbai, Thane, Nasik, Dhule, Pune, Aurangabad
13.	Orissa	30	8	Khurda, Berhampur, Cuttack, Koraput, Puri, Balasore, Keonjhar, Dhenkanal

Sl. No.	State/ Union Territories	No of districts covered	Districts test- checked	Name of districts test-checked
14.	Punjab	17	7	Amritsar, Ferozepur, Gurdaspur, Hoshiarpur, Jalandhar, Kapurthala, Ludhiana
15.	Rajasthan	32	8	Ajmer, Bhilwara, Churu, Jaipur, Jodhpur, Nagaur, Pali, Sawai Madhopur
16.	Tamil Nadu	30	6	Coimbatore, Cuddalore, Kancheepuram, Madurai, Thanjavur and Vellore
17.	Uttar Pradesh	63	10	Agra, Berailly, Bijnor, Ghaziabad, Kanpur Nagar, Lucknow, Mathura, Meerut, Moradabad, Saharanpur
18.	West Bengal	17	8	Howrah, Hooghly, 24- Paraganas (South), 24-Paraganas (North), Malda, Uttar Dinajpur, Jalapaiguri, Darjeeling
19.	Pondicherry	1	1	Pondicherry
Total		460	128	

ANNEXURE-II
(Refers to Paragraph 3.5.2)

(Rupees in crore)

Year	Central assistance released	Total expenditure	Unspent grant
Gujarat			
Opening Balance	0.42		
1997-1998	8.90	0.65	8.67
1998-1999	-	0.57	8.10
1999-2000	11.61	0.84	18.87
2000-2001	-	0.79	18.08
2001-2002	-	0.43	17.65
Madhya Pradesh			
Opening Balance	4.63		
1997-1998	24.51	4.44	24.70
1998-1999	-	5.48	19.22
1999-2000	8.83	4.01	24.04
2000-2001	-	3.65	20.39
2001-2002	-	4.31	16.08
Orissa			
Opening Balance	6.98		
1997-1998	1.07	1.37	6.68
1998-1999	5.90	1.68	10.90
1999-2000	-	2.46	8.44
2000-2001	-	2.54	5.90
2001-2002	-	1.87	4.03
Rajasthan			
Opening Balance	17.81		
1997-1998	2.73	1.66	18.88
1998-1999	-	0.66	18.22
1999-2000	16.62	0.36	34.48
2000-2001	-	0.36	34.12
2001-2002	-	0.70	33.42
Tamil Nadu			
Opening Balance	23.55		
1997-1998	-	3.08	20.47
1998-1999	-	3.20	17.27
1999-2000	-	2.00	15.27
2000-2001	22.53	3.61	34.19
2001-2002	-	0.71	33.48
Uttar Pradesh			
Opening Balance	36.89		
1997-1998	44.46	19.22	62.13
1998-1999	-	15.07	47.06
1999-2000	-	16.12	30.94
2000-2001	-	11.33	19.61
2001-2002	-	00.66	18.95

ANNEXURE-III

(Refers to Paragraph 3.5.7)

State-wise position of outstanding UCs

Sl. Nos.	State/ Union Territories	Total release to State/ SCDCs since 1991-92 (Rs. in crore)	Amount of pending UCs (Rs. in crore)	Years for which UCs pending
1.	Andhra Pradesh	25.87	4.24	1992-93, 2001-02
2.	Assam	5.87	5.87	1991-92, 1992-93, 2000-01
3.	Bihar	11.26	11.26	1991-92, 1992-93, 1997-98
4.	Delhi	5.28	4.31	1991-92, 1992-93, 1996-97
5.	Gujarat	26.86	26.86	1991-92, 1992-93, 1993-94, 1997-98, 1999-2000
6.	Haryana	18.37	18.37	1991-92, 1992-93, 1993-94, 1996-97
7.	Jammu & Kashmir	1.03	1.03	1991-92, 1992-93
8.	Karnataka	20.24	6.95	2001-02
9.	Kerala	0.55	0.55	1991-92, 1992-93
10.	Madhya Pradesh	116.52	116.52	1991-92, 1992-93, 1993-94, 1994-95, 1995-96, 1996-97, 1997-98, 1999-2000
11.	Maharashtra	46.23	21.35	2000-01
12.	Orissa	16.76	16.76	1991-92, 1992-93, 1993-94, 1995-96, 1996-97, 1997-98, 1998-99
13.	Punjab	6.63	6.63	1991-92, 1992-93, 1995-96
14.	Rajasthan	44.48	44.48	1991-92, 1992-93, 1993-94, 1995-96, 1996-97, 1997-98, 1999-2000
15.	Tamil Nadu	57.80	57.80	1991-92, 1992-93, 1994-95, 1995-96, 1996-97, 1999-2000,
16.	Uttar Pradesh	222.14	222.14	1991-92, 1992-93, 1993-94, 1994-95, 1995-96, 1996-97, 1997-98
17.	West Bengal	5.62	5.62	1991-92, 1992-93
18.	Pondicherry	0.07	0.07	1991-92, 1992-93
19.	Jharkhand	10.85	10.85	2000-2001
Total		642.43	581.66	

APPENDIX II

STATEMENT OF OBSERVATIONS AND RECOMMENDATIONS

Sl.No.	Para No.	Ministry/ Department	Observations & Recommendations
1	2	3	4
1.	103	Social Justice and Empowerment	<p>The Committee note that the 'National Scheme of Liberation and Rehabilitation of Scavengers and their Dependents' mark the convergence of several public initiatives over a period of four decades preceding its introduction in 1992. It was introduced by the Ministry of Welfare (now Ministry of Social Justice & Empowerment) on 22nd March, 1992 with the objective to provide alternative, dignified and viable occupation to them. The Centrally Sponsored Scheme was conceived to deal with three principal issues. Firstly, the identification of scavengers and their dependents through a time bound survey; secondly, imparting of training in their identified trades; and thirdly, providing subsidy, margin money and bank loan for their rehabilitation. While bifurcating the integrated scheme of Liberation and Rehabilitation of Scavengers in 1991, the liberation component was entrusted to the Ministries of Urban and Rural Development and the rehabilitation component was entrusted to the then Ministry of Welfare (now Ministry of Social Justice and Empowerment) along with the nodal responsibility for the Scheme. Undoubtedly, the Scheme was well intentioned with the objective to provide an alternate, dignified and viable occupation to scavengers and their dependents in a stipulated time span. However, the Committee are constrained</p>

1	2	3	4
			<p>to point out that it has failed to implement its operational parameters in a highly stratified society resisting change from a hereditary occupational structure even after 10 years of its implementation involving investment of more than Rs. 620 crore. It is a matter of national shame that anywhere between 5-8 lakh manual scavenger remain unrehabilitated. The scheme failed to deliver its social vision after ten years of continuous but regrettably half-hearted efforts. It failed in working out a coherent strategy for policy initiatives as it could not take advantage of an existing law that prohibited employment of Scavengers. Divorcing liberation from rehabilitation was an error of judgement that weakened the foundation of the Scheme and led to uncoordinated efforts without focus. It failed in enhancing or re-orienting the skill-levels of the beneficiaries necessary for change of occupation. For the same reason, it failed in its mission of replacing the hereditary practice by skill-based choice of profession. Absence of base-line survey, non-involvement of district development authorities, commercialisation of the assistance patterns have led to a loss of focus of the monitoring aspect of the scheme.</p>
2.	104	Social Justice and Empowerment	<p>The Committee observe that even at this stage of its implementation, the Scheme still continues to remain a prisoner of its own statistics. Absence of creditable database of targeted beneficiaries has robbed the scheme of its objectivity. The loss of links between liberation, training and rehabilitation has derailed the Scheme. The Scheme visualised the rehabilitation of all the 4 lakh scavengers and their dependents estimated by the</p>

1	2	3	4
			<p>Task Force in March 1991 by the end of the Eighth Plan period (1992—97). Against this, the Scheme claimed to have rehabilitated only 2.68 lakh. This did not, however, result in a reduction in the total number, as subsequent surveys conducted between 1994-95 and 2001-02 estimated the number as 7.87 lakh necessitating upward revision of the targets. Further, the Ministry of Social Justice & Empowerment, which was the then nodal Ministry for the Scheme, claimed to have rehabilitated 4.71 lakh scavengers during 1992—2002, while the Ministries of Urban and Rural Development projected that only 0.37 lakh scavengers had been liberated during the same period. In addition to this, there is no evidence to suggest the actual number of those liberated and the number which were in fact rehabilitated. The Scheduled Castes Financial Development Corporations responsible for implementation of the scheme at the State level have failed to deliver the positive results, which can be substantiated by the fact that there is no clear-cut indication in the occupational change of scavengers. Besides, training imparted is inadequate, impractical and disoriented. The Committee is of the view that it is the lack of purpose in aligning the parameters of the Scheme and lack of will in implementing it that led to the Scheme floundering on its own principles. The Committee's examination of some of the important dimensions on the issues reviewed by Audit highlights the fact that the implementation of the Scheme continues to be afflicted by serious shortcomings which are summed up in the succeeding paragraphs.</p>

1	2	3	4
3.	105	Social Justice and Empowerment	<p>The major provision of the 'Employment of Manual Scavengers and Construction of Dry Latrines (Prohibition) Act, 1993, states that State Government may by notification, specify that no person shall engage in or employ for and permit to be engaged in or employed for any other person for manually carrying human excreta, or construct or maintain a dry latrine. However, the Committee note that the scheme suffered, because it was not calibrated to relate its parameters to the legal framework provided by the Act and continued to operate in a persuasive mode without the legal means to penalize for its violation. Although only 17 States have adopted this Act, yet its implementation aspects left much to be desired since these States have failed to analyse and substantiate with facts for its effective implementation. Some of the States have not even adopted the Act till date and the Ministry has neither assessed the drawbacks in its enforcement nor has taken concrete steps to ensure its adoption and implementation. The law that prohibited the engagement of manual scavengers, thus could have provided a powerful instrument to the implementers of the Scheme. By adopting this Central Law and enforcing it in right earnest, the States could have paved the way for the successful implementation of the Scheme and liberation of scavengers would have progressed in tandem with rehabilitation measures. The fact that this was not adopted and implemented by all the States is regretted. The Committee recommend that the Ministry should look into the grey areas experienced by the States in enforcing the Act and bring out clear cut steps to remove the bottlenecks and correlate the legal</p>

1	2	3	4
4.	106	Social Justice and Empowerment	<p>framework with the attainment of objectives of the Scheme. The Committee also hope that the Ministry will wake up to their responsibility and ensure that the Act is adopted by all the States which are yet to adopt it and at the same time, initiate urgent measures for its implementation in all the States.</p> <p>For the success of the scheme proper identification of scavengers and their dependents was vital. However, various surveys for identification of Scavengers and their dependents necessary to locate, specify and to give particularized training to the beneficiaries according to their needs were often not methodologically sound. The results varied widely. Even the definition of 'Scavengers' was not settled which resulted in the inclusion of ineligible persons in the list of beneficiaries. Even the Ministry of Welfare in 1996 received references from various State Governments about the exact definition of a Scavenger. Thus the absence of proper definition of 'Scavenger' led to different surveys by different agencies. As many as five different sets of figures were in the Ministry's possession. The Committee note that the baseline surveys conducted in the States suffered from a number of informities which resulted in non-availability of any reliable data with the Ministry even after a decade on the number of scavengers and their dependents which was essential to estimate the fund requirements to facilitate the preparation of a well considered action plan. At this stage, the Committee cannot but over emphasise the need for fresh survey to be undertaken immediately so as to ensure the availability of a reliable data of the number of scavengers to be</p>

1	2	3	4
5.	107	Social Justice and Empowerment	<p>liberated and rehabilitated. For this, it is also essential to define the boundaries so as to make the out reach of the scheme only to the potential beneficiaries <i>i.e.</i> Scavengers as envisaged in the scheme and not to all the Safai Karamcharies engaged in cleaning and sweeping occupation as extension of benefit to them is construed as leakage of benefits to ineligible persons.</p> <p>The Scheme had envisaged that the obnoxious occupation would come to an end if all those who were engaged in this occupation and their dependents were rehabilitated in alternative and dignified occupation. The liberation of the scavengers was possible only when the practice of using dry latrines was eliminated. The Committee are constrained to point out that the scheme failed to provide the necessary linkages amongst the implementing agencies and the Ministries administering the scheme encompassing the whole range of operations. Instead, the Ministry of Social Justice and Empowerment confined itself only to the aspects of identification, training and rehabilitation leaving the liberation issues to the Ministries of Urban Development and Rural Development who, separately, and independently implemented their own schemes for liberation under the "Low Cost Sanitation Scheme" and the "Rural Sanitation Programme" respectively. The Committee regret to observe that there was no coordination amongst the three Ministries nor had the scheme interfaces be mapped in any of the scheme documents to avoid over-lapping and asymmetries. Another disquieting fact observed by the Committee is that the Low Cost Sanitation Scheme carried out</p>

1	2	3	4
6.	108	Social Justice and Empowerment	<p>by the then Ministry of Urban Development for liberation of urban scavengers was a failure as they did not fix any physical or financial targets. The Committee recommend that a single national programme be formulated and implemented by the Ministry of Social Justice and Empowerment as a mission with the objective of eliminating this scourge within the next four-five years.</p> <p>The Committee find that the Integrated Low Cost Sanitation Scheme was implemented through Housing Urban Development Corporation. The first objective was to convert dry latrines into twin pit pour flush units, and the second objective was to construct new toilets where no facility was available in order to liberate the persons involved in manual scavenging. The funding pattern, according to the Ministry, under Integrated Low Cost Sanitation Scheme is part subsidy and the part loan given by the HUDCO. The loan is availed by the Municipal Board or by the concerned agency and the subsidy element is taken away but the State Governments are wary of taking loans since HUDCO being a commercial organization, insists on State guarantees. The Committee also note that out of the subsidy aggregating to Rs. 480.22 crore sanctioned by the then Ministry of Urban Development, only Rs. 246.68 crore had been released upto 31 December, 2001 and loans aggregating to Rs. 583.51 crore sanctioned, only Rs. 278.60 crore were released and out of the 6 lakh identified scavengers in urban areas only 37340 <i>i.e.</i> 6.2 per cent were liberated. The low progress made by this scheme has been attributed by HUDCO to the time lag between the sanction and release of</p>

1	2	3	4
7.	109	Social Justice and Empowerment	<p>subsidy and loans to delays in documentation, non-availability of government guarantees, belated submission of utilization certificates and slow physical progress. The Committee are constrained to point out that there was no evidence of the Ministry having initiated any remedial measures aimed at removal of these hurdles to enable the successful implementation of the scheme.</p> <p>The Committee note that according to the Ministry of Rural Development, 20 States and Union Territories have no dry latrines and no manual sanitation was prevalent in rural areas. The Ministry have contended that only Karnataka, Madhya Pradesh, Manipur, Rajasthan and Sikkim had reported the practice of manual scavenging in rural areas. The Committee note that the Ministry had not fixed any targets for conversion of dry latrines into water-borne flush latrines, nor were separate allocations made for the purpose. The State Governments are stated to have been directed by the Ministry of Rural Development to utilise the funds allocated under the Central Rural Sanitation Scheme for conversion of dry latrines into pour flush latrines. Further, the 'Rural Sanitation Programme' had got dovetailed into the 'Total Sanitation Campaign' launched in 1999. The main objectives of the Total Sanitation Campaign was to accelerate the sanitation coverage by creating the felt need among the rural population about sanitation and also impart hygiene education to the people. It aimed at attaining this objective by focusing on intensive information, Education and Communication and by providing cost</p>

1	2	3	4
8.	110	Social Justice & Empowerment	<p>effective and appropriate technologies through alternate delivery mechanism such as the Rural Sanitary Marts or Production Centres.</p> <p>At present Total Sanitation Campaign is being implemented in 426 districts of the country, which is likely to be further scaled up to cover all the remaining districts in the country. According to the Ministry, 100.13 lakh individual toilets, 1.14 lakh school toilets, 17,606 Balwadi toilets and 3,862 community sanitary complexes have been constructed. Prior to launching of Total Sanitation Campaign, under Central Rural Sanitation Programme, 94.80 lakh individual house hold toilets had been constructed in rural areas. Concurrent evaluation of the campaign is essential. The Committee wishes that the Ministry of Rural Development to place the highest emphasis on this aspect.</p>
9.	111	-do-	<p>The Committee feel that Liberation, meaning removal of the very cause and basis of manual scavenging, thereby allowing the beneficiary liverate from the stigmatised occupation, should have been the cornerstone of the Scheme as there could be no rehabilitation without liberation. Some half-hearted measures seem to have been taken in rural as well as in urban areas to convert dry latrines into wet latrines. A lot, however, needs to be done to liverate all the scavengers. For this, it is necessary that revised stipulated targets are refixed for conversion of dry latrines into wet latrines for which a time bound programme may be drawn up to achieve the revised targets. Lack of requisite funds should not come in the way of successful achievement of the objectives and therefore, the Ministry</p>

1	2	3	4
			<p>accordingly should take timely and effective steps to provide the necessary funds. The Committee would also like the Ministry to have close coordination with HUDCO and other implementing agencies in Urban as well as in Rural areas to accomplish the task. For this, proper monitoring of the physical and financial targets should be carried out at the highest level.</p>
10.	112	Social Justice & Empowerment	<p>The Committee note that training to identified scavengers and their dependents, in the age group of 15 to 50 years, was expected to equip them with the requisite skills and expertise to successfully implement self-employment projects. The Committee have been informed that the scavengers are trained in the institutes run by the Centre and the State Governments and also by reputed voluntary organizations as per TRYSEM norms. The type of training imparted depended upon the aptitude, capability and inclination towards a particular trade. However, to their utter dismay, the Committee have found that only 2.02 lakh beneficiaries out of 5.38 lakh eligible beneficiaries were trained during the Eighth and Ninth Plan periods (1992-2002). The Committee regret to observe that targets for training were not communicated by the Ministry to the States which resulted either in targets not being prescribed by the States or in targets being determined only on <i>ad hoc</i> basis. Consequently, shortfall in training coverage was as high as 68 per cent and targets set for the Eighth Plan were not achieved even at the end of the Ninth Plan. No special curriculum was developed for training of scavengers though it was recognized that occupational shift in low-skill areas would require special measures.</p>

1	2	3	4
11.	113	Social Justice & Empowerment	The Committee desire that the Ministry should immediately lay down the requisite targets for training purposes of the scavengers liverated so that they do not relapse into their hereditary occupation. For this purpose, special training scheme should also be designed keeping in view their low skill level the focus being on the creation and upgradation of the skills for self-employment. The Committee further feel that the need for revitalizing the training infrastructure should also be looked into in greater depth. For this, the Ministry should consider the feasibility of involving Non-Governmental Organisations, especially in certain selected training activities to bring about a fruitful training programme ensuring that their attitudinal behaviour, aptitude and educational standards are taken into consideration for the rehabilitation programme.
12.	114	-do-	The Committee note the Rehabilitation Programme under the Scheme contemplated (i) a time bound survey to identify scavengers and their dependents and their aptitudes for alternative trades; (ii) identification of trades and preparation of a shelf of projects; and (iii) the imparting of training with stipend to identified beneficiaries in the identified trades. The Committee, however, note that against the target of 5.20 lakh scavengers to be rehabilitated from 1997-98 to 2001-2002, only 2.03 lakh scavengers were rehabilitated during this period. During 9 th Plan only 39 per cent of the target could be met whereas in the 8 th Plan 67 per cent of the targeted beneficiaries were rehabilitated. Thus, the number awaiting rehabilitated at the end of the 9 th Plan period was more than twice the

1	2	3	4
13.	115	Social Justice & Empowerment	<p>number at the close of the 8th Plan period. The Committee, however, regret to observe that more than 40 per cent of the beneficiaries remained unrehabilitated even after a decade of the implementation of the scheme. This, according to the Committee, was due to the fact that the resources were neither released nor applied judiciously, thereby leading to accumulated unspent funds and hasty release at the end of the financial year. But absence of reliable base-line data which could form the basis of target setting, led to incorrect projections and even more incorrect conclusions in regard to the outcome of the rehabilitation measures. The Committee would however, also like to point out that rehabilitation efforts were characterized by misapplication of resources, emphasis on low-cost projects for availing of cash benefits without income generation and mismatches between skills and occupations.</p> <p>The Committee found that District Collectors were to act as key functionaries for coordinating with training institutes, financial institutions and various departments of State Governments executing welfare schemes. However, their role was confined largely to survey and identification of beneficiaries. The responsibility of the Scheme was transferred to Scheduled Castes Development Financial Corporations, which were not accountable to the District Collectors in the normal course of their functioning. These organisational mismatches adversely affected the implementation of the Scheme.</p>

1	2	3	4
14.	116	Social Justice & Empowerment	<p>The Scheduled Castes Development Financial Corporations and banks which were responsible for the implementation of income-generating rehabilitation schemes failed to deliver as there was no clear indication of the path of occupational change. Training in low skill alternative occupation was inadequate, impractical and disoriented. Factors of habitation, cluster, aptitude, gender and motivation were ignored for the statistically visible loan-projects. There too the rejection percentage was as high as 74 <i>per cent</i> in Tamil Nadu and 47 <i>per cent</i> in Maharashtra. To expect an illiterate and poor scavenger to comply with the rigours of project-financing by commercial banks, was to say the least, unimaginative, instances of banks rejecting a large number of applications or adopting a cautious approach was also indicative of the fact that the implementing agencies and Scheduled Castes Development Financial Corporations did not exercise sufficient care in the formulation of viable projects that could be financed by the banks. The Committee recommend that Ministry of Urban Employment and Poverty Alleviation should take up the matter with the State Governments to impress upon SCDCs that they should formulate technically and commercially viable projects to avoid rejection of loan applications by the banks. The bank should also be instructed through Ministry of Finance to be more compassionate while dealing with the loan applications of the scavengers. The Committee would like to be informed of the precise steps taken in this regard.</p>
15.	117	-do-	The Committee have been given to understand that against the budget

1	2	3	4
16.	118	Social Justice & Empowerment	<p>estimate of Rs. 807.70 crore, the actual expenditure was Rs. 620.69 crore during the years 1997-2002. The funds released for the scheme during 2002-2003 and 2003-2004 have been Rs. 40.95 crore and Rs. 24.27 crore respectively. Reduction in funds released during the last two years has been explained by the Ministry by saying that this has been done due to accumulation of the unspent balances of the previous years with the State Governments. They have contended that the reduction in the flow of funds have not affected the achievement of targets. The Committee are constrained to point out that there has not been proper utilisation of funds by the State Governments for this vital scheme which is evident from the accumulation of the huge unspent balances at the end of each Financial Year. This in turn has contributed to the tardy progress of the implementation of the scheme. It is obvious that the Ministry have not been able to identify the precise reasons from the State Governments for this financial mismanagement. The Committee have taken a serious view of this state of affairs and would like to emphasise the need to ensure full utilization of the funds released for the scheme by the States. The Committee would like the Ministry to step up monitoring efforts for the optimum utilization of funds by the States on a regular basis and should promptly take up the matter with that States where there are instances of poor utilization of allocated funds.</p> <p>Another areas of concern in the financial management that came to the notice of the Committee is the failure on the part of the State Governments and SCDCs to submit the outstanding utilization</p>

1	2	3	4
			<p>certificate in 91 per cent of the total grants-in-aid of Rs. 642.43 crore released during 1991-2002 for the implementation of the Scheme. The Committee are constrained to point out that even after a lapse of 12 years, the Ministry have still not realized outstanding utilization certificate from the defaulting State Governments and the SCDCs. This clearly is indicative of casual approach and lack of urgency on the part of those State Governments and SCDCs in effective utilisation of the funds. The inordinate delay on the part of the Ministry to evolve a viable and effective mechanism for the realization of such a huge financial corpus is unconscionable. The Ministry could not explain the reasons for non-submission of utilization certificates by the State implementing Agencies and have not explained efforts being made by them in this regard. The Committee expect the Ministry to henceforth strictly monitor the norms regarding submission of the utilization certificates by the implementing agencies and take prompt measures at highest level to impress upon the States to act swiftly in this regard.</p>
17.	119	Social Justice & Empowerment	<p>The Scheme provides for the setting up of a network of Monitoring Committees i.e. Central Monitoring Committee at the apex level, State-level Monitoring Committees, supported by District-level Monitoring Committees and the Town Committees or Mohalla Committees at the ground level. While the Central and State-level Committees were required to meet quarterly, no periodicity was prescribed for District and Town Committees.</p>
18.	120	-do-	<p>The Committee are surprised to note that the Central Monitoring Committee met only once in February 1993 during 1992-</p>

1	2	3	4
			<p>2002, while it should have at least met 40 times. In some States, the State Level Monitoring Committee have not even met once. The Committee are also unhappy to note that in some States, the State Level Committee, District Level and Town Level Committees have not even been set up. Even the reporting system is faulty leading to incorrect/incomplete identification of beneficiaries, non-identification of skill requirements, lack of monitoring mechanism, lack of awareness among beneficiaries, lack of motivation for self-help and misutilisation of financial assistance by the beneficiaries. The Committee note that it was through the District Collector that interaction with banks, Urban Local bodies, SCDCs, Training institutes and Monitoring Committees was sought to be achieved. It is however, noticed that the role of the Collector was confined largely to survey and identification and that too not in all cases. The day-to-day implementation of the scheme was done by SCDCs. The State Governments passed the funds directly to the SCDCs and District Collector had no role to play. Hence, there was a lack of coordination in the operation of the scheme. In many cases, the District level Monitoring Committees under the Chairmanship of Collectors were not formed. There was lack of coordination among the State level Departments as well as among the Central Ministries involved in the Scheme. Therefore, the Committee strongly recommend that the applications of scavengers for loans from the banks should be routed through the District Collectors office so that they can identify their needs and suggest viable project, so that their loan applications are not rejected by the</p>

1	2	3	4
			<p>banks out rightly. Even if the Central authority of loan disbursement remain with the SCDCs, still the loans to the individuals should be disbursed through the District Collectors office so that the role of District Collector become more effective and the monitoring of training and rehabilitation measures is done at district level effectively. The Committee, therefore, are inclined to conclude that there is a major deficiency in the monitoring system at all levels. They, therefore, desire the Ministry to put in place a suitable mechanism to ensure that the Central Level Committee and the Committees at the State Level must meet regularly to ensure a high vigil over the progress of the Scheme. As the scheme is implemented through District level officials, the District Collectors should also be involved in finalisation of the projects and disbursement of funds. The Committee recommend that the Ministry should strive to ensure threadbare analysis of the reports submitted by the different Monitoring Committees at different levels. This would facilitate identification of bottlenecks in the implementation process for rectification. The Committee also recommend that the States, which are yet to set up various monitoring Committees should be asked to act immediately now.</p>



PART II

MINUTES OF THE FIFTH SITTING OF THE PUBLIC ACCOUNTS COMMITTEE (2004-2005) HELD ON 13TH OCTOBER, 2004

The Committee sat from 1600 hrs. to 1745 hrs. in Room No. 53, Parliament House, New Delhi.

PRESENT

Prof. Vijay Kumar Malhotra — *Chairman*

MEMBERS

Lok Sabha

2. Shri Ramesh Bais
3. Shri Khagen Das
4. Dr. M. Jagannath
5. Dr. R. Senthil
6. Shri Brij Bhushan Sharan Singh
7. Dr. Ram Lakhani Singh

Rajya Sabha

8. Shri Prasanta Chatterjee
9. Shri R.K. Dhawan
10. Dr. K. Malaisamy
11. Shri C. Ramachandraiah
12. Shri Jairam Ramesh
13. Prof. R.B.S. Varma

SECRETARIAT

- | | | |
|------------------------|---|-----------------------------|
| 1. Shri P.D.T. Achary | — | <i>Additional Secretary</i> |
| 2. Shri S.K. Sharma | — | <i>Joint Secretary</i> |
| 3. Shri Ashok Sarin | — | <i>Director</i> |
| 4. Shri N.S. Hooda | — | <i>Under Secretary</i> |
| 5. Smt. Anita B. Panda | — | <i>Under Secretary</i> |

Representatives of the Office of the Comptroller and Auditor General of India

- | | | |
|----------------------|---|--|
| 1. Ms. Anusua Basu | — | ADAI (RC) |
| 2. Dr. A.K. Banerjee | — | Director General of Audit
(Central Revenue) |

Representatives of the Ministry of Social Justice & Empowerment

- | | | |
|----------------------------|---|-----------------------------------|
| 1. Smt. Sarita Prasad | — | Secretary |
| 2. Shri P. Narayana Murthy | — | Joint Secretary |
| 3. Shri M. Sahoo | — | Joint Secretary & Finance Adviser |

Representatives of the Ministry of Urban Employment & Poverty Alleviation

- | | | |
|-----------------------|---|------------------------------|
| 1. Smt. Chitra Chopra | — | Secretary |
| 2. Shri M.N. Mathur | — | Economic Adviser |
| 3. Dr. P.S. Rana | — | CMD, HUDCO |
| 4. Shri U.S. Pant | — | Chief Controller of Accounts |

Representative of the Ministry of Rural Development (Department of Drinking Water Supply)

Smt. Lalitha Kumar — Joint Secretary

2. At the outset, the Chairman, PAC welcomed the Members and Audit Officers. The Chairman informed the Members that the sitting has been convened to take oral evidence of the representatives of the (i) Ministry of Social Justice & Empowerment (ii) Ministry of Urban Employment and Poverty Alleviation and (iii) Ministry of Rural Development (Department of Drinking Water Supply) on Chapter I of the Report of C&AG of India for the year ended 31 March 2002, No. 3 of 2003, Union Government (Civil—Performance Appraisals) relating to the "National Scheme of Liberation and Rehabilitation of Scavengers and their Dependents."

3. Before, evidence, the Committee took up for consideration and adoption the following draft reports:

- (i) Action taken on the recommendations contained in the 36th Report of PAC (13th Lok Sabha) relating to **"Avoidable import of high capacity diesel powered breakdown cranes"**
- (ii) Action taken on the recommendations contained in the 30th Report of PAC (13th Lok Sabha) relating to **"Excesses over Voted Grants and Charged Appropriations (1999-2000)"**

4. The Committee adopted these draft Reports without any modifications/amendments. The Committee authorized the Chairman to finalise the draft Report in the light of changes suggested by Audit through factual verification, if any, or otherwise and to present the same to Parliament.

5. Thereafter, the Officers of the Office of C&AG of India briefed the Committee on the specific points arising out of the Chapter I of the Audit Report No. 3 of 2003. Thereafter, the representatives of the (i) Ministry of Social Justice & Empowerment (ii) Ministry of Urban Employment and Poverty Alleviation and (iii) Ministry of Rural Development (Department of Drinking Water Supply) were called and the Committee commenced the oral evidence. The evidence on the subject was not completed and the Committee decided to continue it on 14th October, 2004.

6. A copy of the verbatim proceedings of the sitting has been kept on record.

The Committee then adjourned.

MINUTES OF THE SIXTH SITTING OF THE PUBLIC ACCOUNTS COMMITTEE
(2004-2005) HELD ON 14TH OCTOBER, 2004

The Committee sat from 1100 hrs. to 1220 hrs. on 14th October, 2004 in Committee Room 'E', Parliament House Annexe, New Delhi

PRESENT

Prof. Vijay Kumar Malhotra — *Chairman*

MEMBERS

Lok Sabha

2. Shri Ramesh Bais
3. Shri Khagen Das
4. Dr. M. Jagannath
5. Dr. R. Senthil
6. Shri Brij Bhushan Sharan Singh
7. Dr. Ram Lakhan Singh
8. Shri K.V. Thangka Balu
9. Shri Tarit Baran Topdar

Rajya Sabha

10. Shri Prasanta Chatterjee
11. Dr. K. Malaisamy
12. Shri V. Narayanasamy
13. Shri C. Ramachandraiah
14. Shri Jairam Ramesh
15. Prof. R.B.S. Varma

SECRETARIAT

- | | | |
|------------------------|---|-----------------------------|
| 1. Shri P.D.T. Achary | — | <i>Additional Secretary</i> |
| 2. Shri S.K. Sharma | — | <i>Joint Secretary</i> |
| 3. Shri Ashok Sarin | — | <i>Director</i> |
| 4. Shri N.S. Hooda | — | <i>Under Secretary</i> |
| 5. Smt. Anita B. Panda | — | <i>Under Secretary</i> |

Representatives of the Office of the Comptroller and Auditor General of India

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|----------------------|---|--------------------------------|
| 1. Ms. Anusua Basu | — | ADAI (RC) |
| 2. Dr. A.K. Banerjee | — | Director General of Audit (CR) |

Representatives of the Ministry of Social Justice & Empowerment

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| 1. | Smt. Sarita Prasad | — | Secretary |
| 2. | Shri P. Narayana Murthy | — | Joint Secretary |
| 3. | Shri M. Sahoo | — | Joint Secretary & Financial Adviser |
| 4. | Shri Lalit Kohli | — | CMD, NSKFDC |

Representatives of the Ministry of Urban Employment & Poverty Alleviation

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|----|--------------------|---|------------------------------|
| 1. | Smt. Chitra Chopra | — | Secretary |
| 2. | Shri M.N. Mathur | — | Economic Adviser |
| 3. | Dr. P.S. Rana | — | CMD, HUDCO |
| 4. | Shri U.S. Pant | — | Chief Controller of Accounts |

**Representatives of the Ministry of Rural Development
(Department of Drinking Water Supply)**

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| 1. | Shri V.K. Duggal | — | Secretary |
| 2. | Smt. Lalitha Kumar | — | Joint Secretary |

2. To begin with, the Chairman welcomed the Members of the Committee, the representatives of the (i) Ministry of Social Justice & Empowerment, (ii) Ministry of Urban Employment & Poverty Alleviation and (iii) Ministry of Rural Development (Department of Drinking Water Supply) and the Officials of C&AG to the sitting of the Committee.

3. As the evidence on the subject had remained inconclusive on 13 October 2004, the Committee resumed oral evidence of the representatives of the (i) Ministry of Social Justice & Empowerment, (ii) Ministry of Urban Employment & Poverty Alleviation and (iii) Ministry of Rural Development (Department of Drinking Water Supply) on Chapter 1 of Report of the C&AG of India for the year ended March, 2002, No. 3 of 2003, Union Government (Civil—Performance Appraisals) on the "National Scheme of Liberation and Rehabilitation of Scavengers and their Dependents" and other related matters in continuation to the evidence held on 13th October 2004. The Secretaries and other representatives of the Ministries explained to the various points and queries raised by the Members.

4. A copy of the verbatim proceedings of the sitting has been kept on record.

The Committee then adjourned.

MINUTES OF THE SEVENTH SITTING OF THE PUBLIC ACCOUNTS
COMMITTEE (2004-2005) HELD ON 18TH FEBRUARY, 2005

The Committee sat from 1100 hours to 1300 hours on 18th February, 2005 in
Committee Room 'E', Parliament House Annexe, New Delhi

PRESENT

Prof. Vijay Kumar Malhotra — *Chairman*

MEMBERS

Lok Sabha

2. Shri Naveen Jindal
3. Shri Brij Bhushan Sharan Singh
4. Shri K.V. Thangka Balu

Rajya Sabha

5. Shri Prasanta Chatterjee
6. Dr. K. Malaisamy
7. Shri V. Narayanasamy
8. Prof. R.B.S. Varma

SECRETARIAT

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|----|---------------------|---|-----------------------------|
| 1. | Shri P.D.T. Achary | — | <i>Secretary</i> |
| 2. | Shri S.K. Sharma | — | <i>Additional Secretary</i> |
| 3. | Shri Ashok Sarin | — | <i>Director</i> |
| 4. | Smt. Anita B. Panda | — | <i>Under Secretary</i> |

(i) Representatives of the Office of the Comptroller and Auditor General of India

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| 1. | Smt. Sudha Ragagopal | — | ADAI |
| 2. | Smt. K. Ganga | — | Pr. Director of Audit |

(ii) Representatives of the Ministry of Railways (Railway Board)

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| 1. | Shri R.K. Singh | — | Chairman Railway Board and
Ex-officio Principal Secretary to
the Government of India |
| 2. | Ms. Vijayalakshmi
Viswanathan | — | Financial Commissioner
(Railway) & Ex-officio
Secretary to the GOI |
| 3. | Shri P.N. Garg | — | Member Mechanical &
Ex-officio Secretary to the GOI |
| 4. | Shri S.P.S. Jain | — | Member Engineering &
Ex-officio Secretary to the GOI |
| 5. | Shri S.C. Gupta | — | Member Electrical & Ex-officio
Secretary to the GOI |

(iii) Representative of the Ministry of Civil Aviation

Shri Ajay Prasad — Secretary

(iv) Representative of Commission of Railway Safety

Shri G.P. Garg — Chief Commissioner of Railway Safety

2. To begin with, the Chairman, PAC welcomed the Members and Audit Officers to the sitting of the Committee.

3. The Committee took up for consideration the Draft Report on Chapter I of Audit Report No. 3 of 2003 (Civil-Performance Appraisal) relating to "National Scheme of Liberation & Rehabilitation of Scavengers and their Dependents. The Committee adopted the same with some modifications/amendments. The Committee authorised the Chairman to finalise the Draft Report in the light of changes suggested by Audit through factual verification, if any, or otherwise and to present the same to Parliament.

4. The Chairman informed the Members that the sitting has been convened to take oral evidence of the representatives of the Ministries of Railways (Railway Board), Civil Aviation and Commissioner of Railway Safety on Paragraph 5.3 of the Report of C&AG of India for the year ended 31 March 1998, (No. 9 of 1999) relating to "Safety Performance of Indian Railways". Thereafter, the officers of office of C&AG of India briefed the Committee on the specific points arising out of the Audit Paragraph. Then the representatives of the Ministries of Railways (Railway Board), Civil Aviation and Commission on Railway Safety were called. The Committee commenced the oral evidence on the subject. The Chairman, Railway Board gave an update of the implementation of various safety measures undertaken by the Ministry over the years. The Members of the Committee sought various clarifications on the points arising out of Audit Paragraph and information submitted by the Ministry of Railways. After detailed discussion, the Hon'ble Chairman directed the Chairman, Railway Board, Secretary of Ministry of Civil Aviation and Commission of Railway Safety to furnish written information at the earliest on all the points raised by the Members.

5. A copy of the verbatim proceedings of the sitting has been kept on record.

The Committee then adjourned.