

12

STANDING COMMITTEE ON SOCIAL JUSTICE AND EMPOWERMENT

(2010 - 2011)

(FIFTEENTH LOK SABHA)

MINISTRY OF MINORITY AFFAIRS

Action taken by the Government on the observations/recommendations contained in the Sixth Report of the Standing Committee on Social Justice and Empowerment (Fifteenth Lok Sabha) on Demands for Grants (2010-2011) - Ministry of Minority Affairs

TWELFTH REPORT



LOK SABHA SECRETARIAT

NEW DELHI

January, 2011/Pausha, 1932 (Saka)

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EMPOWERMENT**

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Presented to Lok Sabha on 9.3.2011

Laid in Rajya Sabha on 9.3.2011



LOK SABHA SECRETARIAT

NEW DELHI

January, 2011/Pausha, 1932 (Saka)

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**COMPOSITION OF THE STANDING COMMITTEE ON SOCIAL JUSTICE AND
EMPOWERMENT (2010-2011)**

SHRI DARA SINGH CHAUHAN - CHAIRMAN

**MEMBERS
LOK SABHA**

- 2 Shri T.R. Baalu
- 3 Shri E.T. Mohamed Basheer
- 4 Smt. Bijoya Chakravarty
- 5 Shri Bhudeo Choudhary
- 6 Smt. Rama Devi
- 7 Shri R. Dhruvanarayana
- 8 Shri Premchand Guddu
- 9 Shri Baliram Jadhav
- 10 Dr. Manda Jagannath
- 11 Shri Mohan Jena
- 12 Shri Baliram Kashyap
- 13 Shri G.V. Harsha Kumar
- 14 Shri Basori Singh Masram
- 15 Shri Kamlesh Paswan
- 16 Dr. Niramalli Sivaprasad
- 17 Shri Lalit Mohan Suklabaidya
- 18 Shri Manohar Tirkey
- #19. Shri Subhash Bapurao Wankhede
- 20 Vacant
- 21 Vacant

**MEMBERS
RAJYA SABHA**

- 22 Smt. Jharna Das Baidya
- 23 Shri Avtar Singh Karimpuri
- 24 Shri Narayan Singh Kesari
- ##25. Shri Mahmood A. Madani
- *26. Shri Ahmad Saeed Malihabadi
27. Dr. Ram Dayal Munda
28. Shri Baishnab Parida
29. Shri Praveen Rashtrapal
30. Shri Shivpratap Singh
31. Shri Nandi Yelliah

Shri Subhash Bapurao Wankhede nominated to the Committee w.e.f. 27.9.2010

Shri Mahmood A. Madani nominated to the Committee w.e.f. 21.9.2010

* Shri Ahmad Saeed Malihabadi nominated to the Committee w.e.f. 21.9.2010

LOK SABHA SECRETARIAT

1. Shri V.R. Ramesh - Joint Secretary
2. Smt. Anita Jain - Director
3. Dr. (Smt.)Sagarika Dash - Under Secretary
4. Smt. Shashi Bisht - Executive Assistant

INTRODUCTION

I, the Chairman of the Standing Committee on Social Justice and Empowerment having been authorized by the Committee to submit the Report on their behalf, present this Twelfth Report on the action taken by the Government on the observations/recommendations contained in the Sixth Report of the Standing Committee on Social Justice and Empowerment (Fifteenth Lok Sabha) on Demands for Grants – 2010-2011 relating to the Ministry of Minority Affairs.

2. The Sixth Report was presented to Lok Sabha and laid in Rajya Sabha on 20th April, 2010. The Ministry of Minority Affairs furnished their replies indicating action taken on the recommendations contained in that Report on 26.7.2010. The Report was considered and adopted by the Standing Committee on Social Justice and Empowerment at their sitting held on 5.1.2011.

3. An analysis of the action taken by Government on the recommendations contained in the Sixth Report of the Standing Committee on Social Justice and Empowerment (Fifteenth Lok Sabha) is given in **Appendix**.

4. For facility of reference observations/recommendations of the Committee have been printed in thick type in the body of the Report.

5. The Committee place on record their appreciation for the valuable assistance rendered to them by the officials of the Lok Sabha Secretariat attached to the Committee.

NEW DELHI:

5 January, 2011

15 Pausa, 1932 (Saka)

DARA SINGH CHAUHAN

Chairman,

Standing Committee on

Social Justice and Empowerment.

CHAPTER - I

REPORT

1.1 This Report of the Standing Committee on Social Justice and Empowerment deals with the action taken by the Government on the observations/recommendations contained in the Sixth Report of the Standing Committee on Social Justice and Empowerment (Fifteenth Lok Sabha) on Demands for Grants 2010-11 relating to the Ministry of Minority Affairs.

1.2 The Sixth Report was presented to Lok Sabha and laid in Rajya Sabha on 20th April, 2010. It contained 17 observations/recommendations. Replies of Government in respect of all the observations/recommendations have been examined and are categorised as under: -

- (i) Observations/Recommendations which have been accepted by the Government: Paragraph Nos. 2.22, 2.23, 2.24, 3.38, 3.39, 5.18, 5.20, 6.19 and 7.8.

(Total 9 - Chapter II)

- (ii) Observations/Recommendations which the Committee do not desire to pursue in view of the replies of the Government: Paragraph No. 4.17.

(Total 1 - Chapter III)

- (iii) Observations/Recommendations in respect of which replies of the Government have not been accepted and which need to be reiterated in Chapter I: Paragraph Nos. 3.37, 4.16 and 5.19.

(Total 3 - Chapter IV)

- (iv) Observations/Recommendations in respect of which replies of the Government are of interim in nature:

Paragraph Nos. 3.36, 8.10, 8.11 and 8.12.

(Total 4 - Chapter V)

1.3 The Committee desire that action taken replies on the recommendations contained in Chapter-I and final action taken replies in respect of the recommendations contained in Chapter -V of this Report may be furnished to them at the earliest and in any case not later than three months of the presentation of the Report.

1.4 The Committee will now deal with some of the replies received from the Government which need reiteration or merit comments.

A. SCAs Programme of National Minorities Development and Finance Corporation

Recommendation (Sl. No. 5, Para No. 3.37)

1.5 The Committee were given to understand that under the SCAs programme of NMDFC, projects costing upto Rs. 5 lakh are financed. Funds for this purpose were made available to the SCAs with an interest rate of 3% for further loaning to the beneficiaries at 6%. The Committee had observed that under term loan scheme, no funds were disbursed to the States like Manipur, Madhya Pradesh, Meghalaya, Orissa and Uttar Pradesh during the last three years i.e. 2006-07, 2007-08, 2008-09 and the current financial year 2009-10 due to reasons such as non-operation of SCAs in the States, mounting overdues, absence of State Government guarantee, non utilization of funds released earlier and poor recovery from the beneficiaries. The Committee felt that the marketing assistance related term loan programme under the SCAs have a lot of potential for the economic upliftment of the minority beneficiaries where they can undertake small scale entrepreneurial activities.

However, it is very unfortunate that due to weak SCAs many States are not able to avail the benefits under the scheme and there is an urgent need for strengthening and capacity building of the SCAs in order to make them efficient. Therefore, the Committee had strongly recommended that the Ministry should take necessary steps to make the SCAs operational in those States where these are defunct and non-functional or not functioning properly. SCAs should be strengthened and energized both economically and administratively at the grass root level. The staff strength of the SCAs should be upgraded so that the shortage of staff does not affect the working of NMDFC.

Reply of the Government

1.6 The Ministry, in their written reply have stated that the marketing assistance related term loan programme under the SCAs have a lot of potential for the economic upliftment of the minority beneficiaries as observed by the Committee but the SCAs are not in a position to utilize this opportunity as the infrastructure of the SCAs is weak.

NMDFC through a Grants-in-aid scheme for strengthening of SCAs had requested the SCAs to submit proposals for Grants-in-aid. Except for a few SCAs, most of the other SCAs did not come forward with proposals and so funds provided under this scheme lapsed. The matter of non-functioning of State Channelising Agencies in the States like Manipur, Madhya Pradesh, Orissa, Uttar Pradesh etc. is regularly taken up with the respective State Governments. Letters have been written by the Chairperson, NMDFC to the Chief Ministers and by the Secretary, Ministry of Minority Affairs to the Chief Secretaries of the respective States covering this issue for strengthening of the SCAs. Though an SCA has been nominated in Meghalaya it has not begun to implement any of the schemes of NMDFC.

NMDFC has given special thrust to marketing assistance scheme from the year 2009-10. As compared to 257 beneficiaries covered under the marketing assistance

scheme in 2008-09, NMDFC assisted 3,871 artisans during 2009-10. In order to strengthen and build capacity of the weak SCAs apart from the Grant in Aid Scheme, NMDFC is regularly following up with the concerned State Governments.

(Ministry of Minority Affairs O.M. No.G-20011/2/2010-11-Budget dated 9th August, 2010)

1.7 Considering the fact that no funds were disbursed to the States of Manipur, Meghalaya, Orissa, Madhya Pradesh and Uttar Pradesh under the SCAs programme of NMDFC due to reasons such as non-operational of SCAs, mounting over dues etc., the Committee had recommended that the Ministry should take necessary steps for strengthening and capacity building of the SCAs. The Committee had also recommended that the staff strength of the SCAs should be upgraded so that the shortage of staff does not affect the implementation of schemes of NMDFC. The Committee find that under the Grants-in-aid scheme for strengthening of SCAs except for a few SCAs, most of other SCAs did not come forward with proposals and so funds provided under this scheme lapsed. The Committee also regret to note that though an SCA has been nominated in Meghalaya it has not begun to implement any of the schemes of NMDFC. The Committee are also unhappy to note that the Ministry have not taken any concrete steps to sensitise the above mentioned States directing them to make operational the non-functioning SCAs and initiating measures for upgrading the staff strength of SCAs. Therefore, the Committee reiterate their earlier recommendation and desire that besides NMDFC writing to Chief Ministers on the issue, the Ministry should also vigorously take up the matter with State Governments and impress upon them the imperative need for making the SCAs effective, functional and operational so that funds under the scheme are not allowed to lapse and SCAs function in the most effective way to benefit the Minority population. State Governments should be advised to take specific steps to upgrade the staff strength of SCAs for the smooth functioning of

NMDFC schemes. The Committee also desire that the Ministry should find out the reasons for non-implementation of the scheme of NMDFC by the State of Meghalaya and recommend that the Ministry should take up the matter with the State of Meghalaya as well as NMDFC so that the minority beneficiaries in the State are not deprived of the benefits of the schemes of NMDFC.

B. Multi-sectoral Development Programme

Recommendation (Sl. No. 8, Para No. 4.16)

1.8 The Committee had noted that the Multi Sectoral Development Programme (MsDP) is a special area development scheme which was launched in 2008-09 and being implemented through the State Governments/UTs in 90 Minority Concentration Districts (MCDs) having a substantial minority population, which are relatively backward and falling behind the national average in terms of socio-economic and basic amenities indicators. The Committee had also noted that a substantial amount of Rs. 989.50 crore was allocated under the scheme during 2009-10. However, they were dismayed to find that only Rs. 513 crore were spent upto 31.12.2009 and another Rs. 38.016 crore were released from 31.12.2009 upto 15.3.2010. Nonetheless, the Committee found that Rs. 1400 crore had been allocated for the programme for 2010-2011 and the Ministry have so far considered and approved 77 district plans, of which plans for only 13 MCDs have been approved in full. The remaining district plans for 64 MCDs have been approved partially and expected to be approved in full during 2010-2011. The Committee were not satisfied with the slow pace of development under the scheme as a big amount i.e. Rs. 1400 crore has been allocated by the Government of India for the purpose for 2010-2011. They had recommended that the Ministry in coordination with the State Governments should expedite the development process of all the 90 MCDs in a time bound manner so as to fulfill the objectives behind the scheme in these districts.

Reply of the Government

1.9 The Ministry in their Action Taken note furnished to the Committee have stated that the scheme of Multi-sectoral Development Programme (MsDP) envisages preparation of district plans in such a manner that the development deficits of a district, identified by a baseline survey, are addressed for improvement of backwardness parameters of MCDs to bring them at par with the national average. The Ministry has been approving proposals contained in the district plans of MCDs which address the identified development deficits and are prepared in accordance with the scheme of MsDP. For proposals in the district plans not made in accordance with the MsDP guidelines and not addressing the identified development deficits, the States/UTs have been advised to submit revised plans. So far 81 district plans have been considered and approved, of which 18 are approved in full and 63 in part. Although Rs.513 crore was released upto December, 2009, an amount of Rs.973.02 crore was released to the State Governments upto 31st March, 2010 against an allocation of Rs.990 crore for 2009-10, which is 98% of allocation for MsDP. The first set of district plans were considered and approved in August, 2008 and first releases were made in October, 2008. It has been only one year and eight months since the first release of funds. During this period, the Ministry has approved plans amounting to Rs.2412.57 crore, of which Rs.1270.55 crore have been released to the State Governments.

Several workshops and meetings have been held with the State Secretaries and Deputy Commissioners for preparation of district plans in a manner to address the identified development deficits as envisaged in the scheme of MsDP. In May 2010, a conference of Principal Secretaries/Secretaries of States/Union Territories dealing with minority welfare was held wherein the need for early submission of district plans was emphasized to ensure that the funds for 2010-11 are released well in time to enable States/UT to implement the approved projects in a time bound manner. Strict and meticulous monitoring of the various schemes in the States is undertaken by carrying out

field visits by the officers of this Ministry so as to avoid underutilization of funds and faster implementation of the programme.

1.10 Having observed the importance of the Multi-sectoral development programme with the objective of addressing the development deficit of 90 minority concentrated districts so as to bring them at par with national average, the Committee had recommended that the Ministry in coordination with the State Governments should expedite the development process of all the 90 MCDs in a time bound manner so as to fulfill the objectives behind the scheme in these districts. The Committee, however, regret to note that many of the district plans have not been approved and since many of the proposals in the district plans had not been made in accordance with the MsDP guidelines and not addressing the identified development deficits, the Ministry have advised the States/UTs to submit revised plans. The Committee note that out of the 81 district plans considered by the Ministry so far only 18 have been approved in full and 63 in part. The Committee are not happy with the above situation and recommend that the Ministry should take urgent necessary steps in helping/assisting the States/districts which have sent deficient plans/proposals. The Ministry should guide these States in preparing and sending the district plans as per MsDP guidelines so that these are cleared early by the Ministry. The Committee further desire that plans of 63 districts which have got partial approval should be reviewed for suitable modification by involving the concerned State/District Administration and the modified plans approved fully within a stipulated time frame, preferably within a period of three months. The Committee may be informed about the concrete action taken in this regard.

C. Free Coaching and Allied Scheme

Recommendation (Sl. No. 11, Para No. 5.19)

1.11 The Committee were given to understand that under the Free Coaching and Allied Scheme, coaching for recruitment of constable and equivalent in police, security forces and railways is provided. However, when the Committee desired to know the details on the number of beneficiaries who have actually gained employment after the coaching, the Ministry have casually stated in their written reply that the information of beneficiaries who have gained employment in police, security forces and railways after availing benefits under the scheme will be obtained and submitted to the Committee in due course. The Committee had taken a strong note of it as in their opinion the above information should have been readily available with the Ministry. The Committee had, therefore, directed the Ministry that the above information be made available to them at the earliest.

Reply of the Government

1.12 The Ministry, in their Action Taken note furnished to the Committee have stated that above information has since been gathered. One institute in Tripura had applied for coaching of 10 students for the entrance examination for constable in 2008-09. First installment was released. The proposal for release of second installment has been received from the institute through the State Government in July, 2010. Out of 8 candidates who were imparted coaching for the post of Constable, two candidates have been selected as Constables in Tripura Police and two candidates did not attend the coaching after selection.

Another proposal from an institute in Gujarat for training / coaching of three hundred students for the post of constables was received. However, no fund was released to the institute as it did not provide the list of candidates for training/coaching as required under the scheme. The institute was asked to provide list of students as on 22.05.2009. A

reminder was issued on 26th August, 2009 for furnishing the list of students. Another reminder was sent on 9th April, 2010 and no response has been received. A letter to the Chief Secretary, Gujarat was also addressed on 18.06.2010.

1.13 Under the Free Coaching and Allied Scheme, the Ministry had coached/trained 4097 beneficiaries during the year 2007-08 in 14 States, 5522 beneficiaries during the year 2008-09 in 20 States and 4682 beneficiaries upto 28.2.2010 in 19 States. In this background, the Committee had desired to know the details about the number of beneficiaries who have actually gained employment in services after the coaching. The Committee are not happy with the reply furnished by the Ministry in this regard where instead of making available information on the number of beneficiaries who have gained employment in all States/UTs, Ministry have furnished inadequate/incomplete information pertaining to only two States i.e. Tripura and Gujarat. The Committee are of the view that there is a need to keep track of the actual number of beneficiaries who gain employment in services such as police, security forces and Railways after availing the coaching facility from Institutes under the scheme so as to know the reach and coverage of the scheme. Therefore, the Committee recommend that efforts should be made by the Ministry to ascertain information from the coaching institutes on the number of beneficiaries gained employment in different services in all the States/UTs where funds have flowed and the same should be made available to the Committee. The Committee also desire that suitable measures be taken to popularize the Free Coaching and Allied scheme in the States/UTs through extensive & vigorous publicity in electronic media like Radio Channels, in vernacular print media and by distributing pamphlets etc. so that large number of minority beneficiaries get the benefit of the scheme and get suitably employed after availing the coaching.

CHAPTER – II

OBSERVATIONS/RECOMMENDATIONS WHICH HAVE BEEN ACCEPTED BY THE GOVERNMENT

Recommendation (Sl. No. 1, Para No. 2.22)

2.1 The Committee observe that the budgetary allocation of the Ministry for the year 2010-2011 has been enhanced from Rs. 1740 crore during the last financial year to Rs. 2600 crore during the current financial year. The Committee are given to understand that all the three scholarship schemes namely Merit –cum-means scheme, Post-matric scheme and Pre- matric scheme launched in 2007-08 and 2008-09 have become very popular and the pace of their implementation has now picked up for which the budgetary allocation in respect of the above schemes have been raised. The Committee have also learnt that out of the increased allocation, a major chunk of the funds i.e. Rs. 1400 crore will be going to the ambitious Multi Sectoral Development Programme (MsDP). The Ministry have informed that since a large number of proposals are being received from the State Governments for release of funds for implementation of district plans for 90 Minority Concentration Districts (MCD), BE for this programme has been raised from Rs.990 crore in 2009-10 to Rs.1400 crore during 2010-11. The Committee welcome the increase of allocation of funds to the Ministry and hope that this increase would certainly help them to focus more resourcefully on the issues relating to development of the minority community. While congratulating the Ministry for the enhancement in the budget, the Committee recommend that all necessary steps should be taken to utilize the entire amount judiciously.

Reply of the Government

2.2 The Observations made by the Hon'ble Committee have been noted for compliance. The following steps have already been taken to utilize the entire amount judiciously:-

- (a) A meeting of all Principal Secretaries of States/UTs in charge of Minority Welfare was held on 14.05.2010 to review the performance of the past year and also to work out the strategy and set milestones for effective and prompt implementation of various schemes/ programmes of the Ministry. Procedural difficulties were discussed/identified for simplification in the implementation of various schemes.
- (b) Release of advance grants to the States/UTs has been put into place for effective and prompt distribution of scholarships to the beneficiaries subject to receipt of utilization certificates for the previous year.
- (c) Letters have been sent to all States/UTs for facilitating opening of no frill/Zero balance account for student from minority communities so that scholarships distribution can be expedited.
- (d) Six meetings of Empowered Committee have been held so far during 2010-11 and 31 district plans were considered and approved under Multi Sectoral Development Programme (MsDP).
- (e) Ministry of Minority Affairs has launched a media campaign during 2010-11 for dissemination of information for creating awareness about the schemes of the Ministry. Newspaper advertisements on Scholarship Schemes have been placed twice during June/July 2010 in 347 Newspapers (English-34, Hindi-92, other languages 221). Advertisements on Doordarshan and All India Radio have been disseminated from 12th to 30th June and 10th June to

15th July, 2010 respectively. Advertisement on Doordarshan telecast again from 20th July to 20th August, 2010. All India Radio has broadcast on prime time channels and on all 22 FM channels.

(F.No.G-20011/1/2010-11-Budget Dated 9th August, 2010)

Recommendation (Sl. No. 2, Para No. 2.23)

2.3 The Committee note with concern that there has been gross under utilization of allocated funds under both under the Plan and Non- Plan Heads of the Ministry during the year 2009-10. Under the Plan Head against the budgetary estimate/revised estimate of Rs. 1740 crore, the actual expenditure has been only Rs. 1599.16 crore. Similarly, under the Non- plan budgetary Head, as against the budgetary estimate of Rs. 16.50 crore, subsequently reduced to Rs. 15.50 crore at RE stage, the actual expenditure has been Rs. 13.43 crore. The Committee also observe that whereas the Ministry had utilized just 60% of its allocation i.e. Rs. 1080.75 crore as on 31.12.2009, the Ministry have shown the actual expenditure to be Rs. 1599.16 crore by 15.3.2010 which means that substantial amount of funds (35%) were released during the last two & a half months only. The reason cited by the Ministry for incurring less expenditure under some on-going planned schemes/programmes is that the process of implementation of all the schemes/programmes was kept in abeyance during the period of enforcement of 'Model Code of Conduct' for General Elections upto May, 2009. The Committee are not convinced with the above reason cited by the Ministry because in the opinion of the Committee 'Code of Conduct' comes in the way of new schemes and it does not come in the way of implementation of the ongoing schemes which are already declared. Though the Ministry have maintained that they are happy with the pace of the utilization as they have already spent Rs. 1658 crore by 23.3.2010, which is little above 95% of the total outlay of the Ministry, the Committee had expected the utilization to be 100%. The release

of substantial amount of funds in the last quarter of the financial year should also have been avoided. Therefore, the Committee recommend that the under utilization of funds under various schemes should be strictly avoided and the Ministry should strive to achieve 100% utilization for all their schemes and programmes. Further, the Committee direct the Ministry to stick to the General Financial Rules that funds should not be allowed to remain idle for long and should be released evenly throughout the year.

Reply of the Government

2.4 Out of the plan allocation of Rs.1740 crore, an expenditure of Rs.1710.89 crore i.e more than 98% allocation earmarked for 2009-10 has been utilized. Similarly, as against the Non-plan allocation of Rs.16.50 crore, subsequently reduced to Rs.15.50 crore at R.E. stage, the actual expenditure during 2009-10 was Rs.14.11 crore i.e 91% of R.E. The observations made by the Hon'ble Committee have been noted for compliance. All necessary steps are being taken to ensure that:-

- (i) The release of substantial amount of funds in the last quarter of the financial year is avoided.
- (ii) All efforts would be made to avoid under utilization of funds under various schemes.
- (iii) The Ministry would stick to the General Financial Rules so that funds are not be allowed to remain idle for long and should be released evenly throughout the year.

Some of the steps taken so far have been indicated in reply to para 2.22

(F.No.G-20011/1/2010-11-Budget Dated 9th August, 2010)

Recommendation (Sl. No. 3, Para No. 2.24)

2.5 The Committee also express their serious concern over the matter of increasing number of Utilization Certificates (UCs) pending with the States. While the number of UCs pending were mere 39 involving an amount of Rs. 5.66 crore on 1.4.2009, the number has increased to 98 UCs involving a huge amount of Rs. 165.09 crore. In this regard the Committee are unhappy to note the overall unspent balances lying with the States which has now increased from Rs. 478 crore in 1.4.2009 to an alarming amount of Rs. 1083.55 crore in 31.12.2009. The reasons cited by the Ministry for huge number of UCs pending are withholding of grants to States/UTs due to their inability to furnish UCs, non utilization of funds of the previous year by the States, the non-drawing of grants by 9 SCAs of NMDFC and the large number of UCs pending under the scheme of MsDP where many States have not furnished the Utilization Certificates. With regard to unspent balances, the Ministry have stated that wherever they have not received the UCs, they are treating them as unspent money lying with the States. The Committee feel that the pendency of such large number of UCs involving huge amount is not a desirable trend and it is against the norms of General Financial Rules. Therefore, the Committee recommend the Ministry should closely and actively monitor the flow of funds to the States and instantly try to recover the unutilized amount and steps should be taken to reconcile the pending UCs. States should also be impressed upon about the serious consequences of huge pendency and the need for early clearance of UCs. Strict and meticulous monitoring of the various schemes in the States should be done so as to avoid underutilization of funds.

Reply of the Government

2.6 The matter is being regularly followed up with the respective States Governments/UTs/Implementing Agencies to utilize the funds quickly under various schemes/programmes of the Ministry. The regular meetings and discussions are being

held with respective States Governments / UTs/ Implementing Agencies for closely and actively monitoring the flow of funds to the States/UTs. No funds are being released without receipt of utilization certificates that are due in respect of the previous grant. The further grant is released after adjustment of the unutilized amount of the previous grant. States/UTs are also being impressed upon about the serious consequences of huge pendency and the need for early clearance of UCs. Strict and meticulous monitoring of the various schemes in the States is undertaken by making field visits by the officers of this Ministry so as to avoid underutilization of funds and ensure faster implementation of the schemes/programmes.

Some more steps taken so far have been indicated in reply to para 2.22

(F.No.G-20011/1/2010-11-Budget Dated 9th August, 2010)

Recommendation (SI. No. 6, Para No. 3.38)

2.7 The Committee find that under the NGO programme of NMDFC micro credit upto Rs. 25000 can be given to each of the members of a minority Self Help Group (SHG). Funds for this purpose are made available to NGOs at 1% interest for further loaning at an interest rate of 5% per annum. In addition to loaning activity, NMDFC assists the targeted groups in skill up-gradation and marketing assistance. However, the Committee regret to note that funds were not disbursed under the micro financing scheme to NGOs in States like Arunachal Pradesh, Gujarat, Karnataka, M.P. Maharashtra, Nagaland, Tripura and Uttarakhand during the last three years and the current financial year. The disbursement of funds was also not uniform and regular during the previous years where some States received the funds in some years and some did not get any funds. The Committee are given to understand that lack of receipt of bankable proposals from credit worthy NGOs and receipt of incomplete proposals by NMDFC are the reasons for non disbursement of funds to the States. As NGOs are an important link between the Government and the

beneficiaries, the Committee desire that the Ministry should try to attract viable proposals from genuine and credit worthy NGOs by undertaking an aggressive awareness campaign about the scheme.

Reply of the Government

2.8 NMDFC extends micro credit to NGOs with very low security and also assists targeted groups for skill upgradation and marketing assistance. Based on its experience in dealing with NGOs and because of significant default levels and litigation, NMDFC has developed a methodology to scrutinize and grade the reliability of NGOs.

Based on this methodology the proposals from a large number of NGOs are not found to be eligible for sanction based on check of documents in NMDFC and subsequent field scrutiny. In view of the above, the proposals of NGOs for micro finance from the States of Arunachal Pradesh, Gujarat, Karnataka, M.P. Maharashtra, Nagaland, Tripura and Uttarakhand could not be sanctioned. It is noted that in these States the concept of Micro Finance Institutions amongst NGOs is relatively undeveloped.

As an alternative, the implementation of Micro Finance Scheme through SCAs has been encouraged. Accordingly, NMDFC has organized a national level training for the SCA functionaries in the implementation of Micro Financing Scheme at Banker's Institute for Rural Development (BIRD) Lucknow during August 2009. Such trainings will continue to be held in future.

(F.No.G-20011/1/2010-11-Budget Dated 9th August, 2010)

Recommendation (Sl. No. 7, Para No. 3.39)

2.9 The Committee note with concern that the percentage of recovery of loans from the SCAs as well as from the individual beneficiaries in respect of NMDFC loan have been very poor. Though the recovery percentage of SCAs stood at 83.87% for the year 2006-

07, 83.17% for the year 2007-08 and 82.96% for the year 2008-09, the recovery percentage of individual beneficiaries has been far from satisfactory. The overall recovery percentage has decreased over the years in turn affecting the loaning capacity of the SCAs/NMDFC. Lack of infrastructure for carrying out the identification and selection of genuine loanees and lack of regular follow up by the SCAs with the beneficiaries have been stated to be the reasons for the poor recovery. The lack of resources and lack of field level infrastructure for monitoring has also been identified as the problem areas with regard to speedy recovery of the loan. The Committee also observe that in order to strengthen the administrative capacity of SCAs, the Ministry have started the plan scheme of grant-in-aid to SCAs. While hoping that the above steps would strengthen the SCAs, the Committee recommend the Ministry to advise the SCAs to work out a recovery schedule for repayment in easy installments for the beneficiaries and the beneficiaries who pay back the loans timely should be given incentive in the form of rebate in interest payment. This would not only ensure easy recovery but also attract the beneficiaries to avail the loans.

Reply of the Government

2.10 The low recovery has been due to the lack of follow up by the SCAs primarily because of the weak infrastructure that exists in most of them. NMDFC through a Grants-in-aid scheme for strengthening of SCAs had requested the SCAs to submit proposals for sanction of GsIA but except for a few SCAs, most of the other SCAs did not come forward with proposals and so funds provided under this scheme lapsed.

In order to ensure the recovery of overdues payable by the SCAs to NMDFC, letters have been written by the Chairperson NMDFC to the Chief Minister of States in June 2010 and by the Secretary, Ministry of Minority Affairs to the respective Chief Secretaries of State Governments in May 2010 requesting the States who are major defaulters to ensure

timely repayments to NMDFC so that the level of financing of target groups is increased and the recycling of funds available for Term Loans and Micro Finance is not affected.

The grant of incentives to beneficiaries for timely repayment of loans is the prerogative of the SCAs keeping in view the policies of the respective State Governments.

(F.No.G-20011/1/2010-11-Budget Dated 9th August, 2010)

Recommendation (Sl. No. 10, Para No. 5.18)

2.11 The Committee are constrained to note that though 5522 students were coached through 71 institutes under the Free Coaching and Allied Scheme the number of students coached has come down to 4682 through 39 institutes during the year 2009-10. The Committee are not satisfied with the reasons cited by the Ministry that proposals could not be invited on time and the process of the releasing of funds was delayed due to enforcement of code of conduct and General Election at the beginning of the financial year 2009-10. The Committee note with equal concern that not a single student has benefitted from the scheme in the States of Andaman and Nicobar, Arunachal Pradesh, Dadar and Nagar Haveli, Daman and Diu, Goa, Sikkim, Tamil Nadu, Uttarakhand, Lakshadweep and Pudduchery during the last two years i.e. 2007-08, 2008-09 and current financial year 2009-10. The coaching assistance given to students was also not uniform and regular during the previous years where students in some States were coached/trained while students in some other States were left behind. The Committee strongly feel that minority population is spread throughout the country and their presence is visible in almost all the States, and hence adequate attention needs to be given for coverage of beneficiaries in all the States. Therefore, the Committee recommend that the Ministry should direct the State Governments to give wide publicity to the scheme during the very beginning of the financial year itself so that proposals are invited, processed on time and release of funds not delayed.

Reply of the Government

2.12 During 2009-10, the number of beneficiaries was 5532 against the target of 5000. The numbers of institutes covered were 49 in 19 States. During the year 2010-11, as on 30-06-2010, against a target of 5760 number of beneficiaries covered are 3550, (i.e. 61%) including 45 students in Goa and 441 students in Tamil Nadu. Efforts would be made to cover all the States / UTs in future on the basis of receipt of the proposals from the States/UTs. The Ministry would also avail the assistance of Central Agencies such as Centre for Development of Advance Computing (C-DAC), Central Institute of Plastic Engineering and Technology (CIPET), Electronic Corporation of India (ECIL) etc. to attempt to cover training programmes in the uncovered States /UTs. During the year 2010-11, the projected and committed liability towards payment of first installments and second installments together is higher than the budgeted provision of Rs.15 crore. Therefore, the advertisement for inviting new proposals has been deferred for the present. As and when it is advertised, the Ministry will also request the State / UTs Governments to give wide publicity to the scheme within their respective jurisdictions.

(F.No.G-20011/1/2010-11-Budget Dated 9th August, 2010)

Recommendation (Sl. No. 12, Para No. 5.20)

2.13 The Committee further find that under the Coaching and Allied Scheme, financial assistance is also provided to the students for the remedial coaching/tuition. The Committee are dismayed to note that during the last four years no viable proposals for remedial coaching/tuition for pursuing technical/professional courses has been sanctioned by the Ministry. The Ministry's submission in this regard that even after talking to the States and requesting them to send proposals, the States are not coming forward and sending proposals is not acceptable to the Committee. The Committee feel that remedial coaching being of great help for the minority students in rural areas lagging behind in their

education to improve their performance, proposals from States/UTs should have been overwhelming, had there been sincere efforts on the part of the Ministry. The Committee are also of the opinion that the important aspect of 'remedial coaching' under the Coaching and Allied Scheme has not been highlighted and given proper publicity by the Ministry. Therefore, the Committee recommend the Ministry to make special efforts, talk to the Chief Secretaries of the States/UT Governments in this regard and publicise the scheme in a big way so that viable number of proposals for remedial coaching/tuition for pursuing technical/professional courses are received and the funds allocated under the scheme are effectively utilized for benefit of minority students.

Reply of the Government

2.14 The Ministry agrees with the importance of remedial coaching. In the meeting of the Principal Secretaries of Minority Welfare, held on 14.5.2010, concerns of the Hon'ble Committee have been conveyed to the State/U.T. Governments. Further, a letter has been addressed to all the States / UTs on 18th June, 2010, conveying the need to keep in view the role and importance of remedial coaching and send adequate number of proposals as and when proposals are sought.

(F.No.G-20011/1/2010-11-Budget Dated 9th August, 2010)

Recommendation (Sl. No. 13, Para No. 6.19)

2.15 The Committee note that under the Pre-matric and Post-matric scholarship schemes though the overall utilization of funds has been good yet it fell short of the budgetary estimates of Rs. 200 crore and Rs. 150 crore respectively. The Committee were also informed that funds were not released to the States/UTs of Arunachal Pradesh, Gujarat, Nagaland, Sikkim and Lakshadweep under the Pre-matric scholarship and to the States/UTs of Arunachal Pradesh, Goa and Lakshadweep under the Post-matric

scholarship, since these States/UTs had not sent their proposals. Though the Ministry have stated that they are making efforts for timely receipt of proposals from States through letters, periodic review meetings and media campaign etc., the Committee find that these efforts have not been enough as far as 100% utilization of the schemes are concerned. Therefore, the Committee recommend that the Ministry in close coordination with the States should try to attract sufficient number of proposals and achieve full utilization under both the schemes. Efforts should be made to utilize the enhanced amount of Rs. 450 crore and Rs. 265 crore sanctioned under the schemes. Widespread publicity should be given to both the schemes in minority dominant schools and steps should be taken with regard to sorting out specific problems being faced by the above States through consultation and interaction. Monitoring of the funds already released in States should also be done so as to ensure that these are actually reaching the minority students.

Reply of the Government

2.16 During the year 2009-10, the budget provision under Pre-matric Scholarship Scheme was Rs.200 crore; against which Rs.202.94 crore have been utilized. Under Post-matric Scholarship Scheme the budget provision of Rs.150 crore was made in 2009-10 against which Rs.148.74 crore was utilized. Together under both the schemes the Ministry spent Rs.351.68 crore against Rs.350 crore which is slightly more than 100%. The physical target under Pre-matric scholarship scheme during 2009-10 was 15,00,000 against which 17,29,076 scholarships were sanctioned. Under Post-matric scholarship scheme, 3,64,387 scholarships were sanctioned against the physical target of 3,00,000. The physical achievement has been 115% in Pre-matric category and 121% in Post-matric category in 2009-10.

2. As these scholarship schemes are central sponsored schemes, these are implemented through State Government / UTs Administrations. Funds are released to the States / UTs on the basis of proposals received from them and after ensuring the utilization of funds released in the previous year. In order to achieve the target for 2010-11 under scholarship schemes as well as under other schemes of the Ministry, a meeting of Principal Secretaries / Secretaries of the Minority Welfare Departments of all States / UTs was organized on 14.05.2010. In that meeting all the States / UTs were urged to ensure that the schemes are properly advertised in their respective States / UTs. Further, Chief Secretaries of States / UTs have been requested to take a meeting at their level.

3. Ministry of Minority Affairs has launched a media campaign during 2010-11 for dissemination of information for creating awareness about the schemes of the Ministry. Newspaper advertisements on Scholarship Schemes have been placed twice during June/July 2010 in 347 Newspapers (English-34, Hindi-92, other languages 221). Advertisements on Doordarshan and All India Radio have been disseminated from 12th to 30th June and 10th June to 15th July, 2010 respectively. Advertisement on DD telecast again from 20th July to 20th August, 2010. All India Radio has broadcast on prime time channels and on all 22 FM channels.

4. To ensure effective implementation of schemes / programmes of the Ministry, including these scholarship schemes, National Level Monitors (NLMs) have been deputed for monitoring the implementation of the schemes / programmes in the field and provide feedback to enable this

Ministry to take corrective steps, if any. Officers of this Ministry are also visiting the States / UTs to monitor implementation status of the schemes / programmes of this Ministry.

5. All the observations / recommendations of the Hon'ble Committee have been noted for compliance and guidance.

(F.No.G-20011/1/2010-11-Budget Dated 9th August, 2010)

Recommendation (Sl. No. 14, Para No. 7.8)

2.17 The Committee note that the main objectives of Maulana Azad Education Foundation (MAEF) are to formulate and implement educational schemes and plans for the benefit of the educationally backward minorities in particular and weaker sections in general, to facilitate establishment of residential schools, especially for girls. MAEF's schemes are of two types, viz; grants-in-aid to NGOs for construction and expansion of schools/hostels, technical/vocational training centres etc. and scholarships to meritorious girl students. The Committee are dismayed to learn that under the scheme of grants-in-aid to MAEF as against the proposal of Rs. 175 crore, only Rs. 125 crore has been sanctioned for 2010-2011. The reason advanced by the Ministry in this regard is that an outlay of Rs. 500 crore has been allocated for MAEF's corpus fund for the Eleventh Five Year Plan and out of it Rs. 225 crore has been released to the foundation during 2007-08, 2008-09 and 2009-10. The balance Rs. 275 crore is to be released in the remaining two years i.e. Rs. 125 crore in 2010-2011 and Rs. 150 crore in 2011-2012. The Committee, keeping in view the hundred percent utilization during 2009-10, are not satisfied by the plea/stand of the Ministry. They feel that in view of the huge population of the minority community of Muslims, Rs. 500 crore of corpus fund is insufficient. The Committee strongly recommend that the corpus fund for the 11th Five Year Plan should be enhanced

considerably particularly for the remaining plan period. The Committee further recommend that in order to make the holistic development of the minority community (Muslims) alongwith the enhancement in the financial allocation for MAEF, residential schools system should also be introduced all over the country so that more and more people of the community could be educated.

Reply of the Government

2.18 The Corpus Fund of the Maulana Azad Education Foundation stood at Rs. 100 crore, in December 2006. This was raised to Rs. 200 crores by March, 2007. Further, the Government has decided to augment the corpus fund of MAEF to Rs.700 crore during the 11th Plan Period. The present paid up Corpus Fund of the MAEF is Rs.550 crore. In accordance with approval of the Government for the 11th Plan Period, another Rs.150 crore would be released to the Foundation during the year 2011-12.

Since establishment of Residential Schools comes under the purview of Ministry of Human Resource Development, the recommendations of the H0n'ble Committee in this regard have been forwarded to the Ministry of Human Resource Development for necessary action at their end.

(F.No.G-20011/1/2010-11-Budget Dated 9th August, 2010)

CHAPTER – III

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

Recommendation (Sl. No. 9, Para No. 4.17)

3.1 The Committee further note that a MsDP Empowered Committee in the Ministry appraises and approves the projects in the MsDP plans. This Empowered Committee also serves as the over sight body at the Centre and shall monitor the implementation of the programme. The Committee have also learnt that the State level and District level Committees which have been constituted for implementation of the PM's new 15 Point Programme for Welfare of minorities also serve as bodies for monitoring the implementation of MsDP in the States/UTs. The scheme of MsDP also envisages for quarterly review of the progress of implementation by these Committees. The Committee, however, regret to find that no mechanism exists at the Block and Village levels which are the actual pedestals for implementation of the programme. They urge the Ministry to ensure the establishment of bodies/Committees at the Block and Village levels in collaboration with the State/UT administrations in order to implement the MsDP in a qualitative and efficient manner.

Reply of the Government

3.2 The district level committee constituted for implementation of the Prime Minister's New 15 Point Programme for the Welfare of Minorities, which consists of the District Collector/Deputy Commissioner, district level officers of the departments implementing the programme, representatives of the Panchayati Raj Institutions/Autonomous District Councils and representatives from reputed institutions dealing with minorities, also serves as the district level committee for monitoring the implementation of Multi-sectoral Development Programme (MsDP) in minority concentration districts. Recently, the

guidelines for implementation of 15 Point Programme have been amended and Members of Parliament (MPs) and Members of Legislative Assembly (MLAs) have been included in the district and State level Committees. The projects approved under MsDP are mainly for topping-up of existing Centrally Sponsored Schemes (CSS) which have their own implementation and monitoring mechanism. The scheme of MsDP neither envisages any change in the guidelines of such CSS nor envisages creation of a separate implementing and monitoring mechanism. It depends on the implementing agencies of such CSS and the monitoring mechanism of the 15 Point Programme. Accordingly, it is felt that the district level committee, which would have MPs and MLAs, representatives of the Panchayati Raj Institutions, representing villages/blocks, would be able to ensure the implementation and monitoring of MsDP in a qualitative and efficient manner.

(F.No.G-20011/1/2010-11-Budget Dated 9th August, 2010)

CHAPTER – IV

OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT HAVE NOT BEEN ACCEPTED AND HAVE BEEN COMMENTED UPON BY THE COMMITTEE IN CHAPTER - I

Recommendation (Sl. No. 5, Para No. 3.37)

4.1 The Committee are given to understand that under the SCAs programme of NMDFC, projects costing upto Rs. 5 lakh are financed. Funds for this purpose are made available to the SCAs with an interest rate of 3% for further loaning to the beneficiaries at 6%. The Committee observe that under term loan scheme, no funds were disbursed to the States like Manipur, Madhya Pradesh, Meghalaya, Orissa and Uttar Pradesh during the last three years i.e. 2006-07, 2007-08, 2008-09 and the current financial year 2009-10 due to reasons such as non-operation of SCAs in the States, mounting overdues, absence of State Government guarantee, non utilization of funds released earlier and poor recovery from the beneficiaries. The Committee feel that the marketing assistance related term loan programme under the SCAs have a lot of potential for the economic upliftment of the minority beneficiaries where they can undertake small scale entrepreneurial activities. However, it is very unfortunate that due to weak SCAs many States are not able to avail the benefits under the scheme and there is an urgent need for strengthening and capacity building of the SCAs in order to make them efficient. The Committee, therefore, strongly recommend that the Ministry should take necessary steps to make the SCAs operational in those States where these are defunct and non-functional or not functioning properly. SCAs should be strengthened and energized both economically and administratively at the grass root level. The staff strength of the SCAs should be upgraded so that the shortage of staff does not affect the working of NMDFC.

Reply of the Government

4.2 The marketing assistance related term loan programme under the SCAs have a lot of potential for the economic upliftment of the minority beneficiaries where they can undertake small scale entrepreneurial activities but as noted by the Committee, the SCAs are not in a position to utilize this opportunity. This is mainly because the infrastructure of the SCAs is weak.

NMDFC through a Grants in aid scheme for strengthening of SCAs had requested the SCAs to submit proposals for GsIA. Except for a few SCAs, most of the other SCAs did not come forward with proposals and so funds provided under this scheme lapsed. The matter of no- functioning of State Channelising Agencies in the States like Manipur, Madhya Pradesh, Orissa, Uttar Pradesh etc. is regularly taken up with the respective State Governments. Letters have been written by the Chairperson, NMDFC to the Chief Ministers and by the Secretary, Ministry of Minority Affairs to the Chief Secretaries of the respective States covering this issue to allow strengthening for proper functioning of the SCAs. Though an SCA has been nominated in Meghalaya it has not begun to implement any of the schemes of NMDFC.

NMDFC has since the year 2009-10 given special thrust to marketing assistance scheme. As compared to 257 beneficiaries covered under the marketing assistance scheme in 2008-09, NMDFC assisted 3,871 artisans during 2009-10.

In order to strengthen and build capacity of the weak SCAs apart from the Grant in Aid Scheme, NMDFC is regularly following up with the concerned State Governments.

(F.No.G-20011/1/2010-11-Budget Dated 9th August, 2010)

Comments of the Committee

(Please see Para 1.7 of Chapter – I of the Report)

Recommendation (Sl. No. 8, Para No. 4.16)

4.3 The Multi Sectoral Development Programme (MsDP) is a special area development scheme which was launched in 2008-09 and being implemented through the State Governments/UTs in 90 Minority Concentration Districts (MCDs) having a substantial minority population, which are relatively backward and falling behind the national average in terms of socio-economic and basic amenities indicators. The Committee note that a substantial amount of Rs. 989.50 crore was allocated under the scheme during 2009-10. However, they are dismayed to find that only Rs. 513 crore were spent upto 31.12.2009 and another Rs. 38.016 crore were released from 31.12.2009 upto 15.3.2010. Nonetheless, the Committee find that Rs. 1400 crore have been allocated for the programme for 2010-2011 and the Ministry have so far considered and approved 77 district plans, of which plans for only 13 MCDs have been approved in full. The remaining district plans for 64 MCDs have been approved partially and expected to be approved in full during 2010-2011. The Committee are not satisfied with the slow pace of development under the scheme as a big amount i.e. Rs. 1400 crore has been allocated by the Government of India for the purpose for 2010-2011. They recommend that the Ministry in coordination with the State Governments should expedite the development process of all the 90 MCDs in a time bound manner so as to fulfill the objectives behind the scheme in these districts.

Reply of the Government

4.4 The scheme of Multi-sectoral Development Programme (MsDP) envisages preparation of district plans in such a manner that the development deficits of a district, identified by a baseline survey, are addressed for improvement of backwardness parameters of MCDs to bring them at par with the national average. The Ministry has been approving proposals contained in the district plans of MCDs which address the identified development deficits and are prepared in accordance with the scheme of MsDP.

For proposals in the district plans not made in accordance with the MsDP guidelines and not addressing the identified development deficits, the States/UTs have been advised to submit revised plans. So far 81 district plans have been considered and approved, of which 18 are approved in full and 63 in part. Although Rs.513 crore was released upto December, 2009, an amount of Rs.973.02 crore was released to the State Governments upto 31st March, 2010 against an allocation of Rs.990 crore for 2009-10, which is 98% of allocation for MsDP. The first set of district plans were considered and approved in August, 2008 and first releases were made in October, 2008. It has been only one year and eight months since the first release of funds. During this period, the Ministry has approved plans amounting to Rs.2412.57 crore, of which Rs.1270.55 crore have been released to the State Governments.

Several workshops and meetings have been held with the State Secretaries and Deputy Commissioners for preparation of district plans in a manner to address the identified development deficits as envisaged in the scheme of MsDP. In May 2010, a conference of Principal Secretaries/Secretaries of States/Union Territories dealing with minority welfare was held and wherein the need for early submission of district plans was emphasized to ensure that the funds for 2010-11 are released well in time to enable States/UT to implement the approved projects in a time bound manner. Strict and meticulous monitoring of the various schemes in the States is undertaken by carrying out field visits by the officers of this Ministry so as to avoid underutilization of funds and faster implementation of the programme.

(F.No.G-20011/1/2010-11-Budget Dated 9th August, 2010)

Comments of the Committee

(Please see Para 1.10 of Chapter – I of the Report)

Recommendation (Sl. No. 11, Para No. 5.19)

4.5 The Committee are given to understand that under Free Coaching and Allied Scheme, coaching for recruitment of constable and equivalent in police, security forces and railways is provided. However, when the Committee asked to furnish the details on the number of beneficiaries who have actually gained employment after the coaching, the Ministry have casually stated in their written reply that the information of beneficiaries who have gained employment in police, security forces and railways after availing benefits under the scheme will be obtained and submitted to the Committee in due course. The Committee take a strong note of it and are of the view that the information on the above should have been readily available with the Ministry. In this regard the Committee direct the Ministry that the above information should be made available to them at the earliest.

Reply of the Government

4.6 Information has been gathered since then. One institute in Tripura had applied for coaching of 10 students for the entrance examination for constable in 2008-09. First installment was released. The proposal for release of second installment has been received from the institute through the State Government in July,2010. Out of 8 candidates who were imparted coaching for the post of Constable, two candidates have been selected as Constables in Tripura Police and two candidates did not attend the coaching after selection.

Another proposal from an institute in Gujarat for training / coaching of three hundred students for the post of constables was received. However, no fund was released to the institute as it did not provide the list of candidates for training/coaching as required under the scheme. The institute was asked to provide list of students as on 22.05.2009. A reminder was issued on 26th August, 2009 for furnishing the list of students. Another

reminder was sent on 9th April, 2010 and no response has been received. A letter to the Chief Secretary, Gujarat was also addressed on 18.06.2010.

(F.No.G-20011/1/2010-11-Budget Dated 9th August, 2010)

Comments of the Committee

(Please see Para 1.13 of Chapter – I of the Report)

CHAPTER – V

OBSERVATIONS/RECOMMENDATIONS IN RESPECT OF WHICH REPLIES OF THE GOVERNMENT ARE INTERIM IN NATURE

Recommendation (Sl. No. 4, Para No. 3.36)

5.1 The Committee are happy to note that the authorized share capital of NMDFC has increased from Rs. 850 crores to Rs. 1000 crores during the year 2009-10. Out of the Central Government's share which works out to be Rs. 650 crores (65%) as on 31st December, 2009 the Government of India has contributed Rs. 645.36 crores towards the equity of NMDFC. The Committee, however, note with concern that out of the States' share of Rs. 260 crore (26%) States like Goa, Meghalaya and Sikkim have not contributed their share so far. Also some States have paid only 15%, 20% or 50% etc. Union Territories such as Andaman & Nicobar Islands, Daman & Diu, and Lakshadweep, which are directly under the control of Government of India have also not contributed their share so far to the equity of NMDFC. The Secretary, Ministry of Minority Affairs during the evidence has accepted that wherever the States are not giving equity or the State Guarantee, the recovery of funds is not upto the mark. In the event of non-contribution towards equity or non-giving of State Guarantee, the Ministry/NMDFC is not in a position to lend further funds to these States/UTs. The Committee are not happy with the above position and recommend the Ministry to persuade the non paying States to contribute their shares. Matter should also be taken up with the States, which are contributing their share partially for sorting out the issues for which they are not able to contribute their share in full. The Committee also desire that the issue of State Guarantee need to be taken up with the concerned States so that the minority beneficiaries in these States are not deprived of availing loans from NMDFC.

Reply of the Government

5.2 The matter of non-contribution of equity by States and UTs to NMDFC has been taken up from time to time with the State Governments. It is true that if the shares of equity due are not received in full from the State governments, lending by NMDFC is constrained. As recently as in May 2010 the Secretary of this Ministry had written to all the Chief Secretaries of States and UTs requesting the latter to release the remaining equity due to NMDFC during the current financial year 2010-11.

The equity Share Capital contribution received by NMDFC from the States till March 2009 was Rs. 123.41 crore. During the year 2009-10 because of constant follow up from the Ministry and Corporation a further sum of Rs. 22.56 crore was received as equity contribution from 16 States. During the current financial year 2010-11(till 20.5.2010), Rs. 6.65 Crore has been received as equity contribution from 7 States. Rs. 42.60 lakh as equity contribution has been received from the Government of Mizoram after a gap of nine years. An amount of Rs. 7.0 lakh has also been received from the Government of Tripura during the current financial year as equity contribution. The matter of non-receipt of the share of equity contribution from the States of Sikkim and Meghalaya is under active correspondence.

(F.No.G-20011/1/2010-11-Budget Dated 9th August, 2010)

Recommendation (Sl. No. 15, Para No. 8.10)

5.3 The Committee are concerned to note that the population of a small minority community, namely, Parsis has declined from 1,14,000 in 1941 to 69,000 in 2001. The constant decline in the number of this population/community who are very well-organized, well-educated and self-reliant is a cause of concern for the nation as a whole. In this regard, the Committee have been informed that the National Commission for Minorities has conducted three studies on Parsis over a period of time and highlighted the main reasons for dwindling their numbers as late and non-marriages, fertility decline,

emigration, out-marriages, separation, divorces etc. The Committee have also been apprised by the Ministry that in order to arrest the diminishing population of the small minority community and arrest the trend a scheme would be formulated in 2010- 2011 and an amount of Rs. One crore has also been allocated for this purpose. The Ministry in this direction, had also held a meeting with the representatives of the Parsi community on 25-26 March, 2010 to discuss the issue of decline in the population of Parsis and the proposed plan scheme. The representatives have promised to send their views formally to the Government in this regard. In view of it, the Committee hope that after analyzing the considered views of the representatives of the community, a holistic approach and action plan would be formulated by the Ministry to address the core issues of the Parsi community specifically the trend of their declining population.

Reply of the Government

5.4 The observations made by the Hon'ble Committee have been noted for compliance. A concept note for seeking 'in principle' approval of the Planning Commission was forwarded on 25th May, 2010. On 23rd July,2010, the Planning Commission has turned down the proposal stating that they do not find justification for granting "in-principle" approval to the proposed scheme. The matter has again been taken up with the Planning Commission on 29th July,2010 to convey the reasons for their rejection so that necessary clarification can be given for reconsideration of the proposal.

(F.No.G-20011/1/2010-11-Budget Dated 9th August, 2010)

Recommendation (Sl. No. 16, Para No. 8.11)

5.5 The Committee have been given to understand that a new scheme of 'Interest Subsidy on Educational Loans for Overseas Studies' with the objective of providing financial assistance by way of extending interest subsidy on education loans to students of minority communities for pursuing higher studies abroad, is proposed to be implemented by the Ministry and an allocation of Rs. 2 crore has been made for the purpose in the budget of 2010-2011. The Committee are of the opinion that the above initiative of the Ministry will certainly help many minority students who wish to pursue higher studies abroad but cannot, due to financial constraints. While hoping that the scheme would be appraised and approved by the competent authority early, the Committee desire that the amount allocated under the scheme would be utilized judiciously so as to benefit the minority students who want to avail education loans.

Reply of the Government

5.6 The observations made by the Hon'ble Committee have been noted for compliance. While formulating the scheme, the observations of the Committee would be kept in view. A concept note for seeking 'in principle' approval of the Planning Commission was forwarded on 18.06.2010. The Planning Commission has sought certain information prior to conveying the 'in principle' approval of the scheme.

(F.No.G-20011/1/2010-11-Budget Dated 9th August, 2010)

Recommendation (Sl. No. 17, Para No. 8.12)

5.7 The Committee note that a new scheme of strengthening State Waqf Boards is proposed to be implemented by the Ministry during the year 2010-2011 in pursuance with the recommendation of the Joint Parliamentary Committee on Waqf and an amount of Rs.

7.00 crore has been earmarked for the purpose. Under the scheme, Grants-in-aid is proposed to be provided for strengthening of State Waqf Boards. The Committee observe that the above step will help in improving the performance of the State Waqf Boards the condition of which are at present poor and weak. The Committee further observe that in order to preserve and promote the minor and endangered languages in the country, a small scheme of promotional activities of linguistic minorities has also been conceived by the Ministry for implementation during 2010-2011 with an allocation of Rs. one crore. The Committee also agree with the Ministry's perspective that minority languages/dialects are a strong part of our cultural diversity and their preservation is a must. The Committee hope that both the above schemes would be formulated in time and necessary steps will be taken for their early approval and implementation.

Reply of the Government

5.8 The observations made by the Hon'ble Committee have been noted for compliance. The schemes will be formulated, appraised and approved in time and implemented thereafter. The present status in respect of the two schemes is as under:-

(a) STRENGTHENING OF STATE WAQF BOARDS

Before initiating the process of formulating the scheme, a meeting with all the State Waqf Boards was held in this Ministry on 14th May, 2010 for seeking their inputs. Thereafter a meeting was held on 1st June, 2010 with representatives of the Waqf Boards of Haryana, Bihar, Uttar Pradesh, Kerala, Delhi and West Bengal to broadly configure the scheme. Visits were made to the three State Waqf Boards of Karnataka, Uttar Pradesh and Bihar in July 2010 to assess the ground realities to help in formulation of the scheme. Based on the discussions, a Concept Note is being proposed to be sent to the Planning Commission for seeking their 'in principle' approval.

(b) PROMOTIONAL ACTIVITIES OF LINGUISTIC MINORITIES

Discussion has been held with the Acting Commissioner of Linguistic Minorities for seeking inputs. It is proposed to hold a meeting with Ministry of Home Affairs, Ministry of Human Resource Development and Ministry of Culture to seek their views on the proposed scheme. The matter is also under correspondence with Planning Commission for obtaining their 'in principle' approval.

(F.No.G-20011/1/2010-11-Budget Dated 9th August, 2010)

NEW DELHI
5 January, 2011
15 Pausha, 1932 (Saka)

DARA SINGH CHAUHAN
Chairman
Standing Committee on
Social Justice and Empowerment.

MINUTES OF THE FOURTH SITTING OF THE STANDING COMMITTEE ON SOCIAL JUSTICE AND EMPOWERMENT HELD ON WEDNESDAY, 5TH JANUARY, 2011.

The Committee met from 1500 hrs. to 1550 hrs. in Committee Room No. 'G-074', PLB, New Delhi.

PRES ENT

SHRI DARA SINGH CHAUHAN - CHAIRMAN

**MEMBERS
LOK SABHA**

2. Shri T.R. Baalu
3. Shri E.T. Mohamed Basheer
4. Shri Bhudeo Choudhary
5. Smt. Rama Devi
6. Shri R. Dhruvanarayana
7. Shri Premchand Guddu
8. Shri Baliram Jadhav
9. Dr. Manda Jagannath
10. Shri Mohan Jena
11. Shri G.V. Harsha Kumar
12. Shri Kamlesh Paswan
13. Shri Lalit Mohan Suklabaidya
14. Shri Manohar Tirkey

**MEMBERS
RAJYA SABHA**

15. Smt. Jharna Das Baidya
16. Shri Avtar Singh Karimpuri
17. Shri Narayan Singh Kesari
18. Shri Baishnab Parida
19. Shri Nandi Yelliah

LOK SABHA SECRETARIAT

- | | | | |
|----|---------------------------|---|------------------|
| 1. | Smt. Anita Jain | - | Director |
| 2. | Shri Sanjeev Kumar Mishra | - | Deputy Secretary |
| 3. | Dr. (Smt.) Sagarika Dash | - | Under Secretary |

2. At the outset, Hon'ble Chairman welcomed the Members to the sitting of the Committee and apprised them that the sitting has been convened to consider and adopt the following Draft Reports of the Committee :-

- (i) Draft Twelfth Report on Action taken by the Government on the observations/recommendations contained in the Sixth Report on Demands for Grants (2010-2011) of the Ministry of Minority Affairs.
- (ii) Draft Thirteenth on Action taken by the Government on the observations/recommendations contained in the Fourth Report on Demands for Grants (2010-2011) of the Ministry of Social Justice and Empowerment.
- (iii) Draft Fourteenth Report on Action taken by the Government on the observations/recommendations contained in the Fifth Report on Demands for Grants (2010-2011) of the Ministry of Tribal Affairs.

3. Thereafter, the Committee considered and adopted the Twelfth Report without any amendment.

4. The Committee authorized the Chairman to finalize the draft Report and present the same to Parliament.

The Committee then adjourned.

APPENDIX

ANALYSIS OF ACTION TAKEN BY THE GOVERNMENT ON THE RECOMMENDATIONS CONTAINED IN THE SIXTH REPORT OF THE STANDING COMMITTEE ON SOCIAL JUSTICE AND EMPOWERMENT (FIFTEENTH LOK SABHA)

	Total	Percentage
I. Total number of Recommendations	17	
II. Observations/Recommendations which have been accepted by the Government (Paragraph Nos. 2.22, 2.23, 2.24, 3.38, 3.39, 5.18, 5.20, 6.19 and 7.8)	9	52.94
III. Observations/Recommendations which the Committee do not desire to pursue in view of the replies (Paragraph No. 4.17).	1	5.88
IV. Observations/Recommendations in respect of which replies of the Government have not been accepted and have been commented upon by the Committee in Chapter –I (Paragraph No. 3.37, 4.16 and 5.19)	3	17.65
V. Observations/Recommendations in respect of which replies of the Government are interim in nature (Paragraph Nos. 3.36, 8.10, 8.11 and 8.12).	4	23.53