

FIFTH REPORT  
COMMITTEE ON WELFARE OF OTHER  
BACKWARD CLASSES  
(2013-2014)

(FIFTEENTH LOK SABHA)

MINISTRY OF SOCIAL JUSTICE AND  
EMPOWERMENT

[Action Taken by the Government on the Recommendations/Observations  
contained in the Third Report of the Committee on Welfare of Other  
Backward Classes on the subject “Review of Welfare Measures  
for the OBCs and Grant of Constitutional Status to NCBC”]

*Presented to Lok Sabha on 07.02.2014  
Laid in Rajya Sabha on 07.02.2014*



LOK SABHA SECRETARIAT  
NEW DELHI

*February, 2014/Magha, 1935 (Saka)*

**C.O. OBC No. 5**

*Price: ₹ 35.00*

© 2014 BY LOK SABHA SECRETARIAT

Published under Rule 382 of the Rules of Procedure and Conduct of Business in Lok Sabha (Fourteenth Edition) and printed by the General Manager, Government of India Press, Minto Road, New Delhi-110 002.

## CONTENTS

		PAGE
COMPOSITION OF THE COMMITTEE (2013-14)	.....	(iii)
INTRODUCTION	.....	(v)
CHAPTER I	Report .....	1
CHAPTER II	Recommendations/Observations which have been accepted by the Government .....	8
CHAPTER III	Recommendations/Observations which the Committee do not desire to pursue in view of the Government's replies .	18
CHAPTER IV	Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee and which require reiteration. ....	19
CHAPTER V	Recommendations/Observations in respect of which the Government furnished interim replies .....	24
APPENDICES		
I.	Minutes of the Twelfth sitting of the Committee on Welfare of Other Backward Classes (2013-14) held on 17th December, 2013 .....	25
II.	Analysis of the Action Taken by the Government on the Recommendations/Observations of the Committee on Welfare of Other Backward Classes contained in their Third Report (Fifteenth Lok Sabha) .....	27

COMPOSITION OF THE COMMITTEE ON WELFARE OF OBCs  
(2013-14)

Shri Bijoy Krishna Handique — *Chairman*

MEMBERS

*Lok Sabha*

2. Shri Hansraj Gangaram Ahir
3. Shri Sameer Magan Bhujbal
4. Shri Dara Singh Chauhan
5. Dr. Charles Dias
6. Shri Anant Gangaram Geete
7. Shri P. Kumar
8. Dr. (Smt.) Botcha Jhansi Lakshmi
9. Shri P.C. Mohan
10. Shri Ponnamp Prabhakar
11. Shri Amarnath Pradhan
12. Shri Ramkishun
13. Shri Konakalla Narayana Rao
14. Advocate A. Sampath
15. Shri Ganesh Singh
16. Shri Uday Pratap Singh\*
17. Shri Manicka Tagore
18. Shri Arun Yadav
19. Shri Hukmadeo Narayan Yadav
20. Prof. (Dr.) Ranjan Prasad Yadav

*Rajya Sabha*

21. Smt. Jharna Das Baidya
22. Shri Birendra Prasad Baishya
23. Shri Rama Chandra Khuntia
24. Dr. Ram Prakash
25. Shri V. Hanumantha Rao
26. Shri Ramchandra Prasad Singh
27. Shri Ashk Ali Tak
28. Dr. Bharatkumar Raut
29. Dr. Anil Kumar Sahani
30. Shri Shankarbhai N. Vegad

---

\* Resigned from his seat in Lok Sabha w.e.f. 10th December, 2013.

(iv)

SECRETARIAT

1. Shri Devender Singh — *Joint Secretary*
2. Shri N.C. Gupta — *Director*
3. Shri R.R. Kumar — *Additional Director*
4. Shri Ramesh Lal — *Deputy Secretary*

## INTRODUCTION

I, the Chairman, Committee on Welfare of Other Backward Classes having been authorized by the Committee to present the Report on their behalf, present this Fifth Report on “Action taken by Government on the recommendations/observations contained in the Third Report (Fifteenth Lok Sabha) of the Committee on Welfare of Other Backward Classes on the subject ‘Review of Welfare Measures for the OBCs and Grant of Constitutional Status to NCBC’ pertaining to the Ministry of Social Justice and Empowerment”.

2. The Third Report was presented to Lok Sabha on 30.8.2013. The replies of the Government to all the recommendations contained in the Report were received on 29th November, 2013.

3. The replies of the Government were examined and the Report was considered and adopted by the Committee at their sitting held on 17.12.2013.

4. An analysis of the Action Taken by the Government on the recommendations/ observations contained in the Third Report (Fifteenth Lok Sabha) of the Committee is given in Appendix-II.

NEW DELHI;  
6 February, 2014  
17 Magha, 1935 (Saka)

BIJOY KRISHNA HANDIQUE  
*Chairman,*  
*Committee on Welfare of OBCs.*

## CHAPTER I

### REPORT

This Report of the Committee on Welfare of Other Backward Classes deals with the action taken by the Government on the recommendations/observations contained in their Third Report on Review of Welfare Measures for the OBCs and Grant of Constitutional Status to NCBC of the Ministry of Social Justice and Empowerment which was presented to Lok Sabha on 30 August, 2013.

2. The Third Report of the Committee contained 12 recommendations. Action taken notes have been received from the Government in respect of all the recommendations/observations of the Committee which have been categorised as follows:

- (i) Recommendations/Observations which have been accepted by the Government

Recommendation Sl. Nos. 1, 2, 5, 7, 8, 9 and 10

(Total - 7)

Chapter II

- (ii) Recommendations/Observations which the Committee do not desire to pursue in view of the Government's replies

—NIL—

(Total - Nil)

Chapter III

- (iii) Recommendations/Observations in respect of which replies of the Government have not been accepted by the Committee

Recommendation Sl. Nos. 3, 4, 6 and 12

(Total - 4)

Chapter IV

- (iv) Recommendations/Observations in respect of which final replies of the Government are still awaited

Recommendation Sl. No. 11

(Total - 1)

Chapter V

**3. The Committee desired that final replies in respect of the Recommendations/Observations for which only interim replies have been given by the Government should be furnished to the Committee within three months of the presentation of the Report.**

4. The Committee will now deal with the action taken by the Government on some of the Recommendations/Observations in the succeeding paragraphs.

**Recommendation (Sl. No. 3)**

5. The Committee had observed that there was a separate Sub-Plan for the Scheduled Castes under the Ministry of Social Justice and Empowerment. Considering the population of the Scheduled Castes, 16.2 per cent of the overall budget outlay was spent for the benefit of the Scheduled Castes which forms 72.5 per cent of the budget outlay of the Ministry of Social Justice and Empowerment. The Committee were startled to note that the OBCs constituting about 52 per cent population of the country as per Mandal Commission Report, were getting only about 21 per cent of the Ministry's outlay. While impressing upon the need for maintaining harmonious development of all sections of the society, the Committee were of the considered view that funds for the welfare of OBCs ought to be allocated commensurate with their population in keeping with the philosophy of inclusive growth. The Committee therefore recommended that there should be a separate Sub-Plan for the OBCs also within the total outlay of the Ministry of Social Justice and Empowerment with equitable share of funds proportionate to their population. Moreover, given the enormity of the population of OBCs in the country and their poor socio-economic conditions, the Committee also recommended that the Government consider to set up a separate Department for Welfare of OBCs within the purview of the Ministry of Social Justice and Empowerment for effective planning, execution and monitoring of the welfare programmes for the development of OBCs.

6. In their Action Taken Notes, the Ministry have stated as under:—

"The recommendations were forwarded to the Planning Commission.

In regard to creation of a separate Sub-Plan for the OBCs within the total outlay of the Ministry of Social Justice and Empowerment, while the Planning Commission have stated that the Ministry of Social Justice and Empowerment may allocate funds for the programmes of OBCs from the overall Annual/Five Year Plan allocation, it is submitted that this will be possible and effective only when corresponding higher allocations are made exclusively for the Schemes related to Other Backward Classes. The issue of higher allocations for OBC Schemes will be taken up both with the Planning Commission and Ministry of Finance at the time of Mid-Term Appraisal.

As regards setting up of a separate Department for the Welfare of OBCs within the purview of Ministry of Social Justice and Empowerment, it may be submitted that the Department of Social Justice and Empowerment is the nodal Department for the overall policy, planning and co-ordination of programmes for the development of the socially and educationally backward classes and economically backward classes. A full-fledged and independent Backward Classes Bureau is functioning in the Ministry/Department to monitor and implement the various issues and welfare schemes of the Government meant for OBCs. Also, the National Commission for Backward Classes (NCBC) is presently functioning as an independent autonomous body with mandate to look into the issues regarding inclusion and exclusion of castes in the Central List of OBCs.



Further, the National Backward Classes Finance and Development Corporation (NBCFDC), an Apex Corporation under aegis of Ministry of Social Justice and Empowerment, provides financial assistance to the members of Backward Classes through State Channelling Agencies. People living below double the poverty line can obtain loan assistance for their self employment ventures from NBCFDC in the following sectors: — (i) Agriculture & Allied Activities; (ii) Small Business/ Artisan & Traditional Occupation; (iii) Transport Sector & Service Sector; and (iv) Technical and Professional Trades/ Courses. The NBCFDC Schemes are implemented in all the States having population of Backward Classes as notified by Central/State Government from time to time.

A decision on creation of a separate Department for welfare of the OBCs will be taken at an appropriate juncture."

**7. The Committee had observed in their Original Report that 72.5% of the budget outlay of the Ministry of Social Justice and Empowerment are being allocated to the welfare of the Scheduled Castes whereas OBCs constituting about 52% population of the country as Per Mandal Commission Report, are getting only 21% of the Ministry's outlay. While impressing upon the need for maintaining harmonious development of the society, the Committee had recommended that there should be a separate Sub-Plan for the OBCs also within the total outlay of the Ministry of Social Justice and Empowerment with equitable share of funds proportionate to their population. The Committee are unhappy to note that the Ministry have not taken any concrete step towards implementation of the recommendation of the Committee except that the recommendation has been forwarded to the Planning Commission. The Committee do not accept the plea of the Ministry that separate Sub-Plan for OBCs would be possible and effective only when higher allocations are made exclusively for the schemes related to OBCs. The Committee feel that allocating appropriate funds exclusively for OBCs is the responsibility of the Government only. The Committee therefore expect that instead of taking the plea of higher allocation from the Planning Commission, the Ministry should impress upon the Ministry of Finance and Planning Commission for a separate Sub-Plan for OBCs so that commensurate funds are allocated for the development of OBC.**

**The Committee had also recommended to set up a separate Department for Welfare of OBCs within the purview of the Ministry of Social Justice and Empowerment in view of the enormity of the population of OBCs in the country and their poor socio-economic conditions. The Committee are disappointed with the reply of the Ministry that a decision on creation of a separate department for OBCs will be taken at an appropriate juncture. The Committee feel that the existence of an independent backward classes bureau, the National Commission for Backward Classes (NCBC) and the National Backward Classes Finance and Development Corporation (NBCFDC) only reinforced the need for setting up of a Department for the Welfare of OBCs. The Committee therefore reiterate their earlier recommendation to create a separate Sub-Plan and a separate Department for the Welfare of OBCs within the purview of the Ministry of Social Justice and Empowerment.**

## Pre-Matric Scholarship Scheme

### Recommendation (SI. No. 4)

8. The Committee had noted that the Pre-Matric Scholarship Scheme was awarded to the students belonging to OBCs whose parents/guardians income from all sources does not exceed Rs. 44,500/- per annum. It was informed that due to paucity of funds, the Ministry of Social Justice and Empowerment was unable to cover the entire OBC students under the scheme and the income ceiling had been fixed in order to extend the benefit to the most needy OBC students. The Committee found no valid ground in fixing income ceiling of Rs. 44,500/- per annum when the income ceiling for the parents/guardians under the same scheme for Scheduled Castes was Rs. 2,00,000 per annum. The Committee had been informed that the Ministry was going to raise the ceiling to Rs. 1,00,000/- per annum. The Committee had strongly recommended that the income ceiling of the parents/guardians for eligibility of the OBC students to take benefit under the Pre-Matric Scholarship Scheme should be enhanced from Rs. 44,500/- to Rs. 2,00,000/- per annum to make it at par with the similar scheme for the Scheduled Castes keeping in view the constant rising cost of living.

9. The Government in their Action Taken Notes have stated as follows:—

“The proposal for revision of Pre-Matric Scholarship Scheme has already been initiated and is under consideration. It is proposed to raise the income ceiling of the parents/guardians for eligibility of OBC students from Rs. 44,500/- per annum to Rs. 1.00 lakh per annum. The scholarship rates are also proposed to be revised to Rs. 100/- per month for day scholars across all classes. The Ministry will be able to consider raising the income limit if corresponding higher allocations are made under the scheme by the Planning Commission so that all the eligible beneficiaries are covered under the Scheme. As mentioned earlier, the issue of higher allocations for OBC Schemes will be taken up both with the Planning Commission and the Ministry of Finance at the time of Mid-Term Appraisal.”

**10. The Committee in their Third Report had strongly recommended that the income ceiling of the parents/guardians for eligibility of the OBC students to take benefits under the Pre-Matric Scholarship Scheme should be enhanced from Rs. 44,500/- to Rs. 2,00,000/- per annum to make it at par with the similar scheme for the Scheduled Castes keeping in view the constant rising cost of living. However, the Government in their Action Taken Notes have reiterated the same position as was stated in the Committee earlier that the Ministry was going to raise the ceiling from Rs. 44,500/- to Rs. 1,00,000/-. The Committee are distressed to note the contention of the Ministry that they will consider raising the income limit if corresponding higher allocations are made under the scheme by the Planning Commission. The Committee reiterate that the income ceiling of the parents/ guardians for eligibility of the OBC students to take benefit under the Pre-Matric Scholarship Scheme should be enhanced from Rs. 44,500/- to Rs. 2,00,000/- per annum to make it at par with the similar scheme for the Scheduled Castes.**

## **Post-Matric Scholarship Scheme**

### **Recommendation (Sl. No. 6)**

11. The Committee had noted that the Post-Matric Scholarship Scheme was revised in July, 2011 to raise the parental income ceiling for eligibility from Rs. 44,500/- to Rs. 1 lakh per annum. The maintenance allowance and other allowances like study tour charges, book allowance for correspondence courses, thesis typing and printing charges, etc. were also increased marginally. Under the revised rates, the maintenance allowance for Day Scholars of Group A courses had been increased from Rs. 190/- per month to Rs. 350/- per month and the book allowance for correspondence course had been increased from Rs. 500/- to Rs. 900/- per annum. The Committee were of the considered view that an amount of Rs. 350/- per month as maintenance allowance for pursuing higher studies like M.Phil, Ph.D. and Post Doctorate research was too meagre. Similarly, the rates of other revised allowances were also too low. On the question of further revision of the rates of the scholarship and income ceiling for eligibility, the Secretary, Ministry of Social Justice and Empowerment had admitted that insufficient funds for the scheme was a great constraint. The Committee had noted that the Ministry was allotted funds to the tune of Rs. 625 crore for the scheme for the year 2012-13 which were utilised in disbursement of scholarship to OBC students. For the year 2013-14, a sum of Rs. 900 crore had been earmarked against the demand of Rs. 2,000 crore from the Ministry of Social Justice and Empowerment. In view of the inflationary pressure and exorbitant cost of higher studies, it was imperative that the amount of assistance under the scheme was suitably enhanced. The Parliamentary Standing Committee on Social Justice and Empowerment (2012- 13) had also recommended in their 36th Report on the Demands for Grants of the Ministry for the year 2013-14 that more funds may be allocated under the education schemes for OBCs and the income ceiling revised so as to bring it at par with the ceilings for similar schemes for the SC students. The Committee had reiterated the recommendation of the Standing Committee on Social Justice and Empowerment and desired that the Ministry pursue the matter vigorously with the Ministry of Finance and the Planning Commission for allocation of adequate funds and revise the scheme suitably by increasing the income ceiling for eligibility and scholarship rate. The Committee would like to be apprised of the progress made in this regard.

12. In their Action Taken Notes, the Ministry have stated as under:

"In this regard, it is submitted that at present the Ministry is not able to fulfil the full demand of funds of the States. If the rates of allowances are further raised without any corresponding increase in the allocation of funds, it will not serve the purpose. This matter will be reviewed once higher allocations are made by the Planning Commission during the Mid-Term Appraisal.

The Ministry is also taking up the matter of allocation of higher resources with the Planning Commission by way of higher projections for Budget Estimates 2014-15."

**13. The Committee in their Third Report had emphasized on the need of suitable enhancement of the amount of Assistance under the Post-Matric Scholarship Scheme**

in view of the inflationary pressure and exorbitant cost of higher studies. The Committee had also recommended that more funds may be allocated under the education schemes for OBCs and the income ceiling revised so as to bring them it at par with the ceilings for similar schemes for the SC students. The Committee recall that the Planning Commission had agreed during their evidence before the Committee to increase the allocations suitably. In view of this the Committee desire that the Ministry should formulate appropriate Plan to increase the rates of allowances and the income ceiling for eligibility under the scheme and impress upon the Planning Commission the imperative need of allocation of more funds for the scheme. The Committee would like to be apprised of the progress made in this regard.

#### Granting Constitutional Status to NCBC

##### Recommendation (Sl. No. 12)

14. The Committee in their Third Report had recommended the Ministry of Social Justice and Empowerment to take initiative for amendment of the Constitution to delete the Clause 10 of Article 338 so that National Commission for Scheduled Castes (NCSC) could be relieved of the powers to hear complaints/grievances of citizens belonging to OBCs and the same could be vested with the National Commission for Scheduled Castes (NCSC) and the National Commission for Scheduled Tribes (NCST) enjoy constitutional status under Article 338 and Article 338A respectively. The Committee had recommended that the NCBC may also be given constitutional status by amending the Constitution of India by inserting an Article 338B in order to empower the NCBC. The Committee had desired that the Government should take immediate and appropriate action to amend the Constitution suitable in order to further strength and empower the NCBC as recommended by the Committee in their First Report.

15. In their Action Taken Replies to the Third Report of the Committee, the Ministry of Social Justice and Empowerment has stated that a draft Note for the Cabinet to further empower the National Commission for Backward Classes presently under consideration.

**16. The Committee had recommended the Ministry of Social Justice and Empowerment in their very first Report to initiate a Constitutional Amendment for granting Constitutional Status to the National Commission for Backward Classes (NCBC) by inserting an Article 338B and also to bring another Constitutional amendment to delete the Clause 10 of Article 338 so that the NCSC could be relieved of the power to hear complaints/grievances of citizens belonging to OBCs and the same could be vested with the NCBC. This Report was presented to the Parliament on 27th August, 2012. The Committee had reiterated these recommendations in their Second Report also. The Ministry in their final action taken statement in this regard had stated in July, 2013 that a draft Note for the Cabinet to further empower the NCBC was presently under preparation. Deeply anguished with the reply of the Government, the Committee further examined the subject in their term of 2013-14 and again recommended to the Ministry of Social Justice and Empowerment to amend the Constitution suitably in order to further strengthen and empower the NCBC. However, the Committee are saddened to find that the Ministry has not moved even a**

**single step forward since their last reply in July, 2013. The Committee are left with no other option but to reiterate their recommendation that the Ministry of Social Justice and Empowerment should bring amendment to the Constitution without any further delay in order to further strengthen and empower the NCBC by deleting Section 10 of Article 338 and by inserting a new Article 338B for NCBC on the same pattern of NCSC and NCST. The action taken in this regard may also be intimated to the Committee.**

## **CHAPTER II**

### **RECOMMENDATIONS/OBSERVATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT**

#### **Recommendation (Sl. No. 1)**

The Committee note that the Constitution of India enjoins upon the State to promote the welfare of the people by securing social, economic and political justice and to minimise the diverse inequalities and make special provisions for the advancement of socially and educationally backward classes. Article 340 of the Constitution provides that the President may appoint a Commission to investigate the conditions of socially and educationally backward classes. The Kaka Kalelkar was first such Commission appointed by the President in 1953. The Commission submitted its Report in March 1955 but the Government did not accept its Report. The Second Backward Classes Commission, popularly known as the Mandal Commission, was set up by the Government in January, 1979, to investigate the conditions of socially and educational backward classes (EBCs) within the territory of India. After comprehensive study, the Commission submitted its Report on 31st December, 1980. On the basis of socio-educational field survey, Census Report of 1961 (for identification of Tribes), field visits and List of OBCs notified by various State Governments, the Commission calculated the OBC population as 52% of the total population of the country. However, the National Sample Survey Organisation (NSSO), in its Report of October, 2006 had found that 42% of the households in the rural areas as, 36% in the urban areas and 40% in the country belonged to the category of OBCs.

The Committee note that pursuant to the decision taken by the Union Cabinet, a combined survey called "Socio Economic and Caste Census (SECC)" was initiated across the country in June, 2011 with the financial and technical support of the Government of India. The collection of data is reported to be more or less complete in 32 States/UTs. The Committee had been informed that the Office of the Registrar General and Census Commissioner of India would process the caste data and handover the details of castes/tribes returns in the enumeration to the Expert Group to be constituted at appropriate time by the Government for classification and categorisation. The Committee need not emphasize the imperative need of the Socio-Economic and Caste Census to have an authentic data of socially and educationally backward people in the country. In the absence of such a vital data, it is apparently not feasible to plan and implement the welfare measures/schemes for the Other Backward Classes (OBCs) in a just and equitable manner. The Committee therefore recommended unanimously that the whole process of data collection, tabulation, classification of the socio-economic

profiles and categorisation under the caste census be completed without further loss of time so that the real deprived sections of the people across the country are identified scientifically. This would certainly go a long way in empowerment and socio-economic development of the backward classes.

### **Reply of the Government**

The recommendations were forwarded to the Registrar General and Census Commission of India (RGCCI), New Delhi, Ministry of Rural Development and Ministry of Housing & Urban Poverty Alleviation (M/HUPA).

The Office of the Registrar General of India *vide* their letter dated 4.10.2013 have informed that the field data collection by the enumerators has already been more or less completed in all States/UTs, except four States, *viz.* Uttar Pradesh, Bihar, Manipur and Jharkhand. Regular liaison with the nodal agencies of the concerned State Governments is being conducted by the nodal Ministries in the Central Government, *viz.* the Ministry of Rural Development and the Ministry of Housing and Urban Poverty Alleviation for completion of field work. Enumeration has already been completed in 99.50 % of the Enumeration Blocks (EBs). Correction and verification have been completed in 73.80% of the total of EBs under correction and verification. The latest progress for various phases of SECC are at pages 10 and 11. After the completion of verification and correction, the complete data of the SECC is uploaded at the NIC. The RGCCI would process the caste data and hand over the details of the castes/tribes returns to the Ministry of Social Justice and Empowerment and Ministry of Tribal Affairs for categorization and classification of the returns by an Expert Group to be constituted by the Central Government at an appropriate time. Final decision in this regard is yet to be taken.

Ministry of Rural Development, *vide* their OM dated 3.10.2013 , have informed that the Ministry on its part has been making every effort to ensure that the SECC operation is completed at the earliest.

Ministry of Housing and Urban Poverty Alleviation, *vide* their OM dated 21.10.2013, have informed that combined SECC-2011 involves Below Poverty Line (BPL) Survey for rural and urban areas along with caste enumeration. Caste data forms part of the questionnaire canvassed in urban areas and the RGCCI would process caste data. They have also informed that M/HUPA is interested primarily with conduct of BPL Survey in urban areas for which it has been interested primarily with conduct of BPL Survey in urban areas for which it has been provided necessary support to States and its result has not been finalised. Status of implementation of decisions of Cabinet in this regard is separately informed to Cabinet Secretariat periodically. Data (provisional) with respect to urban households is posted on restricted monitoring site ([sec-consensus.nic.in](http://sec-consensus.nic.in) ).

### Copy of Uploading status of Images & C file for SECC as per NIC server 02 Oct 2013.xlsx

Sl. No.	States/UTs	CPSU	Org/EB NIC EB	Total EBs as per ORGI	Total EBs/ as per NIC	Enumeration & Supervision Phase		Verification & Correction Phase		Claims & Oblection Phase		Image Upload Status		Merging Status			
						Percentage of pending EB E-file Uploaded	Percentage of pending EB S-File Uploaded	No. of EB where C- file Uploaded	Percentage of EB, Where C- file Uploaded	No. of EB where D-file Generated	No. of EB, where F-file Up- loaded	Percentage of EBs Image files	Juris- diction Error	Duplicate EBs	Total District	CSV files given to CPSU	Merged files up- loaded to NIC
1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
1.	Jammu & Kashmir	ITI	3566	28726	25160	0.08%	0.14%	11846	95.70%	0	0	80.80%	768	82	22	0	0
2.	Himachal Pradesh	ITI	0	25061	25061	0.00%	0.00%	8892	100.00%	6315	0	98.75%	0	0	12	11	5
3.	Punjab	ITI	223	52456	52233	4.00%	4.81%	23380	86.49%	0	0	65.16%	258	1160	20	2	0
4.	Chandigarh	BEL	29	2096	2067	0.00%	0.00%	1774	100.00%	2067	0	100.00%	0	0	1	1	1
5.	Uttarakhand	ITI	2	28175	28173	0.01%	0.13%	10155	98.05%	5783	0	98.57%	3	16	13	6	6
6.	Haryana	BEL	341	49604	49263	0.01%	0.01%	14970	79.99%	48483	9209	83.59%	4	1807	21	21	21
7.	NCT of Delhi	ITI	231	33598	33367	6.16%	6.83%	24	0.09%	0	0	75.66%	3592	3247	9	9	0
8.	Rajasthan	BEL	-92	137816	137908	0.02%	0.02%	31751	49.05%	0	0	75.39%	2409	736	33	0	0
9.	Uttar Pradesh	ITI	450	394666	394216	2.86%	9.15%	86730	75.37%	0	0	55.16%	5878	7402	71	20	0
10.	Bihar	ECIL	-436	206300	206736	2.38%	7.55%	26770	76.93%	19992	0	75.27%	1722	2466	38	8	7
11.	Sikkim	ECIL	0	1538	1538	0.00%	0.00%	990	100.00%	1415	0	92.00%	0	0	4	4	4
12.	Arunachal Pradesh	ITI	194	6985	6791	0.03%	0.78%	2237	78.99%	0	0	84.85%	275	52	16	0	0
13.	Nagaland	ECIL	159	4254	4095	0.00%	0.00%	1548	99.81%	4094	1572	100.00%	29	0	11	11	11
14.	Manipur	BEL	-339	5887	6226	0.00%	0.00%	1564	100.00%	0	0	96.05%	0	0	9	9	0
15.	Mizoram	ECIL	0	2304	2304	0.82%	1.17%	1088	100.00%	333	0	91.71%	3	0	8	2	2
16.	Tripura	BEL	538	7848	7310	0.15%	0.15%	0	0.00%	0	0	95.20%	0	0	4	0	0
17.	Meghalaya	ITI	0	9312	9312	0.00%	0.00%	3031	97.93%	3641	0	86.10%	357	0	7	3	3



1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18
18.	Assam	ECIL	657	65107	64450	0.00%	0.00%	14617	100.00%	37659	0	99.44%	0	0	27	27	16
19.	West bengal	ECIL	-10	178970	178980	0.90%	4.49%	44256	99.59%	55840	0	93.45%	52	16	19	19	18
20.	Jharkhand	ECIL	33	71752	71719	2.26%	18.16%	7546	29.66%	0	0	71.03%	5130	1864	24	0	0
21.	Odisha	ECIL	18	95928	95910	0.94%	1.99%	8578	33.36%	0	0	70.57%	5127	801	30	30	30
22.	Chhattisgarh	BEL	-2	49388	49390	0.40%	0.44%	22337	88.87%	0	0	43.72%	1518	179	18	0	0
23.	Madhya Pradesh	ITI	300	156659	156359	0.04%	0.14%	8994	9.88%	0	0	70.96%	11659	9210	50	0	0
24.	Gujarat	BEL	-46	112750	112796	0.20%	0.36%	58877	87.19%	10753	0	83.10%	2682	1846	26	26	26
25.	Daman and Diu	BEL	36	475	439	0.00%	0.00%	40	16.19%	439	0	27.11%	2	0	2	2	2
26.	Dadra & Nagar Haveli	BEL	0	690	690	0.00%	0.00%	0	0.00%	0	0	56.38%	0	0	1	1	1
27.	Maharashtra	BEL	-2337	224998	227335	2.31%	5.48%	139181	95.65%	0	0	34.37%	2499	5668	35	35	35
28.	Andhra Pradesh	ECIL	-2	188896	188898	0.20%	0.21%	16343	92.74%	4	0	70.85%	2714	1655	23	23	23
29.	Karnataka	BEL	0	127250	127250	0.45%	1.97%	78511	99.26%	8922	0	78.97%	334	2	30	30	30
30.	Goa	ITI	39	3206	3167	0.00%	0.00%	1953	100.00%	3165	0	99.94%	0	0	2	2	2
31.	Lakshadweep	ITI	1	118	117	0.00%	0.00%	0	0.00%	117	14	NA	20	0	NA	NA	NA
32.	Kerala	ITI	96	68460	68364	0.04%	0.16%	30740	78.51%	6	0	97.63%	281	4	14	14	3
33.	Tamil Nadu	BEL	-2259	139321	141580	1.28%	1.90%	51703	94.95%	0	0	4.77%	5060	4050	32	32	62
34.	Puduchery	BEL	1	2310	2309	1.30%	1.39%	1390	99.07%	0	0	79.64%	7	4	4	4	4
35.	Andaman & Nicobar Islands	ECIL	48	1246	1198	0.00%	0.00%	430	99.77%	1159	0	NA	173	0	NA	NA	NA
Total			1439	2484150	2482711	1.33%	3.97%	712246	73.30%	210187	10795	76.85%	52556	42267	636	352	282

### **Allocation of funds to the other Backward Classes**

#### **Recommendation (Sl. No. 2)**

The Committee note that in its endeavour to eliminate inequalities in status, facilities and opportunities for the OBCs, the Government launched certain welfare schemes for their accelerated educational and economic advancement, in the year 1998-99. Asked to explain the reasons for poor implementation of schemes, the representative of the Ministry of Social Justice and Empowerment in his testimony before the Committee, attributed it to poor allocation of funds. On being queried further, he submitted that over the period of last five years, as many as ten letters were sent by the incumbent Ministers of Social Justice and Empowerment to the Prime Minister/Planning Commission/Minister of Finance for enhancement of Plan Outlay for the Ministry, apart from the letters written at the level of officials. The Committee note that due to persistent efforts, the allocation for the Ministry of Social Justice and Empowerment was raised from Rs. 15,111 crore in the 11th Plan to Rs. 29,400 crore in the 12th Five Year Plan. Notably, the allocation for OBCs was also raised from Rs. 1876 crore in the 11th Plan to Rs. 6174 crore in the 12th Plan within the overall allocation of the Ministry. However, the Committee find that even the augmented amount is too paltry compared to the projection of Rs. 2,22,807 crore made by the Ministry of Social Justice and Empowerment for various developmental schemes to be undertaken during the 12th Plan for the development of OBCs. In the considered view of the Committee, the allocation for OBCs is grossly inadequate given the enormity of the challenges to implement the welfare schemes for their accelerated development. On sustained examination, the Secretary, Planning Commission assured the Committee to review the allocation during mid-term appraisal in the light of the overall availability of funds and the need to accelerate the development of OBCs. The representative also submitted that one of the goals of the Twelfth Five Year Plan is to have inclusive growth. The Committee wish to caution the Government that without redressing the inequalities of the OBCs, there could be no inclusive growth and therefore recommend that the allocations for OBCs should be adequately further enhanced so as to ameliorate their socio-economic conditions and to provide them with level playing field.

#### **Reply of the Government**

The recommendations were forwarded to the Planning Commission.

The Planning Commission *vide* their OM dated 15.10.2013 have agreed with the recommendations/observations of the Committee that there may not be inclusive growth unless allocation for OBCs should be adequately enhanced to ameliorate their socio-economic conditions. Planning Commission have indicated that appropriate view on fund allocation for OBCs will be taken up during the Mid-Term Appraisal keeping in view the overall fund position.

#### **Recommendation (Sl. No. 5)**

The Committee further note that under the Pre-Matric Scholarship Scheme, besides an *ad hoc* grant of Rs. 500/-, the students of Class I to V are given Rs. 25/-, Class VI to VII Rs. 40/-, Class IX and X Rs. 50/- per month and Hostellers of Class III to VIII Rs. 200/- and IX and X Rs. 250/- per month. Also, under the scheme, 50% Central

Assistance is provided to the State Governments over and above their committed liability, while in case of Union Territories, 100% Central assistance is provided. The Committee feel that the scholarship amount being paid to the eligible students under the scheme is not only too low but the overall allocation being meagre, only a small per cent of OBC students can avail the benefit. Surprisingly, these rates of scholarships were fixed in 1998-99 which have not been revised so far. Though the Ministry of Social Justice and Empowerment has agreed to revise the existing scheme of Pre-Matric Scholarship for OBCs by enhancing the income ceiling and the scholarship rates and the funding pattern is also being changed, yet it has time and again shown the constraints of fund availability coming into the way of any major revamp. The Committee find that as against the demand of more than Rs. 2 lakh crore for OBCs during the 12th Five Year Plan by the Ministry of Social Justice and Empowerment, the Planning Commission agreed to raise allocation for welfare of OBCs from Rs. 1876 crore in the 11th Plan to Rs. 6174 crore in the 12th Plan. The representative of the Planning Commission also agreed to give top priority to OBC affairs and enhance the allocations in the coming years considering the overall availability of resources. The Committee desire that the Ministry should vigorously pursue the matter regarding allocation of more funds with the Department of Economic Affairs and the Planning Commission and take steps to raise the scholarship rates judiciously and make the scheme 100 per cent Centrally sponsored so that the OBC students may feel motivated and all of them pursue their studies. The Committee would like to be apprised of the revisions made in the scholarship rates and also in the funding pattern of the Central assistance.

#### **Reply of the Government**

The recommendations were forwarded to the Planning Commission and Department of Economic Affairs.

The Planning Commission, *vide* their OM dated 15.10.2013, have agreed to give priority to OBCs programmes and enhance the allocation in the coming year within the overall availability of resources. In regard to raising the scholarship rates of the Pre-Matric Scholarship Scheme and also to make it a 100% Centrally Sponsored Scheme, the Planning Commission has stated that Ministry of Social Justice and Empowerment needs to take appropriate steps.

The Department of Economic Affairs *vide* their OM dated 17.10.2013 have stated that Scheme wise/item wise allocation of funds are discussed in detail in consultation with the Financial Advisor of Ministry of Social Justice and Empowerment in Pre-Budget meeting chaired by Secretary (Expenditure). Keeping in view the pace of expenditure on each of Plan Schemes and the actual expenditure up to September, R.E. Plan is fixed as per decision taken in the meeting. However, Ministry of Social Justice and Empowerment is advised to approach Planning Commission for allocation of adequate funds for Plan Schemes in B.E. 2014-15 as allocation is to be made by the Planning Commission.

The proposal for revision of Pre-Matric Scholarship Schemes has already been initiated by Ministry of Social Justice and Empowerment and the matter is under consideration. The Scheme is proposed to be restructured to be a part of an 'Umbrella

Scheme' for 'Development of OBCs and DNT and Semi Nomadic Tribes'. It is proposed to raise the income ceiling of the parents/guardians for eligibility of OBC students from Rs. 44,500/- per annum to Rs. 1.00 lakh per annum. The scholarship rates are also proposed to be revised to Rs.100/- per month for day scholars across all classes. The Scheme is proposed to be a 100% Centrally Sponsored Scheme over and above the committed liability of the State Governments/UTs.

The Ministry is also taking up the matter of allocation of higher resources with the Planning Commission by way of higher projections for Budget Estimates 2014-15.

### **Hostels for OBC Boys and Girls**

#### **Recommendation (Sl. No. 7)**

The Committee note that the Scheme of Hostels for OBC Boys and Girls envisages funding on a 50:50 basis with the States (barring North-Eastern States, Union Territories and Central Institutions) and the release of the amount is restricted to Rs. 70,000/- per seat. As a result many of the State Governments are reportedly finding it difficult to complete the construction of hostels within the stipulated timeframe and cost norms. The Committee regret to note that out of 925 hostels sanctioned since 1998-99 to 2012-13, only 669 hostels have been completed. What is more intriguing is that in some of the States not even a single hostel has been constructed as these States did not send their proposals to the Ministry for construction of Hostels. The Committee are unhappy to note that actual utilization of funds by the States has been woefully low as is evident from the fact that against the budget estimate of Rs. 45 crore, the actual utilization has been constantly low during the last three years (*i.e.* Rs. 25.79 crore in 2010-11, Rs. 16.07 crore in 2011-12 and Rs. 4.73 crore up to 24.12.2012 in 2012-13). The Committee have been informed that the declining trend was due to non-submission of Utilisation Certificates by many States resulting into non-release of advance instalments. The non-utilization of full funds allocated to the State Governments is nothing but a reflection on the monitoring mechanism of the Ministry. The Committee are of the firm opinion that unless the funds allocated are utilised completely within the prescribed time and manner, the Ministry need to furnish justification for allocation of more funds. The Committee were informed that the scheme is under revision and there is a proposal to build integrated hostels and revise the period of construction and cost of construction to bring it at par with the similar scheme for the SC students. The Committee desire that Ministry of Social Justice and Empowerment should suitably revise the financial norms and the period of construction of Hostels and also strengthen their monitoring mechanism so as to ensure timely release of adequate funds, their full utilisation by the State Governments and timely completion of Hostels.

#### **Reply of the Government**

A draft EFC Memo for revising the Scheme has been circulated for Inter-Ministerial consultation. The draft EFC Memo proposes construction of integrated Hostels, enhancing the time period of construction and revising the cost of construction of the Hostels to bring them at par with the similar Scheme for SC students. This Ministry is in receipt of comments from the Planning Commission and the Ministry of Finance which are being attended to.

## **Assistance of Voluntary Organisations**

### **Recommendation (Sl. No. 8)**

The Committee note that the scheme of Assistance to Voluntary Organisations was started in 1998-99 with the objective of involving the civil society and non-government sector for improving the socio-economic conditions of the OBCs through skill upgradation in various trades so as to enable them to start income generating activities on their own and get gainful employment. The Government of India meets 90% of the approved expenditure of the vocational training programmes. The Committee find that an amount of Rs. 60 crore was allocated for the scheme since its inception from 1998-99 to 2012-13, against which only Rs. 37.82 crore could be utilised. The Committee are distressed to note that the amount utilised under the scheme is decreasing year after year. In 2010-11, the amount utilised was Rs 1.65 crore which came down to Rs.1.02 crore and Rs. 0.46 crore in 2011-12 and 2012-13 respectively. Various reasons have been attributed by the Ministry for lesser utilisation of funds in most of the States which include non-availability of NGOs working in OBC sector and non-submission or late submission of the requisite documents. Apart from these reasons, the Committee observe that the financial norms fixed under the scheme during 1998-99 have not been revised so far and the existing amount of grants-in-aid is insufficient as compared to the present training cost. The Ministry admitted that the grant at the rate of Rs. 5,000/- per student for this training programme is very low as compared to SC candidates. The Committee were informed that the Ministry is planning to revise the Scheme by enhancing the cost per trainee at the rate of Rs. 10,000/- per trainee and also by releasing funds through the National Backward Classes Finance and Development Corporation/ Government Organisations for training of OBC youth under the National Skill Development Programme. Against this backdrop, the Committee recommend that the Ministry of Social Justice and Empowerment should make concerted steps for making the scheme more attractive by enhancing the quantum of grant-in-aid so that more and more NGOs come forward in all the States and Union Territories and the objective of the scheme to empower the OBCs by helping them in achieving self dependency is achieved. The Committee would like to be apprised of the action taken in this behalf.

### **Reply of the Government**

The Scheme is being revised on the lines already informed to the Committee. As a further measure to enhance the effectiveness of the Scheme, it is proposed to involve the National Backward Classes Finance and Development Corporation for its implementation.

## **New Strategies for the Welfare of OBCs in the 12th Plan and Facilities for Coaching/Training Centres for OBCs**

### **Recommendation (Sl. No. 9)**

The Committee note that the Ministry of Social Justice and Empowerment has taken initiatives to launch new schemes namely Rajiv Gandhi National Fellowship and National Overseas Scholarship for Other Backward Classes (OBCs) and Economically

Backward Classes (EBCs) on the pattern of similar schemes for Schedules Castes/ Scheduled Tribes/ Minorities. The Committee welcome these laudable initiatives of the Ministry as with their implementation, the OBC Students will also get opportunity to go abroad for educational and professional courses which are generally not available in the country. The Committee therefore recommend that all these proposed schemes for OBCs should be treated at par with the similar schemes for SCs/STs and adequate funds be allocated for these schemes so that their implementation are not hampered due to dearth of funds. The Committee are also in favour of setting up a Marketing Federation on the lines of TRIFED to meet the marketing needs and to facilitate marketing platform for the artisans and handicraft persons belonging to OBCs.

The Committee further observes that there are no training/coaching centers in the country to provide pre-recruitment training/coaching to OBC students to facilitate them to prepare for the examinations like IAS/IPS, etc. In view of the large population of OBCs in the country, the Committee recommend that OBC students should also be given opportunity to avail pre-recruitment training/coaching similar to the schemes for the SC/ST students.

#### **Reply of the Government**

The proposed new Schemes for OBCs (Rajiv Gandhi National Fellowship and National Overseas Scholarship for OBCs and Economically Backward Classes) have been formulated on the lines of similar schemes for Scheduled Castes and are under consideration.

The recommendations of the Committee relating to setting up of a Marketing Federation on the lines of TRIFED were forwarded to National BackwardClasses Finance and Development Corporation who have since prepared a Concept Note on the subject which is being examined.

Under the existing Scheme of Free Coaching for SC and OBC students, Central Assistance is provided to reputed Institutions/Centres run by the Central/State Governments/UT Administration, Universities, PSUs etc. for providing coaching for various examination conducted by UPSC, SSC, Railway Recruitment Boards, State Public Service Commission, Banks, Insurance Companies etc. and for premier Entrance Examinations for admission in Engineering, Medical, Professional Courses like Management Law etc. Under the Scheme, 100% expenditure is borne by the M/SJ&E. In addition to the course, stipend is also provided @ Rs. 1,500/- per month for local students and Rs. 3,000/- per month for outstation students. Only students belonging to SCs and OBCs having total family income up to Rs. 3.00 lakh per annum are eligible under the Scheme. The ratio of SC and OBC students coached under the Scheme is 70:30.

#### **National Backward Classes Finance and Development**

##### **Recommendation (Sl. No. 10)**

The National Backward Classes Finance and Development Corporation was set up in the year 1992 as a company 'not for profit' under the Companies Act, 1956 with the objective to provide concessional financial assistance to the members of the

Backward Classes for their socio-economic development and to upgrade the technological and entrepreneurial skills of individuals or groups belonging to Backward Classes through State Channelising Agencies (SCAs) nominated by respective State Government/Union Territory. the NBCFDC assists a wide range of income generating activities which include agricultural and allied activities, small business/artisan and traditional occupation, transport sector, service sector and technical and professional trades/courses by releasing loan assistance to the eligible members of Backward Classes through SCAs under various schemes of NBCFDC as per choice of the beneficiaries. The authorised share capital of the NBCFDC is reported to be Rs. 700 crore at present which is proposed to be enhanced upto Rs. 1500 crore. The Corporation has also generated income to the tune of Rs. 1590.96 crore as on 31st March, 2013 from recycling of recoveries and interest income of loan from the States. The Committee note that the NBCFDC has achieved both its physical and financial targets during the last three years. The Committee have been informed that the annual family income of Rs. 81,000/- in rural areas and Rs. 1,03,000/- in urban areas has been fixed for the persons belonging to the Backward Classes to become eligible for loan assistance under NBCFDC schemes. The Committee feel that the above income criteria is too restrictive and needs to be suitably enhanced so as to cover more and more number of beneficiaries from OBC communities. The Committee, therefore, recommend for further enhancement in the annual ceiling of family income of both the rural and the urban aspirants for becoming eligible to get loan assistance under various schemes of NBCFDC. The Committee also recommend that the authorised share capital of NBCFDC may be enhanced, as proposed, without further delay and the Committee may be apprised.

#### **Reply of the Government**

The annual ceiling of family income for the persons belonging to Backward Classes to become eligible for loan assistance under NBCFDC Schemes is revised by the Government of India from time to time. The last revision was undertaken in November 2012, viz, increase of annual family income for Rural areas from Rs. 40,000/- per annum to Rs. 81,000/- per annum and for Urban areas from Rs. 55,000/- per annum to Rs. 1.03 lakh per annum. Therefore, any further revision at this stage is premature. However, action is being taken to enhance the income ceiling for Education Loans to Rs. 2.50 lakh per annum so that a large number of people belonging to Other Backward Classes may be benefited from the Education Loan Scheme.

Government has approved the proposal for enhancing the authorized share capital of NBCFDC from Rs. 700 crores to Rs. 1500 crores on 12th September, 2013.

**CHAPTER III**

RECOMMENDATIONS OBSERVATIONS WHICH THE COMMITTEE DO NOT  
DESIRE TO PURSUE IN VIEW OF THE GOVERNMENT'S REPLIES

NIL-



## **CHAPTER IV**

### **RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED BY THE COMMITTEE AND WHICH REQUIRE REITERATION**

#### **Recommendation (Sl. No.3)**

The Committee also observes that there is a separate Sub-Plan for the Scheduled Castes under the Ministry of Social Justice and Empowerment. Considering the population of the Scheduled Castes, 16.2 per cent of the overall budget outlay is spent for the benefit of the Scheduled Castes which forms 72.5 per cent of the budget outlay of the Ministry of Social Justice and Empowerment. The Committee are started to note that the OBCs constituting about 52 per cent population of the country as per Mandal Commission Report, are getting only about 21 per cent of the Ministry's outlay. While impressing upon the need for maintaining harmonious development of all sections of the society, the Committee are of the considered view that funds for the welfare of OBCs ought to be allocated commensurate with their population in keeping with the philosophy of inclusive growth. The Committee, therefore, recommends that there should be a separate Sub-Plan for the OBCs also within the total outlay of the Ministry of Social Justice & Empowerment with equitable share of funds proportionate to their population. Moreover, given the enormity of the population of OBCs in the country and their poor socio-economic conditions, the Committee also recommends that the Government consider to set up a separate Department for Welfare of OBCs within the purview of the Ministry of Social Justice and Empowerment for effective planning, execution and monitoring of the welfare programmes for the development of OBCs.

#### **Reply of the Government**

The recommendations were forwarded to the Planning Commission.

In regard to creation of a separate Sub-Plan for the OBCs within the total outlay of the M/SJ&E, while the Planning Commission have stated that the Ministry of Social Justice and Empowerment may allocate funds for the programmes of OBCs from the overall Annual/Five Year Plan allocation, it is submitted that this will be possible and effective only when corresponding higher allocations are made exclusively for the Schemes related to Other Backward Classes. The issue of higher allocations for OBC Schemes will be taken up both with the Planning Commission and the Ministry of Finance at the time of Mid-Term Appraisal.

As regards setting up of a separate Department for the Welfare of OBCs within the purview of Ministry of Social Justice and Empowerment, it may be submitted that the Department of Social Justice and Empowerment is the nodal Department for the overall policy, planning and co-ordination of programmes for the development of the socially and educationally backward classes and economically backward classes. A full-fledged and independent Backward Classes Bureau is functioning in the Ministry/

Department to monitor and implement the various issues and welfare schemes of the Government meant for OBCs. Also, the National Commission for Backward Classes (NCBC) is presently functioning as an independent autonomous body with mandate to look into the issues regarding inclusion and exclusion of castes in the Central List of OBCs.

Further, the National Backward Classes Finance and Development Corporation (NBCFDC), an Apex Corporation under aegis of Ministry of Social Justice and Empowerment, provides financial assistance to the members of Backward Classes through State Channelizing Agencies. People living below double the poverty line can obtain loan assistance for their self employment ventures from NBCFDC in the following sectors:—(i) Agriculture & Allied Activities; (ii) Small Business/Artisan & Traditional Occupation; (iii) Transport Sector & Service Sector; and (iv) Technical and Professional Trades/Courses. The NBCFDC schemes are implemented in all the States having population of Backward Classes as notified by Central/State Government from time to time.

A decision on creation of a separate Department for welfare of the OBCs will be taken at an appropriate juncture.

#### **Comments of the Committee**

Please see Para No. 7 of Chapter I.

#### **Pre-Matric Scholarship Scheme**

##### **Recommendation (Sl. No. 4)**

The Committee note that the Pre-Matric Scholarship Scheme is awarded to the students belonging to OBCs whose parents/guardians income from all sources does not exceed Rs. 44,500 per annum. It was informed that due to paucity of funds, the Ministry of Social Justice and Empowerment is unable to cover the entire OBC students under the scheme and the income ceiling has been fixed in order to extend the benefit to the most needy OBC students. The Committee find no valid ground in fixing income ceiling of Rs. 44,500 per annum when the income ceiling for the parents/guardians under the same scheme for Scheduled Castes is Rs. 2,00,000 per annum. The Committee have been informed that the Ministry is going to raise the ceiling to Rs. 1,00,000 per annum. The Committee strongly recommend that the income ceiling of the parents/guardians for eligibility of the OBC students to take benefit under the Pre-Matric Scholarship Scheme should be enhanced from Rs. 44,500 to Rs. 2,00,000 per annum to make it at par with the similar scheme for the Scheduled Castes keeping in view the constant rising cost of living.

##### **Reply of the Government**

The proposal for revision of Pre-Matric Scholarship Scheme has already been initiated and is under consideration. It is proposed to raise the income ceiling of the parents/guardians for eligibility of OBC students from Rs.44,500 per annum to Rs.1.00 lakh per annum. The scholarship rates are also proposed to be revised to Rs.100/- per month for day scholars across all classes. The Ministry will be able to consider raising the income limit if corresponding higher allocations are made under the scheme by the Planning Commission so that all eligible beneficiaries are covered

under the Scheme. As mentioned earlier, the issue of higher allocations for OBC Schemes will be taken up both with the Planning Commission and the Ministry of Finance at the Time of Mid-Term Appraisal.

#### **Comments of the Committee**

Please *see* Para No.10 of Chapter I.

#### **Post-Matric Scholarship Scheme**

##### **Recommendation (Sl. No. 6)**

The Committee note that the Post-Matric Scholarship Scheme was revised in July, 2011 to raise the parental income ceiling for eligibility from Rs. 44,500 to Rs. 1 lakh per annum. The, maintenance allowance and other allowances like study tour charges, book allowance for correspondence courses, thesis typing and printing charges, etc. were also increased marginally. Under the revised rates, the maintenance allowance for Day Scholars of Group A courses has been increased from Rs. 190 per month to Rs. 350 per month and the book allowance for correspondence course has been increased from Rs. 500 to Rs. 900 per annum. The Committee are of the considered view that an amount of Rs. 350 per month as maintenance allowance for pursuing higher studies like M.Phil, Ph.D. and Post Doctorate research is too meager. Similarly, the rates of other revised allowances are also too low. On the question of further revision of the rates of the scholarship and income ceiling for eligibility, the Secretary, Ministry of Social Justice and Empowerment had admitted that insufficient funds for the scheme was a great constraint. The Committee note that the Ministry was allocated funds to the tune of Rs. 625 crore for the scheme for the year 2012-13 which were utilised in disbursement of scholarship to OBC students. For the year 2013-14, a sum of Rs. 900 crore has been earmarked against the demand of Rs. 2,000 crore from the Ministry of Social Justice and Empowerment. In view of the inflationary pressure and exorbitant cost of higher studies, it is imperative that the amount of assistance under the scheme is suitably enhanced. The Parliamentary Standing Committee on Social Justice and Empowerment (2012- 13) had also recommended in their 36th Report on the Demands for Grants of the Ministry for the year 2013-14 that more funds may be allocated under the education schemes for OBCs and the income ceiling revised so as to bring it at par with the ceilings for similar schemes for the SC students. The Committee reiterate the recommendation of the Standing Committee on Social Justice and Empowerment and desire that the Ministry pursue the matter vigorously with the Ministry of Finance and the Planning Commission for allocation of adequate funds and revise the scheme suitably by increasing the income ceiling for eligibility and scholarship rate. The Committee would like to be apprised of the progress made in this regard.

##### **Reply of the Government**

In this regard, it is submitted that at present the Ministry is not able to fulfil the full demand of funds of the States. If the rates of allowances are further raised without any corresponding increase in the allocation of funds, it will not serve the purpose. This matter will be reviewed once higher allocations are made by the Planning Commission during the Mid-Term Appraisal.

The Ministry is also taking up the matter of allocation of higher resources with the Planning Commission by way of higher projections for Budget Estimates 2014-15.

### **Comments of the Committee**

Please *see* Para No. 13 of Chapter 1.

### **Granting Constitutional Status to NCBC**

#### **Recommendation (Sl. No. 12)**

The Committee had presented their First Report to Parliament on the subject "Measures for strengthening and giving constitutional status to the National Commission for Backward Classes" pertaining to the Ministry of Social Justice and Empowerment on 27th August, 2012. The National Commission for Backward Classes (NCBC) was set up at the Centre as a permanent body by the enactment of the National Commission for Backward Classes Act, 1993 pursuant to the direction of the Supreme Court in the Mandal Commission Judgement. The mandate of the Commission is to examine requests for inclusion of any class of citizens as a backward class in the lists and hear complaints of over-inclusion or under-inclusion of any backward class in such lists and tender advice to the Central Government on the same. Considering the constraints being faced by the NCBC and taking note of the fact that similar Commissions, namely, the National Commission for Scheduled Castes (NCSC) and the National Commission of Scheduled Tribes (NCST) enjoy constitutional status, the Committee had recommended that the NCBC May also be given constitutional status by amending the Constitution of India by inserting an Article 338B, as a first step to empower the NCBC.

The Committee had also observed that in accordance with the provisions of the Article 338(10) of the Constitution, the NCSC continues to investigate and monitor all matters relating to the safeguards provided for the Backward Classes also and to inquire into the complaints with respect to the deprivation of rights and safeguards of the Backward Classes as well. The Committee were surprised to note that even after two decades of the setting up of the NCBC in 1993, the power to inquire into the issues relating to safeguarding the Backward Classes is still vested in the NCSC. The Committee had also found that the NCSC. had not been able to discharge its functions pertaining to OBCs due to its overwhelming preoccupation with the affairs of SCs. The Committee had therefore recommended the Ministry of Social Justice and Empowerment to take initiative for amendment of the Constitution to delete the Clause 10 of Article 338 so that the interests of the OBCs are effectively looked after by the NCBC. The Ministry of Social Justice and Empowerment in their replies to the First Report of the Committee on 4th December, 2012 had submitted that the recommendations of the Committee were being examined by the Government and also the Government was examining a proposal to vest the NCBC with the power to hear complaints/grievances of citizens belonging to OBCs. In their Second Report dealing with the action taken by the Government on the Observations/Recommendations contained in their First Report, the Committee reiterated their earlier recommendations. In their final action taken statement submitted to the Committee on the recommendations of the Committee contained in their Second Report in July, 2013, the Ministry stated that a Draft Note for the Cabinet to further

empower the NCBC was presently under preparation and also action had been initiated in regard to the issue of National Coordinator for OBCs. Deeply anguished, the Committee took further evidence of the representatives of the Ministry in this regard on 26 July, 2013. The Secretary, Ministry of Social Justice and Empowerment informed the Committee that the Draft Cabinet Note in this regard is yet to be finalised. The Committee express their strong displeasure over the delay on the part of the Government in granting constitutional status to the NCBC. The Committee once again strongly recommend that immediate and appropriate action should be taken by the Government to amend the Constitution suitably in order to further strengthen and empower the NCBC as recommended by the Committee in their First Report. The action taken in this regard may also be intimated to the Committee.

#### **Reply of the Government**

A draft Note for the Cabinet to further empower the National Commission for Backward Classes is presently under consideration.

#### **Comments of the Committee**

Please *see* Para No.16 of Chapter I.

## CHAPTER V

### RECOMMENDATIONS/OBSERVATIONS IN RESPECT OF WHICH THE GOVERNMENT FURNISHED INTERIM REPLIES DEVELOPMENT OF AREAS INHABITED BY OBCs THROUGH MPLAD FUNDS

#### **Recommendation (Sl. No. 11)**

The Ministry of Statistics and Programme Implementation of the Government of India has issued guidelines on 'Members of Parliament Local Area Development Scheme (MPLADS)'. The Para No. 2.5 of the Guidelines deals with the development of areas inhabited by Scheduled Castes and Scheduled Tribes. MPs are required to recommend every year, works costing at least 15 per cent of the MPLAD entitlement in areas inhabited by Scheduled Caste population and 7.5 per cent for areas inhabited by Scheduled Tribe population in order to give special attention for the infrastructure development of such areas. The guidelines also enjoin that it shall be the responsibility of the district authority to enforce the provision of the Guidelines to declare areas eligible for utilisation of funds meant for the benefit of SC and ST population.

The Committee therefore recommend that in view of the socio-economic backwardness of the OBCs in the country and in order to ensure their upliftment and socio-economic inclusion, the development of areas inhabited by the OBCs should also be included in Para 2.5 of the MPLADS Guidelines. The Ministry of Social Justice and Empowerment may take initiative to send a proposal to the Ministry of Statistics and Programme Implementation in this regard. The Committee may be apprised of the action taken by the Ministry.

#### **Reply of the Government**

"The recommendations were forwarded to Ministry of Statistics and Programme Implementation.

The Ministry of Statistics and Programme Implementation (M/S&PI) *vide* their OM dated 1.11.2013 have informed that recommendations have been forwarded to Lok Sabha and Rajya Sabha Committees on Members of Parliament Local Area Development Scheme (MPLADS), for their advice. The comments of M/S&PI shall be forwarded to M/SJ&E on receipt of advice of both the Committees."

#### **Comments of the Committee**

Please *see* Para No. 3 of Chapter I.

NEW DELHI;  
6 February, 2014  
17 Magha, 1935 (Saka)

BIJOY KRISHNA HANDIQUE  
Chairman,  
Committee on Welfare of OBCs.

## APPENDIX I

COMMITTEE ON WELFARE OF OTHER BACKWARD CLASSES (OBCs)  
MINUTES OF THE TWELFTH SITTING OF THE COMMITTEE ON WELFARE OF  
OTHER BACKWARD CLASSES (OBCs) (2013-14) HELD ON  
17TH DECEMBER, 2013 IN ROOM NO. 415, PARLIAMENT  
HOUSE ANNEXE, NEW DELHI.

The Committee sat from 1600 hrs. to 1700 hrs.

### PRESENT

Shri B.K. Handique — *Chairman*

### MEMBERS

#### *Lok Sabha*

2. Dr. Charles Dias
3. Dr. (Smt.) Botcha Jhansi Lakshmi
4. Shri P.C. Mohan
5. Shri Ponnampal Prabhakar
6. Advocate A. Sampath
7. Shri Ganesh Singh
8. Shri Arun Yadav
9. Shri Hukmadeo Narayan Yadav

#### *Rajya Sabha*

10. Shri V. Hanumantha Rao
11. Shri Ashk Ali Tak
12. Dr. Bharatkumar Raut
13. Shri Shankarbhai N. Vegad

### SECRETARIAT

1. Shri Devender Singh — *Joint Secretary*
2. Shri N.C. Gupta — *Director*
3. Shri R.R. Kumar — *Additional Director*
4. Shri Ramesh Lal — *Deputy Secretary*

2. At the outset, the Chairman welcomed the Members of the Committee on Welfare of Other Backward Classes (OBCs) and requested them to take up the Draft Report on the subject "Reservation in employment and welfare measures for OBCs in the Reserve Bank of India" and Draft Action Taken Report on "Action taken by Government on the recommendations/observations contained in the Third Report (Fifteenth Lok Sabha) of the Committee on Welfare of Other Backward Classes on the subject 'Review of Welfare Measures for the OBCs and Grant of Constitutional Status to NCBC' for consideration and adoption.

3. The Committee considered and adopted the Draft Reports without any modification.

4. The Member of the Committee thereafter authorised the Chairman to present the above-mentioned Reports to the House on a date and time convenient to him.

*The Committee then adjourned.*



## APPENDIX II

Vide Para 4 of Introduction

### ANALYSIS OF THE ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS/OBSERVATIONS OF THE COMMITTEE ON WELFARE OF OTHER BACKWARD CLASSES CONTAINED IN THEIR THIRD REPORT (FIFTEENTH LOK SABHA)

(i) Total No. of Recommendations/Observations	12
(ii) Recommendations/Observations of the Committee which have been accepted by the Government:	
Recommendation Nos. 1, 2, 5, 7, 8, 9 and 10	Total : 7
	Percentage - 58.33%
(iii) Recommendations/Observations which the Committee do not desire to pursue in view of the replies received the Government:	
- Nil -	Total : 0
	Percentage - 0%
(iv) Recommendations/Observations in respect of which the Committee replies of the Government have not been accepted by the Committee and which require reiteration:	
Recommendation Nos. 3, 5, 6 and 12	Total : 4
	Percentage - 33.33%
(v) Recommendations/Observations in respect of which the Government have furnished interim replies:	
Recommendation No. 11	Total : 1
	Percentage - 8.33%